



# CHOKSI IMAGING LIMITED

Corp. Off.: 4<sup>th</sup> Floor., C-wing, Classique Centre, Mahal Indl. Estate, Off. Mahakali Caves Road.,  
Andheri (E) Mumbai-400 093. INDIA. Tel.: 022-42287555 Fax: 022-42287588  
Regd. Off.: D-10, Prasad Indl. Est., 2-66, Sativali, Vasai Kaman Rd., Vasai (E), Dist. Thane-401208.  
Tel: 0250-3251797  
Email : [imaging@choksiworld.com](mailto:imaging@choksiworld.com) Website : [www.choksiworld.com](http://www.choksiworld.com) CIN:L24294MH1992PLC068852

2<sup>nd</sup> September, 2014

To,  
Bombay Stock Exchange,  
Listing Department,  
Phiroze Jeejeebhoy Tower,  
Dalal Street,  
Mumbai- 400001.

Dear Sir/Madam,

**Ref: Code No.530427**

**Sub: 22<sup>nd</sup> Annual General Meeting.**

Notice is hereby given that 22<sup>nd</sup> Annual General Meeting of the Members of the Company for the year ended 31<sup>st</sup> March, 2014 will be held on Saturday, 27<sup>th</sup> day of September, 2014 at Dara's Dhaba, W.E. Highway NO.8, Ghodbunder Road, Kashimira, Post Mira, Dist. Thane - 401104 at 11.00 a.m.

Also, find attached herewith, **Annual Report** along with the "Form A" of Choksi Imaging Limited for the financial year ended 31<sup>st</sup> March, 2014.

You are requested to take above on record and oblige.

For Choksi Imaging Limited

**Rishi Dave**  
Company Secretary



Place: Mumbai



# CHOKSI IMAGING LIMITED

**22nd**  
**ANNUAL REPORT**  
**2013-2014**



**Image & Vision**

## TWENTYSECOND ANNUAL REPORT 2013 - 2014

<b>BOARD OF DIRECTORS</b>	:	<b>SHARADCHANDRA PENDSE</b> - Chairman & Independent Director <b>ANIL V. CHOKSI</b> - Managing Director <b>GAURAV S. CHOKSI</b> - Whole Time Director <b>NAIMISH N. CHOKSI</b> - Whole Time Director <b>SAMIR K. CHOKSI</b> - Whole Time Director <b>VIKRAM V. MANIAR</b> - Independent Director <b>TUSHAR M. PARIKH</b> - Independent Director <b>HIMANSHU KISHNADWALA</b> - Independent Director <b>SHAMANTHAKAMANIPRAKASH SAGARKATTE</b> - Independent Director (w.e.f. 28.6.2014)
<b>COMPLIANCE OFFICER</b>	:	<b>RISHI M. DAVE</b>
<b>BANKERS</b>	:	<b>BANK OF BARODA</b>
<b>AUDITORS</b>	:	<b>PARIKH &amp; AMIN ASSOCIATES</b> Chartered Accountants 205, 2nd Floor, 'B' Wing, Abhinav Apt., Shraddhanand Road, Vile Parle (E), Mumbai 400 057. Fax : 2617 4646
<b>SHARE TRANSFER AGENT</b>	:	<b>ADROIT CORPORATE SERVICES PVT. LTD.</b> 19, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Mumbai - 400 059. Tel. : 2859 6060 / 2859 4060 • Fax : 2850 3748
<b>REGISTERED OFFICE</b>	:	D-10, Prasad Industrial Estate, 2-66, Sativali, Vasai Kaman Road, Vasai (East), Dist. Thane - 401 208. Tel. : 0250-3251797
<b>CORPORATE OFFICE</b>	:	4th Floor, C Wing, Classique Centre, Plot No. 26, Mahal Indl. Estate, Off. Mahakali Caves Road, Andheri (East), Mumbai - 400 093. INDIA Tel. : 022-4228 7555 • Fax : 022-4228 7588
<b>GRIEVANCE REDRESSAL DIVISION</b>	:	compliance.officer@choksiworld.com
<b>FACTORY</b>	:	Plot No. 10, Survey No. 121/P, Off. 66 K.V.A. Road, Amlī, Silvassa - 396 230 (U.T.)

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## FINANCIAL HIGHLIGHTS

(₹ In Lakhs)

	2013-14	2012-13	2011-12	2010-11	2009-10
Gross Turnover	18482.63	24736.8	19528.47	16931.66	14741.70
Profit before tax	(641.01)	35.74	186.63	535.02	752.89
Profit after tax (after extraordinary / prior period items)	(646.43)	22.82	126.64	355.06	495.21
Dividend (incl. Dividend tax and surcharge ,if any)	-	22.66	45.33	68.22	90.95
Net Worth	1268.35	1914.78	1914.62	1833.31	1561.02
Book value per share (₹)	32.52	49.10	49.09	47.01	40.03
Earnings per share (₹)	(16.58)	0.59	3.25	8.73	12.28
Dividend %	-	5%	10%	15%	20 % (15%+5%)

**NOTICE**

Notice is hereby given that the TWENTYSECOND ANNUAL GENERAL MEETING of the MEMBERS OF **CHOKSI IMAGING LIMITED** will be held on SATURDAY, 27<sup>TH</sup> SEPTEMBER, 2014 at 11.00 a.m at Dara's Dhaba, W.E. Highway NO.8, Ghodbunder Road, Kashmirira, Post Mira, Dist. Thane - 401104 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31<sup>st</sup> March, 2014, the Profit and Loss Account and Cash Flow Statement for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Anil V. Choksi, who retires by rotation and being eligible, offers himself for re-appointment.
3. **Appointment of Statutory Auditors of the Company.**

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 ("the Act") and the Rules framed thereunder, as amended from time to time and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. Parikh & Amin Associates, Chartered Accountants, Mumbai (Firm Registration No.107520W), be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the third Annual General Meeting of the Company, to be held after that, at such remuneration as shall be fixed by the Board of Directors of the Company."

**SPECIAL BUSINESS:**

4. **Appointment of Mr. Sharadchandra Pendse as an Independent Director.**

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 Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, as amended from time to time, Mr. Sharadchandra Pendse (DIN: 00049222), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years with effect from 27<sup>th</sup> September, 2014 AND THAT he shall not be liable to retire by rotation."

5. **Appointment of Mr. Tushar Parikh as an Independent Director.**

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 Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, as amended from time to time, Mr. Tushar Parikh (DIN: 00049287), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years with effect from 27<sup>th</sup> September, 2014 AND THAT he shall not be liable to retire by rotation."

6. **Appointment of Mr. Himanshu Kishnadwala as an Independent Director.**

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 Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, as amended from time to time, Mr. Himanshu Kishnadwala (DIN: 00006822), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years with effect from 27<sup>th</sup> September, 2014 AND THAT he shall not be liable to retire by rotation."

7. **Appointment of Mr. Vikram Maniar as an Independent Director.**

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 Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Rules made there under, as amended from time to time, Mr. Vikram Maniar (DIN:00043519), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years with effect from 27<sup>th</sup> September, 2014 AND THAT he shall not be liable to retire by rotation.”

**8. Appointment of Mrs. Shamanthakamaniprakash Sagarkatte as an Independent Director.**

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 Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Rules made thereunder, as amended from time to time, Mrs. Shamanthakamaniprakash Sagarkatte (DIN:06898477), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive with effect from 27<sup>th</sup> September, 2014 AND THAT she shall not be liable to retire by rotation.”

**9. To approve borrowing limits of the Company.**

To consider and, if thought fit, to pass with or without modification(s), the following resolutions as Special Resolution:

“**RESOLVED THAT** pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013 (“the Act”) and other applicable provisions including any amendment, modification, variation or re-enactment thereof for the time being in force, if any, the consent of the members be and is hereby accorded to the Board of Directors of the Company (‘the Board’) to borrow such sum or sums of money from time to time as may be required for the purpose of the business of the Company and the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the company’s bankers in the ordinary course of business), in excess of, the aggregate of paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount up to which monies to be borrowed by the Board of Directors (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) shall not at any time exceed the limit of Rs. 50,00,00,000/- (Rupees Fifty Crore only) over and above the aggregate of the paid up capital and free reserves of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/ or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members.”

**10. Creation of Charges in connection with borrowing of the Company.**

To consider and, if thought fit, to pass with or without modification(s), the following resolutions as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), as amended from time to time, consent of the members be and is hereby accorded to the Board of Directors of the Company (‘the Board’) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations, if any, created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or bodies/ trustees for holders of debentures/ bonds which may be issued to or subscribed to by all or any of the Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or any other person(s)/ bodies corporate by way of private placement or otherwise (hereinafter collectively referred to as ‘Lenders’), provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, for which such charges, mortgages or hypothecations are created, shall not, at any time exceed the limit of Rs.50,00,00,000/- (Rupees Fifty Crore only) over and above the aggregate of the paid up capital and free reserves of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/ or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members.”

**11. To approve revision in Managing Director’s salary.**

To consider and, if thought fit, to pass with or without modification, the following resolutions as a Special Resolution.

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), as amended from time to time, the Company hereby approves the revision in the terms of remuneration of Mr. Anil Choksi (DIN: 00049369) as the Managing Director of the Company, by way of an increase in the maximum amount of his salary (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board or a Committee thereof to fix his salary within such maximum amount, increasing thereby, proportionately, all benefits related to the quantum of salary with effect from 1<sup>st</sup> April, 2014 as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, for the remainder of his term.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**12. To approve revision in Whole Time Director’s salary.**

To consider and, if thought fit, to pass with or without modification, the following Resolutions as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), as amended from time to time, the Company hereby approves the revision in the terms of remuneration of Mr. Naimish Choksi (DIN: 00049397) as the Whole Time Director of the Company, by way of an increase in the maximum amount of his salary (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board or a Committee thereof to fix his salary within such maximum amount, increasing thereby, proportionately, all benefits related to the quantum of salary with effect from 1<sup>st</sup> April, 2014 as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, for the remainder of his term.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**13. To approve revision in Whole Time Director’s salary.**

To consider and, if thought fit, to pass with or without modification, the following Resolutions as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), as amended from time to time, the Company hereby approves the revision in the terms of remuneration of Mr. Samir Choksi (DIN: 00049416) as the Whole Time Director of the Company, by way of an increase in the maximum amount of his salary (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board or a Committee thereof to fix his salary within such maximum amount, increasing thereby, proportionately, all benefits related to the quantum of salary with effect from 1<sup>st</sup> April, 2014 as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, for the remainder of his term.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**14. To approve revision in Whole Time Director’s salary.**

To consider and, if thought fit, to pass with or without modification, the following Resolutions as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), as amended from time to time, the Company hereby approves the revision in the terms of remuneration of Mr. Gaurav Choksi (DIN:00049445) as the Whole Time Director of the Company, by way of an increase in the maximum amount of his salary (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board or a Committee thereof to fix his salary within such maximum amount, increasing thereby, proportionately, all benefits related to the quantum of salary with effect from 1<sup>st</sup> April, 2014 as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, for the remainder of his term.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**On behalf of Board of Directors**

Registered Office :  
Choksi Imaging Limited  
(CIN: L24294MH1992PLC068852)  
D-10, Prasad Indl.Est.,  
2-66, Sativali, Vasai Kaman Rd.,  
Vasai (E), Dist. Thane-401208.

Sd/-  
**Anil V. Choksi**  
Managing Director

Place : MUMBAI  
Date : 28th June, 2014

NOTES

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos. 4 to 14 of the Notice, is annexed hereto.
2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. No photo copy / scanned copy of the completed proxy form will be accepted.
3. 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.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting. Additional copies of Annual Report will NOT be provided at the meeting to members. The Annual Report of the company circulated to the members of the Company is also available on the Company's website i.e. [www.choksiworld.com](http://www.choksiworld.com).
5. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
6. The Company has notified closure of Register of Members and Share Transfer Books from 19<sup>th</sup> September, 2014 to 27<sup>th</sup> September, 2014 (both days inclusive).
7. Shareholders seeking any information with regard to Accounts or on the Annual Report are requested to write to the Company at least one week before the meeting to enable the management to keep the information ready.
8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates 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 / RTA.
9. Members are encouraged to use Electronic Clearing System (ECS) for receiving dividends. Shareholders who would like to avail ECS facility (if not done earlier) are requested to write to the Registrar & Share Transfer Agents of the Company for ECS Mandate form.
10. Pursuant to the provisions of Section 205A (5) and 205 C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the Financial years 2005-2006 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company ([www.choksiworld.com](http://www.choksiworld.com)).

Financial Year ended	Date of declaration of Dividend	Due date of Transfer
31.03.2007	01.09.2007	02.10.2014
31.03.2008	20.09.2008	21.10.2015
31.03.2009	01.09.2009	02.10.2016
31.03.2010	20.09.2010	21.10.2017
31.03.2011	24.09.2011	25.10.2018
31.03.2012	08.08.2012	08.09.2019
31.03.2013	10.08.2013	09.09.2020

According to the provisions of the Act, shareholders are requested to note that no claim shall lie against the Company or said fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the date that they first became due for payment and no payment shall be made in respect of any such claims.

Members who have not claimed their dividends declared by the Company for the year ended 31<sup>st</sup> March, 2007 onwards are requested to write to the Company for obtaining duplicate warrants / demand drafts or for revalidating warrants/ demand drafts, before the balance gets transferred to the Investor Education and Protection Fund established by the Central Government under Section 125 of the Companies Act, 2013.

11. 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 / RTA.

Non-Resident Indian Members are requested to inform RTA, immediately of:

- a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
12. To support the 'Green Initiative', Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

All members who are holding shares of the company in physical mode, are requested to register their e-mail Ids. For registering your email IDs, a form is attached with report. Members holding shares in demat mode, who have not registered their email IDs with DPs, are requested to register/update their e-mail ids with their DPs.

Members are advised to avail of nomination facility in respect of shares held by them. Nomination forms can be obtained from the Secretarial Department of the Company and with R & T Agent.

13. Pursuant to the 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 members facility to exercise their votes at the 22<sup>nd</sup> AGM by electronic means and the business may be transacted through e-voting as per instructions below:

- Date and time of commencement of voting through electronic means: 19<sup>th</sup> September, 2014 at 10.00 a.m. onwards.
- Date and time of end of voting through electronic means beyond which voting will not be allowed: 21<sup>st</sup> September, 2014 at 6.00 p.m.
- Details of Website: [www.evotingindia.com](http://www.evotingindia.com)
- Instructions for e-voting are given here Annexure to the Notice.
- Details of Scrutinizer: Mr. Hitesh Gupta, Company Secretary in Practice (CP No.12722)

The e-voting module shall be disabled for voting after 6.00 p.m. on 21<sup>st</sup> September, 2014. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date (record date) as on 12<sup>th</sup> September, 2014.

Mr. Hitesh Gupta - Company Secretary in Practice (Gupta Baul & Associates), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.choksiworld.com](http://www.choksiworld.com) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company.

14. The information as required in terms of clause 49 of the Listing Agreement with the Stock Exchanges regarding the Directors who are proposed to be re-appointed is as under:

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN 22<sup>ND</sup> ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)**

<b>Name of the Director</b>	<b>Mr. Anil Choksi</b>	<b>Mr. Sharadchandra Pendse</b>	<b>Mr. Vikram Maniar</b>
<b>Date of Birth</b>	07.04.1932	19.04.1946	27.07.1943
<b>Date of first appointment</b>	01.10.1992	26.10.2002	01-01-06
<b>Qualification</b>	Undergraduate	B.A., C.A.I.I.B	B.Com, L.L.B
<b>Expertise</b>	He is one of the promoter Director and associated with the Photosensitized industry since the last 60 and is having in-depth knowledge of the industry	He was a banker associates with the State Bank of India from 1967 to 1997 in various capacities. He has a vast experience in the field of finance and management.	Mr. Vikram Maniar has been associated with the Photographic products industry since long and has an experience of almost 48 years on the Boards of various companies.
<b>Directorships held in other public companies including private companies which are subsidiaries of public company (excluding foreign and private companies)</b>	NIL	NIL	NIL
<b>Memberships/ Chairmanships across all companies</b>	NIL	NIL	NIL
<b>Shareholding of Directors</b>	189927	NIL	1900
<b>Relationship between Directors inter-se</b>	NIL	NIL	NIL

<b>Name of the Director</b>	<b>Mr. Himanshu Kishnadwala</b>	<b>Mr. Tushar Parikh</b>	<b>Mrs. Shamanthakamaniprakash Sagarkatte</b>
<b>Date of Birth</b>	06.08.1964	01.08.1957	07.06.1954
<b>Date of first appointment</b>	26.10.2002	01.10.1992	28.06.2014
<b>Qualification</b>	B.Com, C.A.	B.Com, C.A.	Undergraduate
<b>Expertise</b>	He is practicing Chartered Accountant of repute having more than 22 years of experience in the field of accounts, taxation and Corporate Finance.	He is practicing Chartered Accountant and having more than 31 years of experience in the field of accounts, taxation and corporate finance.	She is former Intelligence Officer Director general of Anti-Evasion/Revenue Intelligence.
<b>Directorships held in other public companies including private companies which are subsidiaries of public company (excluding foreign and private companies)</b>	NIL	Garware Polyester Limited	NIL
<b>Memberships/ Chairmanships across all companies</b>	NIL	NIL	NIL
<b>Shareholding of Directors</b>	5100	5100	NIL
<b>Relationship between Directors inter-se</b>	NIL	NIL	NIL

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Item no. 4 to 7**

Mr. Sharadchandra Pendse, Mr. Tushar Parikh, Mr. Himanshu Kishnadwala and Mr. Vikram Maniar, were duly appointed under the Companies Act, 1956 as directors liable to retire by rotation in order to give effect to the aforesaid provisions of the Act, it is proposed that this directors be appointed as Independent Directors under Section 149 of the Companies Act, 2013, read with the amended clause 49 of the Listing Agreement to hold office for five consecutive years.

As per the provisions of Section 149 of the Companies Act, 2013, which has come into force with effect from 1<sup>st</sup> April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

The Nomination & Remuneration Committee has recommended the appointment of these directors as Independent Directors of the Company.

Mr. Sharadchandra Pendse, Mr. Tushar Parikh, Mr. Himanshu Kishnadwala and Mr. Vikram Maniar, Non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

Brief resume of Mr. Sharadchandra Pendse, Mr. Tushar Parikh, Mr. Himanshu Kishnadwala and Mr. Vikram Maniar, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in "Details of Directors seeking appointment/re-appointment in 22<sup>nd</sup> Annual General Meeting" forming part of the Annual Report.

Mr. Sharadchandra Pendse, Mr. Tushar Parikh, Mr. Himanshu Kishnadwala and Mr. Vikram Maniar are interested in the resolutions set out respectively at Item Nos. 4 and 7 of the Notice with regard to their respective appointments.

The relatives of Mr. Sharadchandra Pendse, Mr. Tushar Parikh, Mr. Himanshu Kishnadwala and Mr. Vikram Maniar may be deemed to be interested in the resolutions set out respectively at Item Nos. 4 and 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 4 to 7 of the Notice for approval by the shareholders.

**Item No 8**

The Board of Directors of the Company appointed, Mrs. Shanthakamaniprakash Sagarkatte as an Additional Director of the Company pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company with effect from 28<sup>th</sup> June, 2014 up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing her candidature for the office of Director of the Company.

As per the Section 149 of the Companies Act, 2013, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and she shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mrs. Shanthakamaniprakash Sagarkatte that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Brief resume of Mrs. Shanthakamaniprakash Sagarkatte, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in "Details of Directors seeking appointment in 22<sup>nd</sup> Annual General Meeting" forming part of the Annual Report.

Save and except Mrs. Shanthakamaniprakash Sagarkatte and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors /Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

**Item No. 9**

As per the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a company cannot, except with the consent shareholders of the company in general meeting, borrow monies, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the company, that is to say, reserves not set apart for any specific purpose.

However, considering future plans, the current borrowing powers of the Board of Directors will not be sufficient for planned activities, therefore the Company proposed to increase the borrowing limit to Rs.50,00,00,000 (Rupees Fifty Crores Only) over and above the aggregate of the Company's Paid Up Capital and Free Reserves as per terms of Section 180(1)(c) of the Act.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item 9 of the Notice.

The Board commends the resolutions for approval of the Members as a Special Resolution.

**Item No. 10**

As per the Provisions of Section 180(1)(a) of the Companies Act, 2013, the Company requires the approval of the Shareholders to create such charges, mortgages and hypothecations on the movable and immovable properties of the Company both present and future in favour of Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or bodies/ trustees for holders of debentures/ bonds which may be issued to or subscribed to by all or any of the Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or any other persons/ bodies corporate for securing the borrowings of the Company availed/to be availed by way of loan from time to time, subject to the limits not exceed of Rs.50,00,00,000/- (Rupees Fifty Crore only) over and above the aggregate of the paid up capital and free reserves of the Company.

None of the Directors, Key Managerial Persons of the Company and their relatives is in any way, concerned or interested financially or otherwise in the aforesaid resolution.

The Board commends the resolutions for approval of the Members as a Special Resolution.

**Item No. 11 to 14**

Due to the immense volatility in foreign exchange rates and reduction in margins due to hard line competition during the year have an impact on the profitability and financial performance of the Company, which may lead to inadequacy of profits during the financial year 2014-2015.

In terms of Section II of Part II of Schedule V of the Companies Act, 2013, payment of minimum remuneration to a managerial person in any financial year where the Company has inadequate profits or losses, requires approval of the shareholders.

Considering the role and the contributions made by Mr. Anil Choksi – Managing Director, Mr. Naimish Choksi, Mr. Samir Choksi and Mr. Gaurav Choksi - Whole-time Directors of the Company, in the Company and also taking into account the remuneration of Directors in similar sized companies in India, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members have approved payment of remuneration within the maximum limits as minimum remuneration to them for the remainder of their term commencing from 1<sup>st</sup> April, 2014.

Statement containing additional information as per Category (iv) of Part II of Section II of Schedule V of the Companies Act, 2013 for Item No. 11 to 14.

**1. GENERAL INFORMATION:**

- (i) Nature of Industry – Manufacturing of Photosensitised materials, Medical X-Ray and other products of Healthcare Industry.
- (ii) Date of commencement of commercial production – Existing Company, already commenced in 1992.
- (iii) Financial performance based on given indicators:

Particulars	2013-2014	2012-2013	2011-2012
Sales	18482.63	24736.80	19528.47
Profit/Loss before Tax	(641.01)	35.74	186.63
Profit/Loss after Tax	(646.43)	22.82	126.64
Dividend on Equity %	-	0.5%	10%

- (iv) Foreign investments or collaborations, if any:

The Company has no foreign investment or collaboration.

**2. INFORMATION ABOUT THE DIRECTORS:**

<b>Particulars</b>	<b>Mr. Anil Choksi</b>	<b>Mr. Naimish Choksi</b>
Background detail	Mr. Anil Choksi is an Undergraduate. He is one of the promoter Director of the Company.	Mr. Naimish Choksi is a B. Com Graduate. He is one of the Promoter Director of the Company.
Past Remuneration	₹ 1,25,000/-p.m.	₹ 1,25,000/-p.m.
Recognition and Awards	NIL	NIL
Job profile and his suitability	He is associated with Photosensitized industry since the last 60 and is having in-depth knowledge of the industry	He is associated with Photosensitised Industry since last 41 years having indepth knowledge of industry.
Remuneration proposed (With authority to the Board or committee thereof to fix salary within such maximum amount)	₹ 3,50,000/- p.m.	₹ 3,50,000/- p.m.
Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person:	Taking into consideration the size of the Company, their individual profiles and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level positions in other Companies in the industry.	Taking into consideration the size of the Company, their individual profiles and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level positions in other Companies in the industry.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any –	Mr. Anil Choksi is himself the Managing Director has no pecuniary relationship with the Company other than being Managing Director.	Mr. Naimish Choksi is himself the Whole Time Director has no pecuniary relationship with the Company other than being Managing Director.
<b>Particulars</b>	<b>Mr. Samir Choksi</b>	<b>Mr. Gaurav Choksi</b>
Background detail	Mr. Samir Choksi holds Diploma in Automobile Engineering and one of the Promoter Director and is associated with Photosensitised Industry since last 26 years.	Mr. Gaurav Choksi is Graduate in commerce and Chartered Accountant having 16 years of knowledge. He started his career with Arthur Andersen, subsequently joined the Company.
Past Remuneration	₹ 1,25,000/-p.m.	₹ 1,25,000/-p.m.
Recognition and Awards	NIL	NIL
Job profile and his suitability	Mr. Samir Choksi is holding the office of the Whole Time Director and He is responsible for general conduct and management of the business.	Mr. Gaurav Choksi is a Chartered Accountant and he is responsible for the overall management of the business and affairs of the Company.
Remuneration proposed (With authority to the Board or committee thereof to fix salary within such maximum amount)	₹ 3,50,000/- p.m.	₹ 3,50,000/- p.m.
Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person:	Taking into consideration the size of the Company, their individual profiles and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level positions in other Companies in the industry.	Taking into consideration the size of the Company, their individual profiles and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level positions in other Companies in the industry.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any –	Mr. Samir Choksi is himself the Whole Time Director has no pecuniary relationship with the Company other than being Whole Time Director.	Mr. Gaurav Choksi is himself the Whole Time Director has no pecuniary relationship with the Company other than being Whole Time Director.

**OTHER INFORMATION:**

(a) Reason for expected losses:

— The Company is in manufacturing and trading of healthcare products, for which the majority of the raw material is imported. Due to the significant depreciation of the INR in the last year, your company had to suffer a loss.

(b) Steps taken or proposed to be taken for improvement:

— The Company has started to reduce its interest cost for which Company has repaid all outstanding term deposit till May, 2014. Further, The Company is looking at adding on products in Healthcare Industry wherein margin would be better.

(c) Expected increase in productivity and profit in measurable terms:

— The measures taken by management of the Company to reduce foreign exchange loss and favorable policies of government in health, is expected to improve profits of the Company.

The Special Resolutions as set out at Item No. 11 to 14 of the Notice is in the interest of the Company and the Board recommends the same for the approval of the members.

Except Mr. Anil Choksi, Mr. Naimish Choksi, Mr. Samir Choksi and Mr. Gaurav Choksi, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out in item no. 11 to 14 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

**On behalf of Board of Directors**

Registered Office :  
Choksi Imaging Limited  
(CIN: L24294MH1992PLC068852)  
D-10, Prasad Indl.Est.,  
2-66, Sativali, Vasai Kaman Rd.,  
Vasai (E), Dist. Thane-401208.

Sd/-  
**Anil V. Choksi**  
Managing Director

Place : MUMBAI  
Date : 28th June, 2014

**THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER****In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "CHOKSI IMAGING LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>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. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB#	<p>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.</p>
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date i.e. 12<sup>th</sup> September, 2014 in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the <CHOKSI IMAGING LIMITED> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) 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, 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](mailto: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](mailto: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.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 19<sup>th</sup> September, 2014 at 10:00 a.m. onwards and ends on 21<sup>st</sup> September, 2014 at 6:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 12<sup>th</sup> September, 2014, 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](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**DIRECTORS' REPORT**

To,

The Members of **CHOKSI IMAGING LIMITED**,

We take pleasure to present the 22<sup>nd</sup> Annual Report on the business and operations of your Company along with the Financial Statements for the year ended on 31<sup>st</sup> March, 2014.

**FINANCIAL RESULTS SUMMARY**

During the year under review, the key financial indicators of the Company are given below:

<b>Particulars</b>	<b>2013-2014 (₹ in lakhs)</b>	<b>2012-2013 (₹ in lakhs)</b>
Total Revenue	17026.75	22990.77
Less: Expenses other than Depreciation & Amortisation	17607.99	22894.19
Profit/(Loss) Before Depreciation, Amortisation, Exceptional & Extraordinary Items and Tax	(581.24)	96.58
Less: Depreciation and Amortisation expense	59.77	60.84
Profit/(Loss) Before Exceptional & Extraordinary Items And Tax	(641.01)	35.74
Add / (Less): Exceptional & Extraordinary Items	—	—
Net Profit/(Loss) Before Tax (NPBT)	<b>(641.01)</b>	<b>35.74</b>
Less: Tax expenses	5.42	12.92
Net Profit/(Loss) After Tax (NPAT)	<b>(646.43)</b>	<b>22.82</b>
Add: Surplus brought forward from previous year	1401.78	1401.62
Amount available for Appropriations	755.35	1424.44
Less: Appropriations:		
Proposed Dividend	—	19.50
Tax on Proposed Dividend	—	3.16
General Reserve	—	—
Balance carried forward to Balance Sheet	<b>755.35</b>	<b>1401.78</b>

**REVIEW OF PERFORMANCE**

Your Company deals in healthcare products, for which the majority of the raw material is imported. Due to the significant depreciation of the INR in the last year, your company had to suffer a loss. Also your company has discontinued some of the trading products due to the drop in margins and as such the turnover for the year was lower than previous year.

During the year under review, your Company earned a Total Income of Rs.17026.75 lakhs as against Rs.22990.77 lakhs during the previous year.

**DIVIDEND**

In view of the loss, your Directors regret their inability to declare any dividend for the year.

**MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed report on Industry Structure and Developments, operations, performance, Business Outlook, Opportunities & Threats and Risks and Concerns, in accordance with Clause 49 of the Listing Agreement, is presented in a separate section forming a part of the Annual Report.

**DIRECTORS**

The Board consists of Executive and Non-Executive Director including independent director who have wide and varied experience in different disciplines of corporate functioning.

- In terms of Section 152 of the Companies Act, 2013, Mr. Anil V. Choksi, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.
- Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Shamanthakamaniprakash Sagarkatte was appointed as an Additional Director designated

as an Independent Director w.e.f. 28<sup>th</sup> June, 2014 and she shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing Mrs. Shamanthakamaniprakash Sagarkatte for appointment as an Independent Director.

- In terms of Section 149 of the Companies Act, 2013, which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a company and is not liable to retire by rotation.

In compliance with the provisions of Section 149, 152 read with Schedule IV of the Act, the appointment of Mr. Sharadchandra Pendse, Mr. Tushar Parikh, Mr. Himanshu Kishnadwala, Mr. Vikram Maniar and Mrs. Shamanthakamaniprakash Sagarkatte as Independent Directors is being placed before the Members in General Meeting for their approval. 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.

A brief resume of the Directors mentioned above has been annexed to the notice of the 22<sup>nd</sup> Annual General Meeting.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

As stipulated under section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) 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 at the end of the financial year as on 31<sup>st</sup> March, 2014 and of the profit of the Company for that period;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 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.

#### **CORPORATE GOVERNANCE**

Report on Corporate Governance of your Company for the year under review, as per the requirement of Clause 49 of the Listing Agreement, has been placed under a separate section and forms a part of this Annual Report.

#### **PUBLIC DEPOSITS**

During the year under review, your Company has repaid all outstanding term deposit till May, 2014 along with interest thereon;

The provisions of Section 58A of the Companies Act, 1956 with regard to interest payment have been complied with.

#### **AUDITORS**

M/s. Parikh & Amin Associates, Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from being appointed as Statutory Auditors of the Company.

#### **COST ACCOUNTING RECORDS**

Your Company has appointed M/s. Y.S. Thakar & Associates, Cost Accountants as the Cost Auditors of the Company for the financial year 2013-14 to conduct the audit of the cost records of your Company.

#### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Details of energy conservation and absorption of technology along with other information in accordance with the provisions of section 217(1)(e) the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in the Annexure - I attached and forms part of this Report.

#### **PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A)**

In terms of the provisions of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, during the year under review, no employees of your Company were in receipt of remuneration exceeding Rs.60 lakhs for the whole year or Rs.5 lakhs per month during any part of the year.

#### **FINANCES**

The total long term borrowings of your Company as on 31<sup>st</sup> March, 2014 is NIL, Cash and Cash Equivalent stood at Rs.160.73 lakhs and total investments stood at NIL at the end of the year.

#### **HEALTH AND SAFETY MEASURES**

The standards of health of workers and safety measures to be taken as provided by the Factories Act, 1948 and the rules framed there under have been maintained by your Company.

**ACKNOWLEDGEMENT**

The Directors wish to convey their appreciation to all the employees of your Company for their enormous personal efforts as well as their collective contribution to the performance of your Company. The Directors would also like to place on record their sincere thanks to various authorities of the Central Government and State Governments, Administration of the Union Territory of Dadra and Nagar Haveli for the co-operation and support received from them, to Bank of Baroda, official bankers of your Company and also to the Suppliers and the Customers for their patronage of your Company's products and to all the shareholders for their support.

**On behalf of Board of Directors**

Place : MUMBAI  
Date : 6th May, 2014

Sd/-  
**Anil V. Choksi**  
Managing Director

**ANNEXURE TO THE DIRECTORS' REPORT**

**ANNEXURE I**

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

**A. CONSERVATION OF ENERGY**

The rules pertaining to conservation of energy, as per the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are not applicable to your Company.

**B. TECHNOLOGY ABSORPTION**

The particulars regarding absorption of technology is given below as per Form B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

**FORM B**

**1. RESEARCH AND DEVELOPMENT (R & D)**

1. **Specific Areas of R & D activities** : The Research and Development activities of your Company are mainly concentrated on quality enhancing of its products.
2. **Benefits Derived as a result of the R & D activity** : The Company has established itself in the market with a pan-India network of customers.
3. **Future Plan of Action** : The Company endeavors to make continuous improvements to its product quality.
4. **Expenditure on R & D** : The Company is using the existing facilities.

**2. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION**

1. **Efforts Made** : The Company makes continuous efforts towards improving the quality of films, increase in productivity and improving its testing method.
2. **Benefits Derived** : The quality of the products has improved and productivity has increased over the course of time.
3. **Import of Technology** : The Company presently uses Indian Technology and has not imported any technology during the year.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Forex market conditions were volatile during the year gone by. The fluctuations in the market were high due to depreciation of rupee against the dollar. But your Company was able to manage the volatility in a prudent manner due to which losses were minimized.

No.	Particulars	Current year (₹)	Previous Year (₹)
1.	Foreign Exchange Earnings	8,87,808	4,182,475
2.	Foreign Exchange Outgo:		
	a) Travelling Expenses	12,98,746	960,347
	b) Equipment, Spares, X-Ray Accessories and other Finished Goods	11,37,758,992	1,420,212,039

**On behalf of Board of Directors**

Place : MUMBAI  
Date : 6th May, 2014

Sd/-  
**Anil V. Choksi**  
Managing Director

## REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Structure and Developments

Your Company is engaged in the business of manufacturing of Photosensitised Materials for the Healthcare Industry, mainly Medical X-Ray Films and supply of other products to the Healthcare Industry. The other major products of the Company include other medical consumables and equipments. Your Company's growth is directly linked to the growth of the Healthcare Services Delivery business in India. As the no of hospitals and various other Healthcare Delivery business expand, the demand for the products dealt by your Company will increase.

Currently Healthcare spending as a percentage of the GDP is very low. In fact the spending as a percentage of the GDP has reduced from 4.3% in 2000 to 3.7% in 2010. The decline in the proportion to GDP implies that the growth in expenditure on healthcare has not kept pace with the growth in GDP. The corresponding global average for healthcare spends as a percentage of GDP was 8.2% in 2000 and 9.2% in 2010. The bed availability in India stood at 9 per 10,000 by 2012 which is significantly lower than the WHO guideline of 30 beds per 10,000 population. Also the number of doctors and nurses for every 10,000 was 6.5 and 10.0 in India compared to a global average of 13.9 doctors and 29.0 nurses per 10,000 population. (Source: WHO Health Statistics, 2013).

However the Country has one of the best Hospitals along with top of the line equipments and Doctors in the private sector and the key Government Institutes like AIIMS. What is needed is more beds, more hospital, more doctors across the country. Fortunately, The New NDA Government in their manifesto had announced free drug service and free diagnosis service as part of move towards 'Health for All'. The Government is committed towards initiation of 'National Health Assurance Mission', modernize Government hospitals, upgrading infrastructure and latest technologies, to increase the number of medical and para-medical colleges to make India self sufficient in human resources, and set up an AIIMS like institute in every state.

Another stand out feature of the healthcare services delivery landscape in India is the lack of insurance and out-of-pocket spends as a proportion to total healthcare spends remains very high at about 86 % of total expenditure as of 2010. This is due to low public spends and moderate level of health insurance. Comparatively the global average is around 50 %. This has led to a situation where healthcare delivery services have to be very cost effective in India. This leads to a situation, wherein products have to be priced at very low prices.

Since the cost of Healthcare delivery in India is among the lowest across the world, India needs products which are not only technically the best, but of lower cost. The Industry needs to develop and produce locally more and more products, reducing the necessity of imports. However a flip side of this is that as health care related costs soar high in the developed parts of the world, medical tourism is increasing in developing markets such as India. The country's state-of-the-art facilities offering super specialty surgical procedures at attractive costs are placed well to capitalize on this opportunity. Based on the estimates of The Associated Chambers of Commerce and Industry of India (ASSOCHAM), the medical tourism industry in India is likely to grow 25% and reach INR 120 billion by 2015.

This all leads to a conclusion that the Healthcare Industry has immense potential in India for several years to come. This shall open up several

### Year at a Glance:

The year gone by was an extremely difficult year for the Company. The main reason being the tough economic conditions prevailing in the country and the depreciation of the INR affected the Company significantly. The turnover of the company for the year under review has decreased to Rs.17020.66 lakhs from Rs.22966.27 lakhs. This was primarily due to discontinuation of certain trading items.

The main reason for the loss for the company was the immense volatility in foreign exchange rates during the year and the intense competition in some of the trading items.

### Product Wise Performance:

The products of your company can be divided into two broad classes Manufacturing and Trading. The manufacturing products mainly consist of Medical X-Ray films. The trading products consist of Coronary Stents and other consumables and equipments for the Healthcare Industry. During the year the company took a conscious decision to discontinue the manufacturing of Industrial X Ray Films and trading of Coronary Stents due to intense competition and reduction in margins. During the year manufacturing goods turnover decreased from Rs.16878.33 lakhs to Rs.13749.14 lakhs (Gross) and the trading goods turnover has decreased from Rs. 7777.12 lakhs to Rs.4639.71 lakhs to (Gross).

### Outlook:

The demand for healthcare services is on rise in large Indian cities by the middle-class which is fuelling the growth of private healthcare services. This is further helped by large Central and State Government programs in the primary and secondary healthcare sector and public health domain. In addition to this, there is rising demand for quality and specialty healthcare services among the Tier-II and Tier-III cities.

The Indian healthcare industry, is growing at a CAGR of 15% is expected to touch US\$ 250 billion by 2020.

Driving growth factors are rising population, increasing disposable income, increasing lifestyle related health issues, cheaper treatment costs, thrust in medical tourism, improving health insurance penetration, government initiatives and focus on public private partnership (PPP) models.

Though the population growth rate for India has steadily gone down, it is still at over 1.3 percent and is not expected to go below one percent in the near future. Also, it is interesting to note that our population aged above 60 years is projected to grow to around 193 million, compared with over 96 million in 2010. This change in the population pyramid is expected to fuel the demand for healthcare in general, particularly lifestyle diseases.

In the past decade, India has witnessed a rapid increase in levels of wealth and disposable incomes. Coupled with a better standard of living and health awareness, this has led to an increase in spending on healthcare and wellness.

All these factors are contributing towards creation of huge demand for healthcare services in the country. With the rising demand for healthcare services, the demand for the products of your company will also be on the upside.

In order to take advantage of the healthcare scenario the company has during the year restructured the portfolio of products by discontinuing products wherein the company has low gross margins and involves huge working capital. Further the company is looking at adding on products in the Healthcare Industry wherein the margins would be better and also require lower working capital. As such the working capital needs of the company will reduce, leading to reduction in interest cost for the company in the coming year. The Company has repaid all outstanding deposits till May, 2014.

#### **Opportunities and Threats:**

One of the largest opportunities is to capture growth in rural areas, which until now have been too fragmented to effectively enter. Global pharmaceutical and healthcare companies will also find themselves coming up against local competitors that may have the upper hand when it comes to leveraging local relationships and established procurement systems to undercut newcomers in pricing.

It could be for such reasons that the pharmaceuticals and healthcare companies in GIA's Business Perspectives on Emerging Markets 2012-2017 Report say that local distribution and access to customers, pricing and localized competitive positioning are their top three success factors in emerging markets in 2012-2017.

Despite such strong factors working in the industry's favour, there are several systemic challenges that also need to be addressed, a vast majority of population is living below poverty line which cannot afford medicines, the per capita spend on healthcare (both public and private), as well as the healthcare spend as a portion of the comparable economies, and way below global averages.

A major threat for your company is a very low or a virtually non-existent entry barrier in this business. Due to such low entry barrier, there have been relatively small new entrants coming into this business. But, the management does not perceive them as much of a threat in the medium to long term as these players will need a tie-up with distributors for expansions which your company currently has at its disposal. The other reason for not perceiving them as much of a threat is that consolidation in the industry is inevitable at some point of time.

#### **Risks and Concerns:**

Introduction of computer radiology and its increasing use in urban areas has reduced the use of X-Ray films. As a counter measure, your company is regularly making efforts to add other trading products to the portfolio and also pushing for penetration in rural places in India. The other risk, which is mainly concerned around the trading business for your company, is the direct entry of foreign multinationals in this business. But, to establish themselves, they would also require a pan-India distribution network which your company currently has in place.

Another key risk is the weakening of the rupee against US Dollar over the past one year. A falling rupee has had a negative impact on the balance sheet of almost every import-based company across all the industries in every sector. Although the management of your company is making concerted efforts to counter such risk, this may have an impact on the finances of your company in the near term.

#### **Internal Control Systems and their adequacy:**

The Company has instituted internal control systems to commensurate with nature of its business. An Internal Audit is conducted at all the branches of your Company as well as the factory at Silvassa by an independent qualified Chartered Accountant. Your company also has an Audit Committee having Independent Directors as its members in place. The Internal Audit Reports are placed before the audit committee at every meeting of such committee which are reviewed and scrutinized by the committee.

#### **Human Resources:**

Total number of employees as on 31<sup>st</sup> March, 2014 stood at 216, who form the experienced, educated and hard working pool of Human resources. Your Company's industrial relations continued to be cordial during the year under review. Your Company conducts regular in-house training programs for employees at various levels. Employees are also sent for selected external training programs.

Your Company has constituted Vigil Mechanism policy for Director and employees to report genuine concerns.

**On behalf of Board of Directors**

Place : MUMBAI  
Date : 28th June, 2014

Sd/-  
**Anil V. Choksi**  
Managing Director

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The philosophy of your Company on Corporate Governance is founded upon a legacy of fair, ethical and transparent governance practices. Your Company believes that good Corporate Governance practices lead to enhancement of the value of the Company to the various stakeholders such as the shareholders, suppliers, customers, employees, financiers and the society in general. The Company is in full compliance with the mandatory requirements of the Clause 49 of the Listing Agreement with Bombay Stock Exchange ('the Listing Agreement'). Through Corporate Governance policy, your Company endeavors' to:

- Ensure adequate control systems are in place to enable the Board to efficiently conduct business and discharge its responsibilities to stakeholders;
- Ensure that the decision making process is fair and transparent;
- Ensure that the management is involved to the full extent for maximisation of stakeholder value;
- Imbibe good Corporate Governance practices in the Board of Directors and Senior Management.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving.

### BOARD OF DIRECTORS

The Board of Directors, along with its committees, provides leadership and guidance to the management of your Company and directs, supervises and controls its performance. The Board's actions and decisions are aligned with the Company's best interests. The Board currently comprises of 9 directors, out of which 5 directors are independent non-executive directors. The composition of Board is in conformity with clause 49 of the Listing Agreement, as amended from time to time.

The Board of Directors of the Company consists of distinguished personalities with considerable professional expertise and experience in the fields of business, industry, finance and management. The nature of Directorship of the Directors of your Company is as follows:

Sr. No.	Name of the Director	Nature of Directorship	Age	Qualification
1.	Mr. Sharadchandra Pendse	Independent Non-executive Chairman	68	B.A., C.A.I.I.B
2.	Mr. Anil Choksi	Managing Director	82	Undergraduate.
3.	Mr. Gaurav Choksi	Whole –time Director	39	B.Com, C.A.
4.	Mr. Naimish Choksi	Whole-time Director	60	B.Com
5.	Mr. Samir Choksi	Whole-time Director	50	Diploma in Automobile Engineering
6.	Mr. Tushar Parikh	Independent Non-executive Director	56	B.Com, CA
7.	Mr. Vikram Maniar	Independent Non-executive Director	70	B.Com, LLB
8.	Mr. Himanshu Kishnadwala	Independent Non-executive Director	49	B.Com, C.A.
9.	Mrs. Samanthakamaniprakash Sagarkette (w.e.f. 28.06.2014)	Independent Non-executive Director	60	Undergraduate.

During the year under review, the Board of your Company met five times, on 27<sup>th</sup> May, 2013, 10<sup>th</sup> August, 2013, 14<sup>th</sup> November, 2013, 10<sup>th</sup> December, 2013 and 14<sup>th</sup> February, 2014. The maximum time gap between any two meetings did not exceed four months.

The following table gives the attendance of the Board of Directors at Board Meetings of the company, at the last Annual General Meeting and also other directorships other than the Company and memberships/chairmanship in Board and Committees of other Bodies Corporate on 31<sup>st</sup> March, 2014:

Sr. No	Name of the Director	No. of Board Meetings attended	Attendance at the last AGM on 10 <sup>th</sup> August, 2013	Number of Directorships held		Committee positions		Shares held
				Public	Private	Member	Chairman	
1.	Mr. Sharadchandra Pendse	4	Yes	Nil	1	Nil	Nil	Nil
2.	Mr. Anil Choksi	4	Yes	Nil	1	Nil	Nil	189927
3.	Mr. Naimish Choksi	5	Yes	Nil	3	Nil	Nil	131599
4.	Mr. Samir Choksi	3	Yes	Nil	7	Nil	Nil	86565
5.	Mr. Gaurav Choksi	5	Yes	Nil	3	Nil	Nil	194960
6.	Mr. Tushar Parikh	5	Yes	1	1	Nil	Nil	5100
7.	Mr. Vikram Maniar	3	Yes	Nil	1	Nil	Nil	1900
8.	Mr. Himanshu Kishnadwala	5	Yes	Nil	Nil	Nil	Nil	5100

### COMMITTEES OF THE BOARD

The Board of your Company has constituted three committees in all with specific terms of reference in accordance with the Listing Agreement signed with the Bombay Stock Exchange. The Committees of the Board are:

1. Audit Committee.
2. Nomination and Remuneration Committee.
3. Stakeholders Relationship Committee.

### AUDIT COMMITTEE

The Audit Committee of the Board of Directors was re-constituted vide a Board Resolution passed on 6<sup>th</sup> May, 2014. The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial / accounting expertise / exposure.

The role of the Audit Committee is Draft as per role given in act.

- a. To review quarterly, half-yearly un-audited financial statements and yearly audited financial statements and pre-publication announcements before submission to the Board.
- b. To ensure compliance of Internal Control Systems and action taken on Internal Audit reports.
- c. To appraise the Board on the impact of accounting policies, auditing standards and legislation.
- d. To hold periodical discussions with statutory auditors on the nature and scope of the audit.
- e. To review the Company's financial and risk management policies.
- f. The recommendation for appointment/re-appointment, remuneration and terms of appointment of auditors of the company;
- g. To approve the payment to Statutory Auditors for any other services rendered by them.
- h. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- i. Examination of the financial statement and the auditors' report thereon;
- j. Approval or any subsequent modification of transactions of the company with related parties;
- k. Scrutiny of inter-corporate loans and investments;
- l. Valuation of undertakings or assets of the company, wherever it is necessary;
- m. Evaluation of internal financial controls and risk management systems;
- n. Monitoring the end use of funds raised through public offers and related matters.
- o. To review Management Discussion and Analysis of financial condition and results of operations;
- p. To review Statement of significant related party transactions submitted by the management.
- q. To review Internal Audit reports.
- r. Reviewing with the Management, the statement of uses/applications of funds raised through an issue, the statement of funds utilised for purposes other than stated in offer document/prospectus/notice and report submitted by the monitoring agencies monitoring the utilization of the proceeds of a Public or Right issue and making appropriate recommendations to Board to take up steps in this matter.
- s. Other functions as set out in Clause 49 (II) (D) of the Listing Agreement.

The Audit Committee comprises of 4 directors, out of which 3 Directors are Independent non-executive directors, all members are financially literate. The composition of Audit Committee and the no. of meetings attended by each member are as follows:

Sr. No.	Name of the Director	Nature of Directorship and Membership	No. of meetings attended
1.	Mr. Himanshu Kishnadwala	Independent Non-Executive Director and Chairman	4
2.	Mr. Tushar Parikh	Independent Non-Executive Director	4
3.	Mr. Vikram Maniar	Independent Non-Executive Director	3
4.	Mr. Sharadchandra Pendse*	Independent Non-Executive Director	3
5.	Mr. Anil Choksi**	Managing Director	-

Mr. Himanshu Kishnadwala is a Practising Chartered Accountant of repute in the industry and a fellow member of the Institute of Chartered Accountants of India. He is having experience of more than 22 years in the field of accounts, taxation and corporate finance.

Mr. Tushar Parikh is also a Practising Chartered Accountant and a fellow member of the Institute of Chartered Accountants of India. He is one of the well-known Sales-Tax practitioners in the city of Mumbai.

Mr. Vikram Maniar has been associated with the Photographic products industry since long and has an experience of almost 48 years on the Boards of various companies.

\*Mr. Sharadchandra Pendse is an ex-banker associated with the State Bank of India from 1967 to 1997 in various capacities. He served Audit Committee as member upto 6<sup>th</sup> May, 2014.

\*\*Mr. Anil Choksi is a Promoter Director and associated with the Photographic products industry since 60 years and having in depth knowledge of the industry. He was appointed as a member of the Audit Committee, w.e.f. May 6, 2014. No meeting was held during his tenure.

The meetings of the Audit Committee were held on 27<sup>th</sup> May, 2013, 10<sup>th</sup> August, 2013, 14<sup>th</sup> November, 2013 and 14<sup>th</sup> February, 2014. The gap between two Audit Committee meetings was not more than 4 months, in compliance with the requirements of the Listing Agreement. The Independent members of the Audit Committee are paid sitting fees of Rs.5,000/- for every meeting of the Committee attended by them.

Apart from the Audit Committee members, the Audit Committee meeting is also attended by Key Management Personnel, the Statutory and the internal auditors. The internal audit reports are also laid before the Audit Committee by the internal auditors.

The minutes of the meeting of Audit Committee are discussed and taken on record by the Board of Directors.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee has been re-constituted by the Company on 6<sup>th</sup> May, 2014 to oversee the nomination and remuneration of the Directors, Key Managerial Persons and Directors' relatives who occupy an office or a place of profit in the Company, including retirement benefits and commissions.

The Remuneration Committee comprises of four members, out of which 3 are Independent Director. The composition of the committee is as follows:

Sr. No.	Name of the Director	Nature of Directorship
1.	Mr. Tushar Parikh	Independent Non-executive Chairman
2.	Mr. Himanshu Kishnadwala	Independent Non-Executive Director
3.	Mr. Sharadchandra Pendse	Independent Non-Executive Director
4.	Mr. Anil V. Choksi*	Managing Director

During the year under review, one meeting of the Remuneration Committee was held on 27<sup>th</sup> May, 2013. The Independent members of the Committee are paid sitting fees of Rs.3,000/- for every meeting of the Committee attended by them.

\* Mr. Anil Choksi was being appointed as member of Nomination and Remuneration Committee w.e.f 6<sup>th</sup> May, 2014.

**Details of remuneration paid to Managing Director and Whole-Time Directors during the period from 1<sup>st</sup> April, 2013 to 30<sup>th</sup> September, 2013 is as follows:**

Sr. No.	Name of the Director	Salary (Rs.)	Contribution to Provident Fund (Rs.)	Perquisites (Rs.)	Total (Rs.)
1.	Mr. Anil Choksi	7,50,000	90,000	24,000	8,64,000
2.	Mr. Naimish Choksi	7,50,000	90,000	23,863	8,63,863
3.	Mr. Samir Choksi	7,50,000	90,000	24,000	8,64,000
4.	Mr. Gaurav Choksi	7,50,000	90,000	24,000	8,64,000

**Details of remuneration paid to Independent Non-Executive Directors during the year is as follows:**

Sr. No.	Name of the Director	Sitting Fees for Committee meeting (Rs.)	Sitting Fees for Board Meeting (Rs.)
1.	Mr. Himanshu Kishnadwala	23,000	37,500
2.	Mr. Tushar Parikh	23,000	37,500
3.	Mr. Vikram Maniar	15,000	22,500
4.	Mr. Sharadchandra Pendse	18,000	30,000

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Board has re-constituted Stakeholders Relationship Committee in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The terms of reference of Shareholders'/Investors' Grievance (SIG) Committee was conferred on the Stakeholders Relationship Committee and consequently, the SIG Committee was dissolved.

The committee comprises of four directors which also consists of the Managing Director. The task of the Committee is to oversee complaints received from shareholders and deposit holders with regard to transfer and transmission of shares, non-receipt of interest or dividend, non-receipt of annual report, issue of duplicate certificates and other miscellaneous complaints. The composition of the committee is as follows:

Sr. No.	Name of the Director	Nature of Directorship
1.	Mr. Vikram Maniar	Independent Non-executive Chairman
2.	Mr. Himanshu Kishnadwala	Independent Non-Executive Director
3.	Mr. Anil Choksi	Executive and Managing Director
4.	Mr. Tushar Parikh	Independent Non-Executive Director

During the year under review, two meetings of Investors Grievance Committee were held on 17<sup>th</sup> October, 2013 and 14<sup>th</sup> January, 2014.

**Compliance Officer**

Mr. Rishi Dave is the Compliance Officer of the Company. The Compliance Officer can be contacted at:

Address: 4<sup>th</sup> Floor, Classique Centre, C-Wing, Plot No. 26, Mahalndl. Estate, Off. Mahakali Caves Road, Andheri- East, Mumbai- 400093, India.

E-mail: [compliance.officer@choksiworld.com](mailto:compliance.officer@choksiworld.com)

Complaints and queries can also be forwarded to the Registrar & Share Transfer Agents, M/s. Adroit Corporate Services Private Limited.

**The details of Complaints received, redressed/ pending during the financial year 2013-14 is given below:**

Pending at the beginning of the year	Received during the year	Redressed / Replied during the year	Pending at the year
NIL	7	7	NIL

**GENERAL BODY MEETINGS**

Details of location and time of last three Annual General Meetings are as follows:

Sr. No.	Year	Venue	Date	Time
1.	2012-2013	Ramee Guestline Hotel, Juhu, Mumbai	10 <sup>th</sup> August, 2013	3.00 p.m.
2.	2011-2012	Ramee Guestline Hotel, Juhu, Mumbai	8 <sup>th</sup> August, 2012	3.00 p.m.
3.	2010-2011	Ramee Guestline Hotel, Juhu, Mumbai	24 <sup>th</sup> September, 2011	10.00 a.m.

All the resolutions set out in the respective notices were passed by the shareholders at the meeting.

Details of special resolutions passed during the last three Annual General Meetings are as follows:

Sr. No.	Financial Year	Resolution For	Date
1.	2011-12	Reappointment of Mr. Anil V. Choksi as Managing Director.	8 <sup>th</sup> August, 2012
2.	2011-12	Reappointment of Mr. Samir K. Choksi as Whole-time Director	8 <sup>th</sup> August, 2012

**Detail of resolution passed by Postal Ballot during the last year.**

1. The Company has reappointed Mr. Naimish Choksi as Whole Time Director of the Company for a further period of three years with effect from 1<sup>st</sup> January, 2014.
2. Change of Registered office from Dist. Mumbai to Thane. The detail of Special Resolution passed through postal ballot on 24<sup>th</sup> February, 2014 is as follows.

Particulars	Results			
	Postal ballot forms received	Invalid Forms	Postal Ballot forms with assent	Postal Ballot forms with dissent
Shifting of Registered office of the Company from Mumbai to Thane	97	8	81	8

M/s. Teena Dedhia & Associates was appointed as scrutinizer for the Postal Ballot.

Currently, no resolution is proposed to be passed by Postal Ballot.

**DISCLOSURES**

There have been no material related party transactions with the Directors or the management or their relatives during the year under review which may have had potential conflict with the interests of the Company at large. Any transactions entered into with related parties on an arm's length basis are placed before the audit committee during their meeting. Details of related party transactions are given in the notes to accounts.

While the Company does not have a formal Whistle Blower Policy in place, any of the employees are not denied access to the Audit Committee and are free to approach the Audit Committee or the senior management with regards to any actual or suspected violations of the Code of Conduct of the Company or the standards of the business or concerns regarding any unethical behavior by any employee.

The Company has fully complied with all the requirements of the Stock Exchange/SEBI/ and other statutory authorities on all matters related to capital markets during the last three years. There have not been any instances of either non-compliance by the Company nor any penalty or strictures imposed by the SEBI or the Stock exchanges or any other statutory authority on any matter related to capital markets during the last three years.

**CODE OF CONDUCT**

The Board of Directors of the Company have laid down a Code of Conduct for all its Directors, Key Managerial Personal, Senior Management Personnel and Employees of the Company, who have affirmed their compliance for the year ended 31<sup>st</sup> March, 2014. The declaration from Mr. Anil V. Choksi, the Managing Director, regarding the affirmation of the compliance for the year ended 31<sup>st</sup> March, 2014, forms part of this report.

**INSIDER TRADING**

The Company has also framed a Code of Conduct for prevention of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992. This code is applicable to all the Directors/ Officers and Designated Employees of the Company. The Code regulates dealing in shares by the persons having access to the unpublished price sensitive information.

**MEANS OF COMMUNICATION**

The quarterly results, after being approved at the meeting of the Board, are sent to the Stock Exchange where the shares of the Company are listed within 15 minutes of the conclusion of the meeting, along with the outcome of the Board Meeting.

The quarterly results are normally published in the English daily 'The Free Press Journal/ Business Standard / Financial Express' and the Regional daily 'Navshakti/ Mumbai Lakshadweep/, in accordance with Clause 41 of the Listing Agreement.

The Company also has and maintains a functional website, [www.choksiworld.com](http://www.choksiworld.com), in accordance with Clause 54 of the Listing Agreement. The website contains basic information about the Company and the quarterly results along with shareholding pattern every quarter are also displayed in the Investors' section on the website. The website also displays the Code of Conduct of the Company.

Management Discussion and Analysis forms part of the Annual Report.

**GENERAL SHAREHOLDERS INFORMATION**

**i) Annual General Meeting**

Annual General Meeting is to be held on Saturday, 27<sup>th</sup> September, 2014 at 11.00 a.m.

**ii) Financial Calendar (Tentative)**

<b>Financial Year ending</b>	<b>31<sup>st</sup> March, 2015</b>
Results for the quarter ended on 30 <sup>th</sup> June, 2014	Second week of August, 2014
Annual General Meeting for the year ending March, 2014	Third/Fourth week September, 2014
Results for the quarter ended on 30 <sup>th</sup> September, 2014	Second week of November, 2014
Results for the quarter ended on 31 <sup>st</sup> December, 2014	Second week of February, 2015
Results for the quarter ended and financial year ended on 31 <sup>st</sup> March, 2015	Third / Fourth week of May, 2015

**iii) Book Closure**

Friday, 19<sup>nd</sup> September, 2014 to Saturday, 27<sup>th</sup> September, 2014 both days inclusive.

**iv) Dividend payment.**

The Company has not declared any dividend for the year 2013-2014.

**v) Listing of shares, Scrip Code and Demat ISIN Numbers.**

The equity shares of the Company are listed on the Bombay Stock Exchange, situated at Mumbai. The scrip code of the Company is **530427** and Demat ISIN No. in National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is **INE 865B01016**.

**vi) Registrar & Share Transfer Agent**

The Company has appointed M/s. Adroit Corporate Services Private Limited, a Category I Registrar & Share Transfer Agent, registered with SEBI, for matters related to shares and Public Deposits. The members can contact them at the following address:

M/s. Adroit Corporate Services Private Limited

Unit: **Choksi Imaging Limited**

19/20, Jaferbhoy Industrial Estate, Makwana Road,

Marol Naka, Andheri- East, Mumbai- 400 059.

Tel.: 022-2859 4060. Fax: 2850 3748.

**vii) Share Transfer System**

The shares of the Company are traded on the Bombay Stock Exchange compulsorily in demat mode. Any shares sent for physical transfer or Dematerialisation request are registered within 15 days from date of receipt of complete and validly executed documents.

**viii) Dematerialisation of Shares**

Out of the total number of equity shares, **3492900 shares** are held in dematerialised form, which represents **89.56 per cent** of the total listed shares of the Company as on 31<sup>st</sup> March, 2014. Trading of the equity shares of the Company permitted only in dematerialised form on the Stock Exchange vide SEBI notification.

<b>Sr. No.</b>	<b>Particulars</b>	<b>No. of Shares</b>	<b>Percentage</b>
1.	National Securities Depository Limited (NSDL)	2531962	64.92
2.	Central Depository Services (India) Limited (CDSL)	960938	24.64
	<b>TOTAL</b>	<b>3492900</b>	<b>89.56</b>

**ix) Factory Address**

The factory of the Company is situated at Silvassa in the Union Territory of Dadra and Nagar Haveli. The detailed factory address is as follows:

Plot No. 10, Survey No. 121 / P, Off. 66 KVA Road, Silvassa- 396 230.

Dadra and Nagar Haveli (Union Territory)

**x) Address for Correspondence**

The shareholder queries can be sent to the Registrar & Share Transfer Agent at the following addresses:

M/s. Adroit Corporate Services Private Limited

Unit: **Choksi Imaging Limited**

19/20, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri- East, Mumbai- 400 059.

Tel.: 022-2859 4060. Fax: 2850 3748.

**xi) Distribution of Shareholding as on 31<sup>st</sup> March, 2014**

No. of shares	No. of Shareholders	% of Shareholders	Shareholding	Amount Rs.	% of Total Shareholding
1 - 500	1896	77.42	306943	3069430	7.87
501 - 1000	206	8.41	175808	1758080	4.51
1001 - 2000	121	4.94	180996	1809960	4.64
2001 - 3000	96	3.92	244033	2440330	6.26
3001 - 4000	20	0.82	71529	715290	1.83
4001 - 5000	32	1.30	155311	1553110	3.98
5001 - 10000	31	1.27	231270	2312700	5.93
10001 & above	47	1.92	2534110	25341100	64.98
<b>TOTAL</b>	<b>2449</b>	<b>100</b>	<b>3900000</b>	<b>39000000</b>	<b>100</b>

**xii) Pattern of Shareholding as on 31<sup>st</sup> March, 2014**

The Shareholding Pattern as on 31<sup>st</sup> March, 2014 is given below:

Particulars	No. of Shares	% of shareholding
Promoter and Promoter Group (*)	1703963	43.69
Directors and their relatives (#)	15500	0.39
Non- Resident Individuals	143405	3.68
Foreign Institutional Investors	Nil	Nil
Corporate Bodies	180455	4.63
Public	1856677	47.61

\* Out of the total shareholding of Promoter and Promoter Group, 206610 shares are held by Foreign Individuals and 1478353 shares are held by Directors and their relatives who form a part of Promoter and Promoter Group.

# Directors and their relatives consist of Directors and their relatives not forming a part of Promoter and Promoter Group.

**Shareholding as on 31.03.2014**



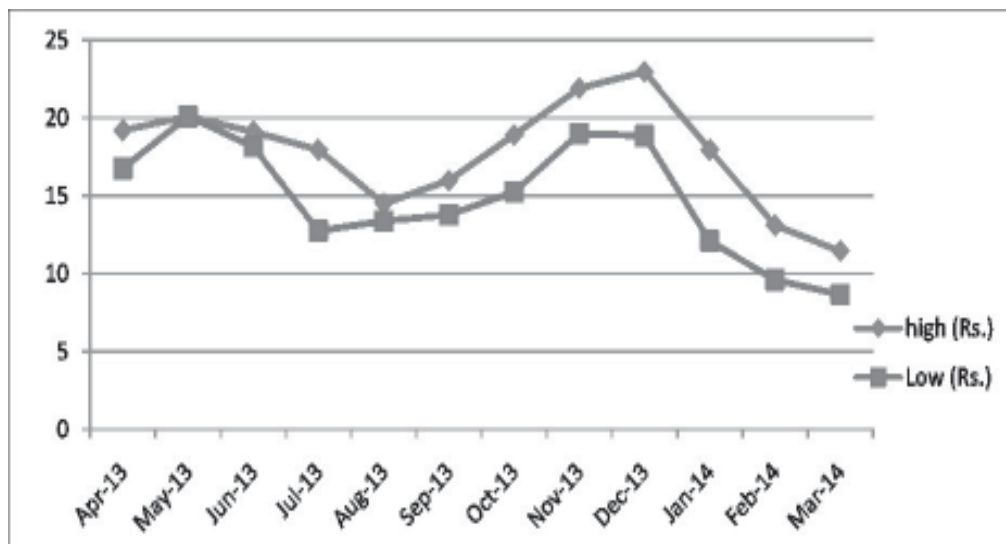
- Promoter and Promoter Group
- Directors and their relatives
- Non-Resident Individuals
- Foreign Institutional Investors
- Corporate Bodies
- Public

**xiii) Market Price Data**

The details of monthly High and Low of share price along with the number of traded shares for each month during the year under review are as follows:

Particulars	High (Rs.)	Low (Rs.)	No. of Shares
April 2013	19.20	16.75	4,366
May 2013	20.10	20.10	5
June 2013	19.10	18.15	10
July 2013	17.95	12.75	1,960
August 2013	14.50	13.38	203
September 2013	15.98	13.78	1,405
October 2013	18.90	15.25	509
November 2013	21.90	19.00	40
December 2013	22.95	18.85	3,553
January 2014	17.95	12.10	13,555
February 2014	13.10	9.60	40,271
March 2014	11.45	8.65	39,661

Share Price Movement at BSE



**xiv) Details of unclaimed dividend**

This year company is liable to transfer unclaimed dividend for the financial year ending 2006-07 to the Investor Education and Protection Fund (IEPF) established by Central Government. Accordingly, the company has transferred the unclaimed dividend for the financial year 2005-06 to IEPF on 24<sup>th</sup> October, 2013.

The members who have not claimed the dividend amount of the respective years are requested to lodge their claim as early as possible with the company.

Financial Year ended	Date of declaration of Dividend	Due date of Transfer
31.03.2007	01.09.2007	02.10.2014
31.03.2008	20.09.2008	21.10.2015
31.03.2009	01.09.2009	02.10.2016
31.03.2010	20.09.2010	21.10.2017
31.03.2011	24.09.2011	25.10.2018
31.03.2012	08.08.2012	08.09.2019
31.03.2013	10.08.2013	09.09.2020

**xv) Secretarial Audit**

A Share Capital Audit for reconciliation of total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid-up capital of the Company is carried out at the end of every quarter by a Company Secretary in Practice. The audit confirms that the total issued and paid-up capital is in agreement with the total number of shares in physical form and total number of dematerialised shares held with NSDL and CDSL.

A certificate under Clause 47(c) of the Listing Agreement is also issued at a half-yearly basis by a Company Secretary in Practice.

**xvi) Compliance on Clause 49 of the Listing Agreement**

In so far as compliance with the requirements of Clause 49 of the Listing Agreement with the Stock Exchange for the year ended 31<sup>st</sup> March, 2014, the company has complied with the mandatory norms and disclosures that have to be made in Corporate Governance Report. The statutory Auditors have certified that the Company has complied with conditions of Corporate Governance as stipulated in Clause 49 and the certificate is annexed to this report.

**xvii) Outstanding number of GDR's/ADRs/Warrants, etc.:**

The Company has not issued any GDRs/ADRs and no outstanding warrants are pending for subscription.

**xviii) Deposits**

The Company has repaid all outstanding Term Deposit till May 2014 accepted from Public and members of the Company.

**xix) Compliance Certificate:**

The Certificate on Compliance with Corporate Governance by the Company from Statutory Auditor as required under clause 49 of the Listing Agreement is annexed.

**On behalf of Board of Directors**

Place : MUMBAI  
Date : 28th June, 2014

Sd/-  
**Anil V. Choksi**  
Managing Director

**DECLARATION FROM THE MANAGING DIRECTOR**

(Under Clause 49(D)(ii) of the Listing Agreement)

To,

The Members of **CHOKSI IMAGING LIMITED**,

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, the Board Members and the Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended on 31<sup>st</sup> March, 2014.

**FOR CHOKSI IMAGING LIMITED**

Place : MUMBAI  
Date : 6th May, 2014

Sd/-  
**Anil V. Choksi**  
Managing Director

**CERTIFICATION**

(Under Clause 49(V) of Listing Agreement)

We Anil V. Choksi, Managing Director and Gaurav S. Choksi, Whole Time Director and CFO of Choksi Imaging Limited hereby certify to the Board that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2014 and that to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal control, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that:
  - There are no Significant changes in internal control over the financial reporting during the year;
  - There have been no Significant changes in accounting policies during the year which are required to be disclosed in the notes to the financial statements; and
  - There have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

Place : MUMBAI

Dated : 6th May, 2014.

Sd/-

**Anil V. Choksi**

Managing Director

Sd/-

**Gaurav S. Choksi**

WTD and CFO

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

(Under clause 49 of the Listing Agreement)

To

The Members of Choksi Imaging Limited

We have examined the compliance of conditions of Corporate Governance by Choksi Imaging Limited, for the year ended 31<sup>st</sup> March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2014, no investor grievances are pending against the Company.

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

**FOR PARIKH AND AMIN ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 Firm Regn. No. 107520W

Sd/-

**K. R. PARIKH**

PARTNER

Membership No. 036517

Place : MUMBAI

Date : 6th May, 2014.

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF  
CHOKSI IMAGING LTD., MUMBAI  
Report on the Financial Statements**

We have audited the accompanying financial statements of **CHOKSI IMAGING LTD.** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2014, the Statement of Profit and Loss account and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dr.13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's Internal Control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that :
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13 September 2013, of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and
  - e) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**FOR PARIKH AND AMIN ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 107520W

Sd/-

**K. R. PARIKH**  
PARTNER

Membership No. 036517

Place : MUMBAI  
Date : 6th May, 2014.

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 of our report of even date)

The Annexure referred to in Paragraph 1 under heading "Report on other Legal and Regulatory requirement of our Report of even date.

1. In respect of its Fixed Assets :
  - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b) As explained to us all the Fixed Assets have been physically verified by the management during the year, which in our opinion is reasonable, considering the size of the Company and nature of its asset. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
  - c) The Company has not disposed off any substantial part of its fixed assets during the year, so as to affect its going concern status.
2. In respect of its Inventories :
  - a) The inventories of the Company at work, godown and branches and with consignment agent have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company has maintained proper records of inventories. The discrepancies noticed on verification between the physical stocks and the books records were not material.
3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
  - a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraph 4 (iii) (b), (c) and (d) of the Order are not applicable to the Company. However, company has taken loans from six parties listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.19,27,84,563/- and the year end balance of loan taken was Rs.9,60,74,745/- as per the annexure enclosed herewith.
  - b) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from the parties listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the company.
  - c) There is no stipulation fixed regarding repayment of principal and interest.
  - d) There is no overdue amount of the loan taken from the parties listed in the register maintained u/s.301 of the companies act, 1956.
4. In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
  - a) According to the information and explanations given to us, there are no contracts or arrangements that need to be entered into the registered maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraph 4 (v) (b) of the Order is not applicable to the company.
  - b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
6. In our opinion and according to the information and explanation given to us, the Company has complied with the provision of section 58(A) and 58 (AA) of the Companies Act, 1956 and the Companies Rules (Acceptance of Deposit) Rules, 1975 with regard to the deposit accepted from the public. Accordingly, there have been no proceedings before the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this matter and no order has been passed by any of the aforesaid authorities.

7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Company is a non-banking finance company. Accordingly, paragraph 4 (viii) of the Order is not applicable to the company.
9. The provision of Cost Audit prescribed by the Central Government, under Section 209 (1) (d) of the Companies Act, 1956 are applicable to the company. However, company has maintained the books of accounts pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 209 (1) (d) of the Act in respect of the product sold by the Company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. The company has obtained compliance report from Cost Auditor for the year.
10. In respect of statutory dues:
  - a) According to the information and explanations given to us, in our opinion, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period exceeding six months from the date they became payable.
  - b) According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears, as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.

According to the information and explanation given to us, the disputed Income tax Rs.9,80,187/- related to Ass Year 2001-2002 & matter is pending before Bombay High Court, that have not been deposited on account of disputed matters pending.
11. The Company does not have any accumulated losses as at 31<sup>st</sup> March, 2014. The Company has incurred cash losses during the financial year covered by the audit.
12. Based on our audit procedures and according to the information and explanations given by management, we are of the opinion that the Company has not defaulted in repayment of its dues to any financial institution and banks during the year.
13. In our opinion and according to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion, the Company is not a chit fund or a *nidhi* / mutual benefit fund /society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
15. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Reports) Order, 2003 are not applicable to the company.
16. The company has not given any guarantees for loans taken by others from banks or financial institutions.
17. The company has not taken any term loan during the year.
18. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis that have been used for long term investment and vice versa.
19. The company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
20. Company has not made any issue of debentures.
21. During the period covered by our audit report, the company has not raised any money by public issues.
22. During the course of our examination of books and record of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us by the management no material fraud on or by the Company and causing material misstatement to financial statement has been noticed or reported during the course of our audit.

**FOR PARIKH AND AMIN ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 107520W

Sd/-

**K. R. PARIKH**  
PARTNER

Membership No. 036517

Place : MUMBAI

Date : 6th May, 2014.

**BALANCE SHEET AS AT 31st MARCH 2014**

	Particulars	Note No.	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	2.1	390.00	390.00
	(b) Reserves and surplus	2.2	878.35	1,524.78
			<u>1,268.35</u>	<u>1,914.78</u>
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	2.3	-	0.86
	(b) Deferred tax liabilities (net)	2.4	81.26	77.50
			<u>81.26</u>	<u>78.36</u>
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	2.3	1,764.96	3,264.66
	(b) Trade payables	2.6	1,883.99	4,466.12
	(c) Other current liabilities	2.7	381.01	530.33
	(d) Short-term provisions	2.5	16.60	41.25
			<u>4,046.56</u>	<u>8,302.36</u>
	<b>TOTAL</b>		<u><b>5,396.17</b></u>	<u><b>10,295.50</b></u>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	2.8	1,004.11	1,027.48
	(ii) Intangible assets	2.8	5.68	12.64
			<u>1,009.79</u>	<u>1,040.12</u>
	(b) Long-term loans and advances	2.9	137.80	145.20
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	2.10	1,432.39	4,123.94
	(b) Trade receivables	2.11	2,305.35	4,308.07
	(c) Cash and cash equivalents	2.12	160.73	124.57
	(d) Short-term loans and advances	2.13	344.60	543.69
	(e) Other current assets	2.14	5.51	9.91
			<u>4,248.58</u>	<u>9,110.18</u>
	<b>TOTAL</b>		<u><b>5,396.17</b></u>	<u><b>10,295.50</b></u>
	<b>Significant Accounting policy &amp; notes to accounts</b>	1 & 2	-	-

In terms of our report attached.

For and on behalf of Board of Directors

**FOR PARIKH AND AMIN ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 Firm Regn. No. 107520W

Sd/-  
**ANIL V. CHOKSI** - Managing Director

Sd/-  
**(K. R. PARIKH)**  
 PARTNER  
 (Membership No.036517)

Sd/-  
**NAIMISH N. CHOKSI** - Whole-Time Director

Place : MUMBAI  
 Date : 6th May, 2014.

Place : MUMBAI  
 Date : 6th May, 2014.

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2014**

	Particulars	Note No.	For the year ended 31st March 2014 ₹ in Lakhs	For the year ended 31st March 2013 ₹ in Lakhs
<b>A</b>	<b>INCOME</b>			
<b>1</b>	<b>Revenue from operations (gross)</b>	2.15	13749.14	16878.33
	Less: Excise duty		1507.00	1886.97
	Net Sales		12242.14	14991.36
	Trading Sales	2.15	4639.71	7777.12
	Other Revenue		138.81	197.79
	Revenue from operations (net)		17020.66	22966.27
<b>2</b>	Other income	2.15	6.09	24.50
	<b>Total revenue (1+2)</b>		<b>17026.75</b>	<b>22990.77</b>
<b>3</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	2.16	10534.92	13092.43
	(b) Purchases of stock-in-trade	2.17	2688.39	5410.46
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.18	2196.23	1482.47
	(d) Employee benefits and expenses	2.19	473.06	598.74
	(e) Finance costs	2.20	328.82	378.25
	(f) Depreciation and amortisation expense		59.77	60.84
	(g) Other expenses	2.21	1386.57	1931.84
	<b>Total expenses</b>		<b>17667.76</b>	<b>22955.03</b>
<b>4</b>	<b>Profit / (Loss) before exceptional and extraordinary items and tax (1+2 -3)</b>		(641.01)	35.74
<b>5</b>	<b>Profit / (Loss) before extraordinary items and tax</b>		(641.01)	35.74
<b>6</b>	<b>Profit / (Loss) before tax</b>		(641.01)	35.74
<b>7</b>	<b>Tax expense:</b>			
	(a) Current tax expense for current year		-	6.90
	(b) Current tax expense relating to prior years		1.66	-
	(c) Deferred tax		3.76	6.02
			<b>5.42</b>	<b>12.92</b>
<b>8</b>	<b>Profit / (Loss) from continuing operations (6 ±7)</b>		(646.43)	22.82
<b>9</b>	<b>Profit / (Loss) for the year</b>		(646.43)	22.82

In terms of our report attached.

For and on behalf of Board of Directors

**FOR PARIKH AND AMIN ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 Firm Regn. No. 107520W

Sd/-  
**ANIL V. CHOKSI** - Managing Director

Sd/-  
**(K. R. PARIKH)**  
 PARTNER  
 (Membership No.036517)

Sd/-  
**NAIMISH N. CHOKSI** - Whole-Time Director

Place : MUMBAI  
 Date : 6th May, 2014.

Place : MUMBAI  
 Date : 6th May, 2014.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	For the year ended 31st March 2014 ₹ in Lakhs	For the year ended 31st March 2013 ₹ in Lakhs
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	(641.01)	35.74
<u>Adjustments for:</u>		
Depreciation and amortisation	59.77	60.84
Provision for impairment of fixed assets and intangibles		
Amortisation of share issue expenses and discount on shares		
(Profit) / loss on sale / write off of assets	1.13	0.22
Net unrealised exchange (gain) / loss		
Operating profit / (loss) before working capital changes	60.90	61.06
<u>Changes in working capital:</u>	(580.10)	96.80
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	2,691.55	1016.54
Trade receivables	2,002.72	(1178.19)
Short-term loans and advances	199.09	489.17
Long-term loans and advances	7.39	(21.08)
Other current assets	4.40	39.46
Other non-current assets		
Adjustments for increase / (decrease) in operating liabilities:	4,905.15	345.91
Trade payables	(2,582.13)	(400.43)
Other current liabilities	(149.32)	129.42
Other long-term liabilities		
Short-term provisions	(24.65)	(23.86)
Long-term provisions	(2,756.10)	(294.87)
Cash flow from extraordinary items	1,568.95	147.84
Cash generated from operations	1,568.95	147.84
Net income tax (paid) / refunds	(1.66)	(6.90)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>1,567.29</b>	<b>140.94</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(30.57)	(14.09)
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(30.57)</b>	<b>(14.09)</b>
<b>C. Cash flow from financing activities</b>		
Repayment of long-term borrowings	(0.86)	(43.50)
Net increase / (decrease) in working capital borrowings	(546.96)	183.56
Proceeds from other short-term borrowings	(952.74)	(292.73)
Dividends paid	-	(19.50)
Tax on dividend	-	(3.16)
Net cash flow from / (used in) financing activities (C)	(1500.56)	(175.33)
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>36.16</b>	<b>(48.48)</b>
Cash and cash equivalents at the beginning of the year	124.57	173.05
<b>Cash and cash equivalents at the end of the year</b>	<b>160.73</b>	<b>124.57</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet (Refer Note)	160.73	124.57
<b>Cash and cash equivalents at the end of the year *</b>	<b>160.73</b>	<b>124.57</b>
* Comprises:		
(a) Cash on hand	2.86	4.53
(b) Balances with banks		
(i) In current accounts	95.79	84.83
Margin Money Account With Scheduled Bank (refer Note no. 2)	55.70	28.10
(c) Others (specify nature) (Unclaimed Dividend Account)	6.39	7.11
	160.73	124.57

**Notes:**

- 1) Balance with margin money with schedule bank is for letter of credit bank guarantee issued.
- 2) Sec.205 of the Companies Act,1956,mandate that companies transfer dividend that has been unclaimed for a period of 7 years from unpaid dividend account to the Investor Education and Protection Fund(IEPF) accordingly if dividend is unclaimed for a period of 7 years it will be transferred to IEPF

In terms of our report attached.

For and on behalf of Board of Directors

**FOR PARIKH AND AMIN ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 107520W

Sd/-  
**(K. R. PARIKH)**  
PARTNER  
(Membership No.036517)

Place : MUMBAI  
Date : 6th May, 2014.

Sd/-  
**ANIL V. CHOKSI** - Managing Director

Sd/-  
**NAIMISH N. CHOKSI** - Whole-Time Director

Place : MUMBAI  
Date : 6th May, 2014.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 2.1 Share Capital**

Particulars	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
(a) Authorised ( 1,50,00,000 Equity Shares of ₹ 10/- each)	1,500.00	1,500.00
(b) Issued subscribed & Fully paid up (please refer note) 3900000 Equity Shares of ₹ 10/- each fully paid up (Previous year 39,00,000 Equity Shares of ₹ 10/- each)	390.00	390.00
<b>Total</b>	<b>390.00</b>	<b>390.00</b>

**Note :** Subscribed & paid up Share Capital includes Equity share holding more than 5% of equity shares alongwith number of Equity share held is given below :

Name of Shareholders	Number of Shares Held	As at 31st March 2014 %	Number of Share Held	As at 31st March 2013 %
Minaxi Suresh Choksi	293204	7.52	293204	7.52
Gaurav Suresh Choksi	194960	5.00	194960	5.00

**Note 2.2 Reserves and surplus**

Particulars	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
General reserve		
Opening balance	123.00	123.00
Closing balance	123.00	123.00
Profit and Loss A/c		
Opening balance	1,401.78	1,401.62
Add: Profit / (Loss) for the year	(646.43)	22.82
Amounts transferred from:		
Dividends proposed to be distributed to equity shareholders.	-	19.50
Tax on dividend	-	3.16
Closing balance	755.35	1,401.78
<b>Total</b>	<b>878.35</b>	<b>1,524.78</b>

**Note :** The Dividend proposed to be distributed to equity shareholders for the year ended 31<sup>st</sup> March, 2013 was ₹ 0.50/- per share.

**Note 2.3 Long-term borrowings**

Particulars	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
Deposits:		
Public deposits (Unsecured)	-	0.86
<b>Total - Deposits</b>	<b>-</b>	<b>0.86</b>

( All figures are in ₹ Lakhs unless specifically mentioned.)

**Note 2.3 Short-term borrowings**

Particulars	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
(a) Loans repayable on demand		
From banks		
Secured ( refer note no.1)	728.10	1,275.06
	728.10	1,091.50
From Intercorporate Deposit		
Unsecured	75.25	310.25
	75.25	310.25
(b) Loans and advances from related parties (refer note no.2)		
<b>Unsecured</b>		
Directors	329.29	547.41
Related Parties	631.46	1,087.89
	960.75	1,635.30
(c) <b>Deposits</b>		
Unsecured Public Deposits (refer note no.3)	0.86	44.05
	0.86	44.05
<b>Total</b>	<b>1,764.96</b>	<b>3,264.66</b>

**Notes:**

- 1) Company is using Cash Credit Facilities for Working Capital & which is secured by
  - a) Hypothecation of raw materials, stock in process, finished goods, packing materials, stores & book debts,
  - b) Charge on fixed assets and machineries of the company
  - c) Personal guarantee of certain Directors
- 2) Unsecured loan from Directors and related parties includes following amounts

Name	Designation	As at 31.03.14	As at 31.03.13
Anil V.Choksi	Managing Director	133.90	187.09
Gaurav S. Choksi	Whole Time Director	11.96	59.21
Samir K.Choksi	Whole Time Director	157.84	278.01
Naimish N.Choksi	Whole Time Director	25.59	23.10

**Related Parties**

Loans & Advances from related parties includes the balance of ₹ 630.18 (1077.86) of Choksi Brothers Pvt. Ltd. and ₹ 1.28 (10.03) of Hi-Tech Imaging Pvt.Ltd. in which the Directors are interested.

- 3) Public Deposit is ₹ 0.86 is payable within next year

**Note 2.4 Deferred Tax**

₹ In Lakhs

Nature of Timing Diferrence	Deferred Tax Asset / liability as on 01.04.2013	Credit for the Current Year changes to Profit & Loss account	Deferred Tax Asset liability as at 31.03.2014
A) Deferred Tax Liability			
Fixed Assets	77.50	3.76	81.26
<b>Total</b>	<b>77.50</b>	<b>3.76</b>	<b>81.26</b>
<b>Deferred Tax Liabilities Net</b>	<b>77.50</b>	<b>3.76</b>	<b>81.26</b>

( All figures are in ₹ Lakhs unless specifically mentioned.)

**Note 2.5 Short-term Provisions**

Particulars	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
(a) Provision for employee benefits:		
(i) Provision for bonus	16.60	18.59
	16.60	18.59
(ii) Provision for proposed equity dividend	-	19.50
(iii) Provision for tax on proposed dividend	-	3.16
	-	22.66
<b>Total</b>	<b>16.60</b>	<b>41.25</b>

**Note :** The Company has not declared any Dividend for the year ended 31<sup>st</sup> March, 2014. The Dividend for the year ended 31<sup>st</sup> March, 2013 was ₹ 0.50/- per share.

**Note 2.6 Trade Payables**

Particulars	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
Trade payables:		
Acceptances	1,883.99	4,466.12
<b>Total</b>	<b>1,883.99</b>	<b>4,466.12</b>

**Note :**

- The outstanding of Micro, Small and Medium scale industrial undertaking has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.  
There is no outstanding supplier from Micro, Small & Medium undertaking more than 45 Days as informed  
There is no claims from suppliers under the interest on delayed payment to small scale Ancillary Industrial Undertaking as informed by the Management.
- Trade Acceptances includes of ₹ 31.62 (31.62) of Photo Marketing Services & S.S.Digitech Pvt.Ltd. ₹ NIL (0.46) in which Kay Management persons are interested & Maximum Balance of Outstanding anytime during the year ₹ 31.62 (31.62) and ₹ NIL (4.27) Respectively.

**Note 2.7 Other current liabilities**

Particulars	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
(a) Income received in advance (Unexpired Annual maintenance contracts)	8.66	15.14
(b) Unpaid dividends	6.33	7.06
(c) Unpaid Fixed Deposit	1.25	-
(d) Unpaid matured deposits and interest accrued thereon	0.05	0.05
(e) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, TDS etc.)	65.44	114.54
(ii) Security deposits received	39.80	39.70
(iii) Advances from customers	219.41	200.34
(iv) Other	40.07	153.50
a) Outstanding Expenses ₹ 9.96 (63.92)		
b) Professional Fees ₹ NIL (0.27)		
c) Excise Duty on Closing Stock ₹ 23.75 (79.39)		
d) Salary Payable ₹ 2.09 (1.97)		
e) Advance ₹ 1.11 (6.36)		
f) Rent Payable ₹ 3.16 (1.58)		
<b>Total</b>	<b>381.01</b>	<b>530.33</b>

(All figures are in ₹ Lakhs unless specifically mentioned.)

**FIXED ASSETS**

**NOTE 2.8 Tangible**

NO.	PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION / AMORTISATION			NET BLOCK	
		AS AT 01.04.13 ₹ In Lakhs	ADDITION ₹ In Lakhs	DEDUCT. ₹ In Lakhs	AS AT 31.03.14 ₹ In Lakhs	FOR THE YEAR ₹ In Lakhs	ADJ. FOR YEAR ₹ In Lakhs	AS AT 31.03.14 ₹ In Lakhs	AS AT 31.03.13 ₹ In Lakhs
1	LAND	13.68	-	-	13.68	-	-	13.68	13.68
2	BUILDING	533.94	-	-	533.94	11.03	86.31	447.63	458.66
3	PLANT & MACHINERY	323.16	27.77	-	350.93	15.80	212.43	138.50	126.53
4	FURNITURE & FIXTURE	99.50	2.23	0.31	101.42	5.26	29.76	71.66	74.86
5	VEHICLES	75.13	-	7.94	67.19	6.51	50.59	16.60	26.40
6	OFFICE EQUIPMENTS	35.36	1.23	-	36.59	1.86	13.41	23.18	23.81
7	OFFICE PREMISES	299.10	-	-	299.10	4.88	22.04	277.06	281.94
8	OTHER (COMPUTER)	78.58	1.67	-	80.25	7.47	64.45	15.80	21.60
		<b>1,458.45</b>	<b>32.90</b>	<b>8.25</b>	<b>1,483.10</b>	<b>52.81</b>	<b>478.99</b>	<b>1,004.11</b>	<b>1,027.48</b>
	PREVIOUS YEAR	1,450.15	8.68	0.38	1,458.45	54.54	430.97	1,027.48	1,073.57

**Note : Intangible**

NO.	PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION / AMORTISATION			NET BLOCK	
		AS AT 01.04.13 ₹ In Lakhs	ADDITION ₹ In Lakhs	DEDUCT. ₹ In Lakhs	AS AT 31.03.14 ₹ In Lakhs	FOR THE YEAR ₹ In Lakhs	ADJ. FOR YEAR ₹ In Lakhs	AS AT 31.03.14 ₹ In Lakhs	AS AT 31.03.13 ₹ In Lakhs
1	GOODWILL	50.00	-	-	50.00	5.00	50.00	-	5.00
2	COMPUTER (SOFTWARE)	12.11	-	-	4.47	1.96	6.43	5.68	7.64
		<b>62.11</b>	-	-	<b>49.47</b>	<b>6.96</b>	-	<b>56.43</b>	<b>12.64</b>
	PREVIOUS YEAR	56.69	5.42	-	43.17	6.30	49.47	12.64	13.52

**Notes :** i) Land includes ₹ 1000/-, 10 shares of ₹ 100/- each of Silvassa Industrial Co-op. Society Ltd., Silvassa.  
ii) Building includes ₹ 500/- towards share capital in Silvassa Estates Pvt. Ltd.

( All figures are in ₹ Lakhs unless specifically mentioned.)

**Note 2.9 Long-term Loans and Advances**

<b>Particulars</b>	<b>As at 31st March 2014 ₹ in Lakhs</b>	<b>As at 31st March 2013 ₹ in Lakhs</b>
(a) Security deposits		
Statutory	0.48	0.48
Utilities	13.39	17.64
Others	40.64	49.65
	54.51	67.77
(b) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	1.48	1.50
(c) Advance income tax net of provisions Unsecured, considered good	81.81	75.64
(d) Other loans and advances Unsecured ( Advances paid for Purchase of materials)	-	0.29
	83.29	77.43
<b>Total</b>	<b>137.80</b>	<b>145.20</b>

**Note 2.10 Inventories**

<b>Particulars</b>	<b>As at 31st March 2014 ₹ in Lakhs</b>	<b>As at 31st March 2013 ₹ in Lakhs</b>
(a) Raw materials & Packing Materials (at cost)		
Medical X-Ray Films	290.83	673.01
Industrial X-Ray Films	-	47.35
Others	137.98	193.07
	428.81	913.43
(b) Finished goods (other than those acquired for trading)(at cost)		
Medical X-Ray Films	209.72	615.04
Industrial X-Ray Films	-	78.08
Scrap	6.50	9.64
	216.22	702.76
(c) Stock-in-trade (acquired for trading)		
Stent	-	1,438.34
Other Trading Goods	337.94	1,052.60
Ultrasound	204.01	-
Computed Radiography System	239.29	-
Goods-in-transit	6.12	16.81
	787.36	2,507.75
<b>Total</b>	<b>1,432.39</b>	<b>4,123.94</b>

**Note 2.11 Trade receivables**

<b>Particulars</b>	<b>As at 31st March 2014 ₹ in Lakhs</b>	<b>As at 31st March 2013 ₹ in Lakhs</b>
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	682.36	331.47
	682.36	331.47
Others Trade receivables		
Unsecured, considered good	1,622.99	3,976.60
	1,622.99	3,976.60
<b>Total</b>	<b>2,305.35</b>	<b>4,308.07</b>

**Note:** Other Trade Receivable Includes ₹ 157.85 of Hi-Tech Imaging Pvt.Ltd.in which Key Management Person are Interested Maximum Balance is outstanding anytime during the year ₹ 157.85

( All figures are in ₹ Lakhs unless specifically mentioned.)

**Note 2.12 Cash and cash equivalents**

Particulars	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
(a) Cash on hand	2.86	4.53
(b) Balances with banks		
(i) In current accounts	95.79	84.83
(ii) In deposit accounts (Refer Note (i) below)	55.70	28.10
(iii) Unpaid dividend accounts	6.33	7.06
(iv) Unpaid matured deposits	0.05	0.05
<b>Total</b>	<b>160.73</b>	<b>124.57</b>
<b>Notes:</b>		
(i) Margin money amounting to ₹ 55.70 (As at 31st March, 2014) which have an original maturity of more than 12 months for letter of credit & Bank Guarantee (₹ 28.10)		

**Note 2.13 Short-term Loans and Advances**

Particulars	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
(a) Security deposits Unsecured, considered good (Earnest Money, Tender Deposit & Security Deposit)	30.38	28.08
(b) Loans and advances to employees Unsecured, considered good	0.61	0.01
(c) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual Maintenance contract etc)	13.61	17.23
(d) Balances with government authorities Unsecured, considered good CENVAT credit receivable	214.31	444.75
(e) Others Unsecured, considered good (Advance Paid to Suppliers against Materials )	85.69	53.62
<b>Total</b>	<b>344.60</b>	<b>543.69</b>

**Note 2.14 Other Current Assets**

Particulars	As at 31st March 2013 ₹ in Lakhs	As at 31st March 2012 ₹ in Lakhs
Others		
(i) Others (Excise & Custom duty Recievable on Export)	0.92	4.77
(ii) Service Tax on AMC	-	4.72
(iii) Other Receivable	-	0.42
(iv) Sales Tax	4.59	-
<b>Total</b>	<b>5.51</b>	<b>9.91</b>

( All figures are in ₹ Lakhs unless specifically mentioned.)

**Note 2.15 Revenue from operations**

<b>Particulars</b>	<b>For the year ended 31st March 2014 ₹ in Lakhs</b>	<b>For the year ended 31st March 2013 ₹ in Lakhs</b>
(a) Sale of products (Refer Note (i) below)	18,388.85	24655.45
Less:		
Excise duty	1507.00	1886.97
	16881.85	22768.48
(b) Sale of services (Refer Note (ii) below)	93.78	81.37
(c) Other operating revenues (Refer Note (iii) below)	45.03	116.42
(i) Sale of products comprises:		
Manufactured goods	13749.14	16878.33
X-RAY FILMS		
Traded goods		
Stent	1792.75	5020.86
Ultrasound	482.63	431.00
Computed Radiography System	1210.28	1075.00
Others	1154.05	1250.44
	4639.71	7777.12
<b>Total - Sale of products</b>	<b>18388.85</b>	<b>24655.45</b>
(ii) Sale of services comprises :		
SERVICE CHARGES (Including Annual maintenance charges &Comprehensive maintenance charges for X-Ray Processor & Equipment & C.R.System)	93.78	81.37
<b>Total - Sale of services</b>	<b>93.78</b>	<b>81.37</b>
(iii) Other operating revenues comprise:		
Sale of scrap	45.03	116.42
Commission	-	0.00
<b>Total - Other operating revenues</b>	<b>45.03</b>	<b>116.42</b>
<b>Other Income</b>		
Interest income	3.27	12.74
<b>Total</b>	<b>3.27</b>	<b>12.74</b>
Miscellaneous income (net of expenses directly attributable)	2.82	11.76
Total - Other non-operating income	2.82	11.76
<b>Total</b>	<b>6.09</b>	<b>24.50</b>

**Note 2.16 Cost of Raw Materials & Packing Materials consumed**

<b>Particulars</b>	<b>For the year ended 31st March 2014 ₹ in Lakhs</b>	<b>For the year ended 31st March 2013 ₹ in Lakhs</b>
Opening stock	913.43	463.85
Add: Purchases	10,050.30	13,542.01
Less: Closing stock	428.81	913.43
<b>Cost of material consumed</b>	<b>10534.92</b>	<b>13,092.43</b>

( All figures are in ₹ Lakhs unless specifically mentioned.)

**Note 2.17 Purchase of Traded Goods**

Particulars	For the year ended 31st March 2014 ₹ in Lakhs	For the year ended 31st March 2013 ₹ in Lakhs
Stent	411.88	2,764.29
Ultrasound	276.39	388.38
Computed Radiography System	1193.15	1155.39
Others	806.97	1102.40
<b>Total</b>	<b>2688.39</b>	<b>5,410.46</b>

**Note 2.18 Changes in inventories of finished goods**

Particulars	For the year ended 31st March 2014 ₹ in Lakhs	For the year ended 31st March 2013 ₹ in Lakhs
<b>Work in process and stock in trade</b>		
Inventories at the end of the year:		
Finished goods	216.23	702.76
Stock In Trade	781.24	2,490.94
	997.47	3,193.70
Inventories at the beginning of the year:		
Finished goods	702.76	653.16
Stock In Trade	2490.94	4,023.01
	3193.70	4,676.17
<b>Net (increase) / decrease in stock in Trade</b>	1709.70	1,532.07
<b>Net (increase) / decrease in Finished Goods</b>	486.53	(49.60)
<b>Net (increase) / decrease</b>	<b>2196.23</b>	<b>1,482.47</b>
Closing of Finished goods includes adjustment of excise duty		

**Note 2.19 Employee Benefits Expense**

Particulars	For the year ended 31st March 2014 ₹ in Lakhs	For the year ended 31st March 2013 ₹ in Lakhs
Salaries and wages	437.98	550.68
Contributions to provident and other funds	23.75	31.53
Staff welfare expenses	11.33	16.53
<b>Total</b>	<b>473.06</b>	<b>598.74</b>

**Note 2.20 Finance Costs**

Particulars	For the year ended 31st March 2014 ₹ in Lakhs	For the year ended 31st March 2013 ₹ in Lakhs
Interest expense on : Borrowings	328.82	378.25
<b>Total</b>	<b>328.82</b>	<b>378.25</b>

( All figures are in ₹ Lakhs unless specifically mentioned.)

**Note 2.21 Other Expenses**

Particulars	For the year ended 31st March 2014 ₹ in Lakhs	For the year ended 31st March 2013 ₹ in Lakhs
Consumption of stores and spare parts	0.66	0.86
Increase / (decrease) of excise duty on inventory	(55.64)	4.97
Power and fuel	23.45	24.06
Rent including lease rentals	28.56	33.66
Repairs and maintenance - Buildings	0.97	0.76
Repairs and maintenance - Machinery	12.91	8.15
Repairs and maintenance - Others	5.97	6.14
Insurance	22.65	31.63
Rates and taxes	15.03	8.04
Communication	22.72	26.39
Travelling and conveyance	159.33	216.94
Printing and stationery	9.02	13.65
Freight and forwarding	227.24	417.24
Sales commission	163.32	352.04
Business promotion	11.82	79.42
Payments to auditors (Refer Note (i) below)	5.00	5.00
Bad trade and other receivables, loans and advances written off	37.82	17.66
Donation	-	3.70
Net loss on foreign currency transactions and translation (other than considered as finance cost)	353.02	237.62
Miscellaneous expenses	342.72	443.91
<b>Total</b>	<b>1386.57</b>	<b>1931.84</b>
(i) Payments to the auditors comprises (net of service tax input credit, where applicable) :		
As auditors - statutory audit	4.00	4.00
For taxation matters	0.50	0.50
For other services	0.50	0.50
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

**Note 2.22 Contingent liabilities and commitments (to the extent not provided for)**

Particulars	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
Contingent liabilities		
(a) Guarantees	32.38	13.90
(b) Letter of Credit	23.31	14.18
(c) Claim not Acknowledge by Company (refer note)	143.75	143.75

**Note :** No Provision has been made in books of Account as Company is of the opinion that there will not be any Liability. As Company is confident of winning both the cases inclusive of ₹ 128.50 of Bright Care Diagnostic Centre and ₹ 15.25 of Dr.Jai Thakur

**Note 2.23 Value of imports calculated on CIF Basis:**

Particulars	As at 31st March 2014 ₹ in Lakhs	As at 31st March 2013 ₹ in Lakhs
Raw materials	8393.51	11125.87
	8393.51	11125.87
Equipment, Spares & X-Ray Accessories & Other Finished Goods	794.48	3197.77
	794.48	3197.77

( All figures are in ₹ Lakhs unless specifically mentioned.)

**Note 2.24 Expenditure in foreign currency:**

Particulars	As at	As at
	31st March 2014 ₹ in Lakhs	31st March 2013 ₹ in Lakhs
Expenses Including Foreign Travelling	21.08	9.60

**Note 2.25 Details of consumption of imported and indigenous items**

Particulars	As at 31st March 2014	
	₹ in Lakhs	%
<b>Imported</b>		
Raw materials	9797.60 (11938.62)	93.00% (91.19%)
<b>Indigenous</b>		
Raw materials & Packing Material	737.32 (1153.82)	7.00% (8.81%)
<b>Note :</b> Figures / percentages in brackets relates to the previous year		

**Note 2.26 Earnings in foreign exchange:**

Particulars	As at	As at
	31st March 2014 ₹ in Lakhs	31st March 2013 ₹ in Lakhs
Export of goods calculated on FOB basis	8.88	726.45

**Note 2.27 Remittance in Foreign Currency on account of dividend**

Particulars	For the year ended	For the year ended
	31st March 2014 ₹ in Lakhs	31st March 2013 ₹ in Lakhs
Dividend	0.74	1.48

**Note 2.28 Disclosures under Accounting Standards**

Particulars
<b>Segment information</b>
The Company is engaged only in one business segment viz.the business of manufacturing and dealing in Photosensitised materials and other products for Healthcare industry.Hence the the Segment wise information as required by AS 17 is not applicable.

**Note 2.29**

**A)** Consequent upon Amendment to Section 205A of the Companies Act 1956 and introduction of Section 205C by the Companies (Amendment Act)1999, the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to Unpaid dividend account in respective years in respect of Accounting year 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 & 2011-12 subsequent dividend payment, shall be transferred to the "Investors Education and Protection Fund " account.

**B) Related Parties & Relationship**

- a) Company and firm in which Directors and their relatives are Directors or Partner  
Choksi Brothers Pvt.Ltd., Medical Solution (India) Pvt.Ltd., Unique Imaging, S. S. Digitech Impex Pvt.Ltd., Photo Marketing Services & Hi-tech Imaging Pvt.Ltd.
- b) Directors of the company  
Anil Choksi, Samir Choksi, Naimish Choksi, Gaurav Choksi
- c) Key Management personnel  
Tushar K. Choksi, Sunil A. Choksi

Details of Transaction with above parties

₹ In Lakhs

Particulars	Companies in which the Company has substantial interest	Directors of the Company & their relatives	Key Management Personnel	Total
Salaries	-	34.56	17.28	51.84
Purchase of Goods	23.21	-	-	23.21
Sales of Goods	225.74	-	-	225.74
Rent paid to CBPL-Delhi	21.06	-	-	21.06
Rent paid to Hitech Imaging	0.75	-	-	0.75
Interest Expenses on Deposit Taken	108.72	41.58	-	150.30
Deposit taken	550.38	163.25	-	713.63
Deposit Repaid	1115.52	422.95	-	1538.47

- d) Disclosure in respect of material related transaction during the year
  - a) Purchase Goods from Unique Imaging is ₹ 14.56
  - b) Purchase Goods from S. S. Digitech Impex Pvt. Ltd. is ₹ 8.65
  - c) Sale Goods to Medical Solutions (India) Pvt.Ltd. ₹ 2.13
  - d) Sale Goods to Hi-Tech Imaging Pvt. Ltd. ₹ 223.61
  - e) Remuneration to key management personnel includes salary from April to September 2013 Tushar. K. Choksi ₹ 8.40, Sunil A. Choksi ₹ 8.40 & others from April to March 2014 ₹ 0.24 each

**C) Derivatives contract entered by the Company & Outstanding as on 31.03.14**

- a) Nominal amount of derivative contract entered by the Company Outstanding as on 31.03.14 is NIL Previous year NIL
- b) Foreign Currency exposure that are not hedged by derivative investement as on 31.03.14 is as follows:

Particulars	Foreign Currency	Amount ₹ in Lakhs
Account Recievable	NIL	NIL
Account Payable	USD.2298093.58 (6710803.43)	1381.15 (3650)
	Euro.300926 (82689)	248.49 (288.35)
	Yen. NIL (7195950)	NIL (41.56)

( All figures are in ₹ Lakhs unless specifically mentioned.)

**Note 2.30 Disclosure as per Accounting Standard-15**

<b>Defined Benefit Plan</b>	<b>2012-2013 ₹ in Lakhs</b>	<b>2013-2014 ₹ in Lakhs</b>
<b>Changes in Present value of obligations</b>		
Opening balance of Present value of Obligations	58.38	66.91
Interest Cost	5.26	5.78
Current Service Cost	4.95	3.60
Benefits Paid	(1.68)	(3.09)
Actuarial (gain) / loss on obligations	-	(0.01)
Present value of Obligations as at 31 st March	66.91	73.19
<b>Changes in Fair Value of plan assets</b>		
Opening Fair Value of Plan Assets	58.38	66.91
Expected return on Plan Assets	4.68	5.36
Actuarial gain / (losses) on Plan Assets	-	-
Contributions by Employer	5.53	4.01
Benefits Paid	(1.68)	(3.09)
Fair Value of Plan Assets as at 31st March	66.91	73.19
<b>Amount to be recognised in the Balance Sheet</b>		
Present Value of Funded Obligations as at 31st March	66.91	73.19
Fair Value of Plan Assets as at 31st March	66.91	73.19
<b>Expense recognised in the Profit &amp; Loss Account</b>		
Current Service Cost	4.95	3.60
Interest Cost	5.26	5.78
Expected return on Plan Assets	(4.68)	(5.36)
Net Actuarial gain / (Loss)	-	(0.01)
Expense recognised in the Profit & Loss Account	5.53	4.01
<b>Description of Plan Assets</b>		
Insurer Managed Funds	100%	100%
<b>Assumptions</b>		
Mortality Rate	LIC(1994-96) Ultimate	LIC(1994-96) Ultimate
Withdrawal Rate	1 % to 3 % depending on age	1 % to 3 % depending on age
Discount Rate	8.0%	8.0%
Salary Escalation	5.0%	5.0%

**Note 2.31 Disclosures under Accounting Standard-20**

<b>Particulars</b>	<b>For the year ended 31st March, 2014 ₹ in Lakhs</b>	<b>For the year ended 31st March, 2013 ₹ in Lakhs</b>
<b>Earnings per share</b>		
Basic		
Continuing operations		
Net profit / (loss) for the year from continuing operations	(646.43)	22.82
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(646.43)	22.82
Weighted average number of equity shares		
Par value per share	39.00	39.00
Earnings per share from continuing operations - Basic	(16.58)	0.59

( All figures are in ₹ Lakhs unless specifically mentioned.)

**SCHEDULE: 14**

**NOTES FORMING PART OF ACCOUNTS**

**1. Significant Accounting Policies:**

**a. Basis of Preparation**

The financial statements of Choksi Imaging Ltd. have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises accounting standards notified by the Central Government of India under Section 211 (3C) of the Companies Act, 1956, other pronouncement of Institute of Chartered Accountants of India, the provisions of Companies Act, 1956 The financial statements are rounded off to the nearest Rupees lakhs.

The company has prepared these Financial Statements as per the format prescribed in the Revised Schedule VI to the Companies Act, 1956 issued by Ministry of Corporate Affairs.

**b. Use of Estimates**

The preparation of the Financial Statement in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statement and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

**c. Revenue Recognition**

Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of products are transferred to customers.

Revenue from sale of goods has been presented both gross and net of excise duty.

Revenue from product sales is stated exclusive of returns, sales tax and applicable trade discounts and allowances.

Revenue from sale of services is recognized when the related services are performed and debits notes are raised.

Income from interest on deposits, loans and interest bearing securities is recognized on the time proportionate method based on underlying interest rates.

Insurance and other claims/refunds are accounted for as and when admitted by appropriate authorities.

**d. Valuation of Inventories**

Items of inventories are measured at lower of cost and net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads, excluding depreciation incurred in bringing them to their respective present location, condition, net of Cenvet and VAT benefit. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on First in First out method. Scrapes are valued at net realizable value.

**e. Contingencies and Event occurring after Balance Sheet date**

Event occurring after the date of Balance sheet, which provide further evidence of conditions that existed at the Balance Sheet date or that arose subsequently, are considered up to the date of approval of accounts by the Board of Directors, where material.

**f. Fixed Assets and Depreciation**

(a) Tangible Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses related to acquisition. In respect of construction period, related pre-operational expenses form part of value of the assets capitalized. The purchase cost of Fixed Assets has been considered net of CENVAT credit availed on such purchases.

(b) Tangible Fixed Assets are stated at historical cost less depreciation.

(c) I) Depreciation on fixed assets has been provided on a straight line basis at the rates prescribed in Schedule XIV to the Companies Act, 1956.

II) In respect of assets acquired/sold/discarded during the financial period, depreciation is provided on Prorata basis with reference to the period each assets was put to use during the financial period.

(d) Intangible Fixed Assets and Amortization.

Items of expenditure that meets the recognition criteria mentioned in Accounting Standard – 26 on "Intangible Assets" are classified as intangible assets and are amortized over the period of economic benefits. Goodwill is amortized over a period of 10 years.

Software are stated at cost of acquisition and are amortized on straight line basis as per rates applicable.

**g. Foreign Currency Transactions**

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Exchange differences arising on foreign currency transaction settled during the year are recognized in the statement of Profit and Loss. Monetary Assets and Liabilities denominated in foreign currency as at the Balance Sheet date are re-stated using the Foreign Exchange rates as at Balance Sheet date. The resultant exchange differences are recognized in the statement of Profit and Loss.

**h. Employee Benefits****(i) Short Term Benefits**

- a) All employee benefits including bonus/ex-gratia (incentives) payable wholly within twelve months of rendering the service are classified as short term employee benefits and are charted to the statement of Profit and Loss.

**(ii) Long Term Benefits****a) Post Employment Benefits**

- (i) Defined Contribution Plans : Retirement/Employee benefits in the form of Provident Fund and labour welfare fund are considered as defined contribution plan and contribution to the respective funds administered by the Government are charged to the Profit and Loss account of the year when the contribution to the respective funds are due.
- (ii) Gratuity: The Company provided for gratuity to all employees. The benefit is in the form of lump sum payment to vested employees' on resignation, retirement ,on death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The company makes annual contribution to funds administered by trustees and managed by insurance companies for amounts notified by the said insurance companies. The defined gratuity benefit planes are valued by an independent external actuary as at the balance sheet date using the projected unit credit method of determined the present value of defined benefit obligation and the related services costs. Under this method, the determination is based on actuarial calculations. Which include assumption about demographics, early retirement, salary increased and interest rates. Actual gain or loss is recognized in the profit and loss accounts. Leave encashment is being provided on yearly basis as per rules.

**i. Taxation**

- a) **Current Tax:** The current charge of Income-tax is calculated in accordance with relevant tax regulations applicable to the company.
- b) **Deferred Tax:** Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at such balance sheet date and is written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set off assets against liabilities and where such assets are liabilities relate to taxes on income levied by the same governing taxation laws.

**j. Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication amount exists. The company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of amortized historical cost.

**k. Accounting for Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized in terms of Accounting Standard -29 on "Provisions, Contingent Liabilities and Contingent Assets" issued by the ICAI, when there is a present legal or statutory obligation as a result of past events leading to probable outflow of resources, where a reliable estimate can be made to settle the same.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Assets are not recognized in the financial statements.

#### **i. Earning Per Share**

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20 – Earnings per share. Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders are the weighted average number of shares outstanding during the year are adjusted for the effect of dilutive potential equity shares.

#### **m. Cash Flow Statement**

(a) The Cash Flow Statement is prepared by the Indirect method set out in Accounting Standard (AS-3) on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.

(b) Cash and Cash Equivalents presented in the Cash Flow Statement comprise of cash on hand and balances in current accounts and deposit account with banks.

#### **n. Borrowing Costs**

(a) Borrowing costs that are attributable to the acquisition or construction of an asset are capitalized as part of cost of such assets till such time the asset is ready for its intended commercial use.

(b) Other borrowing costs are charged off to Revenue Account in the year in which they are incurred.

#### **o. Leased Assets**

(a) Operating lease: Asset acquired as leases where a significant portion of risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease charges are recognized in statement of Profit and Loss on a straight line basis over the lease term.

#### **p. Financial Derivatives and Hedging Transaction**

The Company uses foreign exchange forward contracts and option contracts (derivatives) to mitigate its risk of changes in foreign currency exchange rates and does not use them for trading or speculative purposes.

In case of forward contracts, the difference between the forward rate and the exchange rate, being the premium or discount at the inception of a forward exchange contract is recognized in the profit and loss account in the reporting period in which the rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the period.



# CHOKSI IMAGING LIMITED

**Registered Office:** -10, Prasad Indl. Est., 2-66, Sativali, Vasai Kaman Road.,  
Vasai (E), Dist. Thane-401208.

**CIN :** L24294MH1992PLC068852

## E-MAIL ID REGISTRATION FORM

I, .....

(name of first/individual shareholder) holding ..... (no. of shares)

equity shares in physical mode vide folio no. ....

in the Company,

would like to register below mentioned e-mail ID for receiving all the communications/  
documents/ notices/ correspondences from the Company in electronic mode instead of  
getting physical copies of the same. Kindly register the same.

E-mail ID: .....

Yours truly,

Name: .....

Address: .....

.....

Dated: .....



# CHOKSI IMAGING LIMITED

CIN : L24294MH1992PLC068852

**Regd. Office:** Gala No. D -10, Prasad Indl. Estate, Survey No. 2 & 66, Sativali,  
Vasai Kaman Road,, Vasai Road (East) ,Thane -401208.

Website: www.choksiworld.com • E-mail: compliance.officer@choksiworld.com  
Tel No.: 0250-3251797

## ATTENDANCE SLIP

(To be presented at the entrance)

Folio No.: \_\_\_\_\_

DPID No.: \_\_\_\_\_

Client I.D. No.: \_\_\_\_\_

No. of shares held: \_\_\_\_\_

I/ We hereby record my / our presence at the **TWENTYSECOND ANNUAL GENERAL MEETING** of the Company at Dara's Dhaba, W.E. Highway NO.8, Ghodbunder Road, Kashimira, Post Mira, Dist. Thane - 401104, on **Saturday, September 27, 2014 at 11.00 a.m.**

Name of the Member: \_\_\_\_\_

\_\_\_\_\_  
Signature

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

\_\_\_\_\_  
Signature

*NOTE: Member/joint member/proxies are requested to bring this slip with them and hand it over at the entrance. Duplicate slips will not be issued at the entrance of the venue.*



# CHOKSI IMAGING LTD.

CIN: L24294MH1992PLC068852

Regd. Office: Gala No. D -10, Prasad Indl. Estate, Survey No. 2 & 66, Sativali,  
Vasai Kaman Road, Vasai Road (East), Thane -401208.

Website: www.choksiworld.com • E-mail: compliance.officer@choksiworld.com • Tel No.: 0250-3251797

FORM No. MGT- 11

## PROXY FORM

(Pursuant to Section 105 (6) of the Companies Act 2013 and rule 19 (3) of  
the Companies (Management and Administration Rules 2014)

Name of the member(s)	
Registered Address	
Email ID:	
Folio No./ Client ID:	
DP ID :	

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

1. Name : \_\_\_\_\_

Email ID: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

2. Name : \_\_\_\_\_

Email ID: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

3. Name : \_\_\_\_\_

Email ID: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22<sup>nd</sup> Annual General Meeting of the company, to be held on the Saturday, 27<sup>th</sup> September, 2014 at 11.00 a.m. at Dara's Dhaba, W.E. Highway NO.8, Ghodbunder Road, Kashmirira, Post Mira, Dist. Thane - 401104 and at any adjournment thereof in respect of such resolutions as are indicated below:

Reso. No.	Description
<b>ORDINARY BUSINESS</b>	
1	Adoption of Audited Balance sheet, Statement of profit & Loss Account together with the Reports of the Directors' and Auditors' for the financial year ended March 31, 2014.
2	Re-appointment of Mr. Anil V. Choksi as a Director of the Company.
3	Appointment of Statutory Auditors of the Company.
<b>SPECIAL BUSINESS</b>	
4	Appointment of Mr. Sharadchandra Pendse as an Independent Director of the Company.
5	Appointment of Mr. Tushar Parikh as an Independent Director of the Company.
6	Appointment of Mr. Himanshu Kishnadwala as an Independent Director of the Company.
7	Appointment of Mr. Vikram Maniar as an Independent Director of the Company.
8	Appointment of Mrs. Shanthakamaniprakash Sagarkatte as an Independent Director of the Company.
9	Approval for Borrowing Limit of the Company.
10	Creation of Charges in connection with borrowing of the Company.
11	To approve revision in salary of Mr. Anil Choksi, Managing Director of the Company.
12	To approve revision in salary of Mr. Naimish Choksi, Whole Time Director of the Company.
13	To approve revision in salary of Mr. Samir Choksi, Whole Time Director of the Company.
14	To approve revision in salary of Mr. Gaurav Choksi, Whole Time Director of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014



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

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

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



Book-Post

If Undelivered, Please return to :



**CHOKSI IMAGING LIMITED**

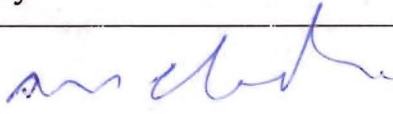

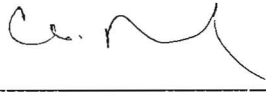
CIN : L24294MH1992PLC068852

**CORPORATE OFFICE**

26, Classique Centre, C Wing, 4th Floor,  
Mahal Indl. Estate, Off. Mahakali Caves Road,  
Andheri (East), Mumbai - 400 093. INDIA

## FORM A

(Pursuant to Clause 31(a) of the Listing Agreement)

1.	Name of the Company	Choksi Imaging Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	<b>To be signed by</b>	
	Mr. Anil Choksi Managing Director	
	Mr. Gaurav Choksi CFO	
	Mr. K.R. Parikh Statutory Auditor	
	Mr. Himanshu Kishnadwala Chairman of Audit Committee	