

# **CHOKSI IMAGING LIMITED**



**24TH ANNUAL REPORT  
2015-2016**



## TWENTY FOURTH ANNUAL REPORT 2015 – 2016

<b>BOARD OF DIRECTORS</b>	: Sharadchandra Pendse : Anil V. Choksi : Gaurav S. Choksi : Naimish N. Choksi : Samir K. Choksi : Vikram V. Maniar : Tushar M. Parikh : Himanshu Kishnadwala : Shamanthkamaniprakash Sagarkatte	- Chairman & Independent Director - Managing Director - Whole Time Director - Whole Time Director - Whole Time Director - Independent Director - Independent Director - Independent Director - Independent Director
<b>COMPANY SECRETARY</b>	: Rishi M. Dave	
<b>BANKERS</b>	BANK OF BARODA,	
<b>AUDITORS</b>	: PARIKH & AMIN ASSOCIATES Chartered Accountants 205, 2nd Floor, 'B' Wing, Abhinav Apt., Shraddhanand Road, Vile Parle (E), Mumbai 400 057.	
<b>INTERNAL AUDITORS</b>	: KARIA & SHAH 309, 3rd Floor, Rajgir Sadan, Opp. Sion Rly. Station, Laxmi Baug, Sion (W), Mumbai - 400 022.	
<b>SHARE TRANSFER AGENT</b>	: ADROIT CORPORATE SERVICES PVT. LTD. 19, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Mumbai - 400 059. Tel.: 022-42270400 • Fax: 022 28503748	
<b>REGISTERED OFFICE</b>	: D-10, Prasad Indl. Est., 2-66, Sativali, Vasai Kaman Road., Vasai (E), Dist. Thane-401208. Tel: 0250-3251797	
<b>CORPORATE OFFICE</b>	: 4th Floor, C-wing, Classique Centre, Mahal Indl. Estate, Off. Mahakali Caves Road., Andheri (E) Mumbai-400 093. INDIA	
<b>FACTORY</b>	: Plot No. 10, Survey No. 121/P, Off. 66 K.V.A. Road, Amlī, Silvassa - 396 230 (U.T.)	
<b>GRIEVANCE REDRESSAL DIVISION</b>	: <a href="mailto:compliance.officer@choksiworld.com">compliance.officer@choksiworld.com</a>	
<b>WEBSITE</b>	: <a href="http://www.choksiworld.com">www.choksiworld.com</a>	

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## FINANCIAL HIGHLIGHTS

Particular	₹ in Lakhs				
	2015-16	2014-15	2013-14	2012-13	2011-12
Gross Turnover	5098.22	11888.14	18482.63	24736.8	19528.47
Profit before tax	218.38	(9.70)	(641.01)	35.74	186.63
Profit after tax (after extraordinary / prior period items)	216.79	42.07	(646.43)	22.82	126.64
Dividend (incl. Dividend tax and surcharge, if any)	46.94	23.49	-	22.66	45.33
Net Worth	1390.60	1244.24	1268.35	1914.78	1914.62
Book value per share (₹)	35.65	31.90	32.52	49.10	49.09
Earnings per share (₹)	5.56	1.08	(16.58)	0.59	3.25
Dividend	10%	5%	-	5%	10%

## NOTICE

Notice is hereby given that the TWENTY FOURTH ANNUAL GENERAL MEETING of the MEMBERS of **CHOKSI IMAGING LIMITED** will be held on Saturday, 24th September, 2016 at 11.00 a.m. at Royal Hills Hotel Chinchoti Naka Village - Kolhi Post Kaman, Mum-Ahm Highway Taluka-Vasai Dist- Thane 401208 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2016 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year ended 31st March, 2016.
3. To appoint a Director in place of Mr. Gaurav Choksi (00049445), who retires by rotation and being eligible, offers himself for re-appointment.
4. Ratification of appointment of Statutory Auditors of the Company.

To consider and if thought fit, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s. Parikh & Amin Associates, Chartered Accountants, Mumbai (Firm Registration No.107520W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting ('AGM') till the conclusion of the Twenty Fifth (25th) AGM of the Company to be held in 2017 at such remuneration, excluding applicable taxes and out of-pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors."

### SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following resolution as a Special resolution.

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Anil Choksi (DIN:00049369) as Managing Director of the Company, for a period of 1(One) year with effect from 1st September, 2016, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deemed fit and as may be acceptable to Mr. Anil Choksi, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**RESOLVED FURTHER THAT** notwithstanding anything contained in the terms of appointment, where in any financial year during the tenure of office, the Company has no profits, or its profits are inadequate, the remuneration payable to the Managing Director as salary, perquisites, and any other allowances, shall be governed by, and be subject to the ceilings provided under schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized, in the event of any statutory modification or of relaxation by the Central Government in Schedule V to the Companies Act, 2013, to vary or increase the Remuneration including salary, perquisites, allowances etc. within such prescribed limits or ceiling without any further reference to the members of the Company in General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To consider and if thought fit, to pass the following resolution as a Special resolution.

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Gaurav Choksi (DIN: 00049445) as Whole-time Director of the Company, for a period of 3 (three) years with effect from 1st July, 2016, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice

convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deemed fit and as may be acceptable to Mr. Gaurav Choksi, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**RESOLVED FURTHER THAT** notwithstanding anything contained in the terms of appointment, where in any financial year during the tenure of office, the Company has no profits, or its profits are inadequate, the remuneration payable to the Whole Time Director as salary, perquisites, and any other allowances, shall be governed by, and be subject to the ceilings provided under Schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized, in the event of any statutory modification or of relaxation by the Central Government in Schedule V to the Companies Act, 2013, to vary or increase the Remuneration including salary, perquisites, allowances etc. within such prescribed limits or ceiling without any further reference to the members of the Company in General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To consider and if thought fit, to pass the following resolution as a Special resolution.

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Naimish Choksi (DIN: 00049397) as Whole-time Director of the Company, for a period of 3(three) years with effect from 1st January, 2017, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deemed fit and as may be acceptable to Mr. Naimish Choksi, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**RESOLVED FURTHER THAT** notwithstanding anything contained in the terms of appointment, where in any financial year during the tenure of office, the Company has no profits, or its profits are inadequate, the remuneration payable to the Whole Time Director as salary, perquisites, and any other allowances, shall be governed by, and be subject to the ceilings provided under Schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized, in the event of any statutory modification or of relaxation by the Central Government in Schedule V to the Companies Act, 2013, to vary or increase the Remuneration including salary, perquisites, allowances etc. within such prescribed limits or ceiling without any further reference to the members of the Company in General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By order of Board of Directors**

**Sd/-  
Rishi Dave  
Company Secretary**

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

Place: Mumbai  
Date: 16<sup>th</sup> May, 2016

## NOTES

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos. 5 to 7 of the Notice, is annexed hereto. The relevant details of the Directors seeking re-appointment/ appointment under Item Nos. 3 & 5 to 7, pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed.
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 and it is also available on the Company's website i.e. [www.choksiworld.com](http://www.choksiworld.com).
5. The Company has notified closure of Register of Members and Share Transfer Books from 17th September, 2016 to 24th September, 2016 (both days inclusive).

Dividend, if approved by the members at the Annual General Meeting will be paid within a period of 30 days from the date of declaration, to the Members whose names appear on the Register of Members and Register of Beneficial Owners as on 16th September, 2016 as per details furnished by the Company's Share Registrars and Transfer Agents and the Depositories for this purpose.

6. 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.
7. 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.

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.

8. Pursuant to the provisions of Section 205 A (5) & 205 C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the Financial years 2007-2008 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. 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
31.03.2009	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
31.03.2015	05.09.2015	04.10.2022

According to the provisions of the Act, shareholders are requested to note that no claim shall lie against the Company 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 31ST MARCH, 2009 ONWARDS ARE REQUESTED TO WRITE TO THE COMPANY FOR OBTAINING DUPLICATE WARRANTS / DEMAND DRAFTS OR FOR REVALIDATION OF WARRANTS / DEMAND DRAFTS, BEFORE THE BALANCE GETS TRANSFERRED TO THE INVESTOR EDUCATION AND PROTECTION FUND ESTABLISHED BY THE CENTRAL GOVERNMENT UNDER SECTION 205 A (5) OF THE COMPANIES ACT, 1956.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number ('PAN') by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company or its RTA.
10. 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.
11. 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.
12. A route map giving directions to reach the venue of the 24th Annual General Meeting is given at the end of the Annual Report.
13. As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Both Forms are available on website of the Company. Members holding shares in physical form are requested to submit the forms to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
14. Pursuant to Section 108 of Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from place other than venue of the AGM) to exercise their right to vote. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL). The facility for voting through poll paper shall also be made available at the venue of the 24th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e voting may attend the meeting but shall not be entitled to cast their vote again at the AGM. Any person who acquires Shares of the Company and becomes a Member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date, i.e. September 16, 2016 may obtain the login Id and password from RTA.

The Company has appointed Ms. Nikita Pedhdiya, Nikita Pedhdiya & Associates, Practicing Company Secretary (CP No.: 14295) as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING AS REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Name of Director	Mr. Anil Choksi	Mr. Gaurav Choksi	Mr. Naimish Choksi
Date of Birth	07.04.1932	27.10.1974	30.01.1954
Date of First Appointment	01.10.1992	13.08.2012	01.01.2001
Qualification	Undergraduate	Chartered Accountant	B. Com Graduate
Expertise	Mr. Anil Choksi is one of the Promoter Director of the Company. He is associated with industry for last 62 years.	Mr. Gaurav Choksi is having 18 years of experience. He started his career with Arthur Andersen, subsequently joined the Company.	He is one of the Promoter Director and associated with 43 years' experience in the industry.
Directorships held in other public companies including private companies which are subsidiaries of public company (excluding foreign and private companies)	NIL	NIL	NIL
Memberships/Chairman-ships across all companies	NIL	NIL	NIL
Shareholding	189927	194960	131599
Relationship between Directors inter-se	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.5**

Mr. Anil Choksi is associated with the Company from incorporation of the Company.

Mr. Anil Choksi was appointed as Managing Director of the Company vide passing shareholders resolution dated 5th September, 2015 for the period of 1 years from 01.09.2015 to 31.08.2016.

The approval of members is being sought for appointment of Mr. Anil Choksi as Managing Director and payment of remuneration to him as set out in resolution no. 5.

Brief resume of Mr. Anil Choksi is set out in the information of Director's seeking appointment at Annual General Meeting as required under of the Listing Regulations.

1. **Duties and Powers:** To manage the business and affairs of the Company subject to the superintendence, control and directions of the Board of Directors of the Company. He shall perform such duties and functions as would be commensurate with his position as a Managing Director of the Company as may be delegated by the Board from time to time.
2. **Tenure:** 1 year from 01.09.2016 to 31.08.2017.
3. **Remuneration:** Mr. Anil Choksi will be entitled to the following emoluments, benefits and perquisites subject to the ceiling limits laid down in Sections 197 and 198 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 or any amendment thereto:
  - A) **Salary:** ₹50,000/- p.m. up to a ceiling of ₹3,50,000/- p.m. with liberty to the Board of Directors to grant such

increase as it may in its absolute discretion determine, provided that the salary does not exceed the ceiling stipulated under the provisions of the Companies Act, 2013.

- B) Commission: At the rate 1% of the Net profit of the Company for each financial year, subject to the provisions of Companies Act, 2013 and prior approval of the Board of Directors and committee thereof;
- C) Perquisites: Mr. Anil Choksi shall be entitled to the following perquisites, restricted to an amount equal to the annual salary, subject to the approval of the Nomination and Remuneration Committee and Board of Directors i.e. –
1. House Rent Allowance: Not to Exceed 10% of the Salary.
  2. Medical Reimbursement: Expenses incurred for the self and family subject to the ceiling of one Month's salary in a year or three months' salary over a period of three years.
  3. Leave Travel Concession: For himself and his family, once in a year incurred in accordance with the rules of the Company.
  4. Club Fees: Subject to a maximum of two clubs excluding admission and life membership fees.
  5. Personal Accident Insurance: Premium not to exceed ₹4,000/- per annum.  
Explanation: "Family" means spouse, dependent children and dependent parents.
  6. Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
  7. Gratuity: Gratuity payable shall not exceed half a Month's salary for each completed year of service.
  8. Provision for use of Company's Car and telephone at residence will not be considered as perquisites. However personal long distance calls on telephone and use of car for private purpose shall be billed by the company to him.
  9. Leave and leave encashment: Privilege leave of one month for every 11 months of service. encashment of accumulated leave at the end of the tenure or earlier termination.

### Minimum Remuneration:

Notwithstanding absence or inadequacy of profits in any year during the tenure, the appointee shall be entitled to the above salary, perquisites, benefits and allowance as minimum remuneration subject to the limits laid down in Schedule V of the Companies Act, 2013 from time to time.

The appointment of Mr. Anil Choksi is in accordance with the conditions specified in Part I and Part II of Schedule V of the Companies Act, 2013.

### ITEM NO. 6

Mr. Gaurav Choksi was appointed as Whole time Director of the Company vide passing shareholders resolution dated 10th August, 2013 for the period of 3 years from 01.07.2013 to 30.06.2016.

The approval of members is being sought for appointment of Mr. Gaurav Choksi as Whole Time Director and payment of remuneration to him as set out in resolution no. 6.

Brief resume of Mr. Gaurav Choksi is set out in the information of Director's seeking appointment at Annual General Meeting as required under of the Listing Regulations.

1. **Duties and Powers:** To manage the business and affairs of the Company subject to the superintendence, control and directions of the Board of Directors of the Company. He shall perform such duties and functions as would be commensurate with his position as a Whole time Director of the Company as may be delegated by the Board from time to time.
  2. **Tenure:** 3 years from 01.07.2016 to 30.06.2019.
  3. **Remuneration:** Mr. Gaurav Choksi will be entitled to the following emoluments, benefits and perquisites subject to the ceiling limits laid down in Sections 197 and 198 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 or any amendment thereto:
- A) **Salary:** ₹50,000/- p.m. up to a ceiling of ₹3,50,000/- p.m. with liberty to the Board of Directors to grant such increase as it may in its absolute discretion determine, provided that the salary does not exceed the ceiling stipulated under

the provisions of the Companies Act, 2013.

- B) **Commission:** At the rate 1% of the Net profit of the Company for each financial year, subject to the provisions of Companies Act, 2013 and prior approval of the Board of Directors and committee thereof;
- C) **Perquisites:** Mr. Gaurav Choksi shall be entitled to the following perquisites, restricted to an amount equal to the annual salary, subject to the approval of the Nomination and Remuneration Committee and Board of Directors i.e. –
1. House Rent Allowance: Not to Exceed 10% of the Salary.
  2. Medical Reimbursement: Expenses incurred for the self and family subject to the ceiling of one Month's salary in a year or three months' salary over a period of three years.
  3. Leave Travel Concession: For himself and his family, once in a year incurred in accordance with the rules of the Company.
  4. Club Fees: Subject to a maximum of two clubs excluding admission and life membership fees.
  5. Personal Accident Insurance: Premium not to exceed ₹4,000/- per annum.  
Explanation: "Family" means spouse, dependent children and dependent parents.
  6. Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
  7. Gratuity: Gratuity payable shall not exceed half a Month's salary for each completed year of service.
  8. Provision for use of Company's Car and telephone at residence will not be considered as perquisites. However personal long distance calls on telephone and use of car for private purpose shall be billed by the company to him.
  9. Leave and leave encashment: Privilege leave of one month for every 11 months of service. Encashment of accumulated leave at the end of the tenure or earlier termination.

### Minimum Remuneration:

Notwithstanding absence or inadequacy of profits in any year during the tenure, the appointee shall be entitled to the above salary, perquisites, benefits and allowance as minimum remuneration subject to the limits laid down in schedule V of the Companies Act, 2013 from time to time.

The appointment of Mr. Gaurav Choksi is in accordance with the conditions specified in Part I and Part II of Schedule V of the Companies Act, 2013.

### ITEM NO. 7

Mr. Naimish Choksi was appointed as Whole time Director of the Company vide passing shareholders resolution dated 24th February, 2014 for the period of 3 years from 01.01.2014 to 31.12.2016.

The approval of members is being sought for appointment of Mr. Naimish Choksi as Whole time Director and payment of remuneration to him as set out in resolution no. 7.

Brief resume of Mr. Naimish Choksi is set out in the information of Director's seeking appointment at Annual General Meeting as required under of the Listing Regulations.

1. **Duties and Powers:** To manage the business and affairs of the Company subject to the superintendence, control and directions of the Board of Directors of the Company. He shall perform such duties and functions as would be commensurate with his position as a Whole time Director of the Company as may be delegated by the Board from time to time.
2. **Tenure:** 3 years from 01.01.2017 to 31.12.2019.
3. **Remuneration:** Mr. Naimish Choksi will be entitled to the following emoluments, benefits and perquisites subject to the ceiling limits laid down in Sections 197 and 198 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 or any amendment thereto:  
A) Salary: ₹50,000/- p.m. up to a ceiling of ₹3,50,000/- p.m. with liberty to the Board of Directors to grant such increase as it may in its absolute discretion determine, provided that the salary does not exceed the ceiling

stipulated under the provisions of the Companies Act, 2013.

- B) Commission: At the rate 1% of the Net profit of the Company for each financial year, subject to the provisions of Companies Act, 2013 and prior approval of the Board of Directors and committee thereof;
- C) Perquisites: Mr. Naimish Choksi shall be entitled to the following perquisites, restricted to an amount equal to the annual salary, subject to the approval of the Nomination and Remuneration Committee and Board of Directors i.e. –
1. House Rent Allowance: Not to Exceed 10% of the Salary.
  2. Medical Reimbursement: Expenses incurred for the self and family subject to the ceiling of one Month's salary in a year or three months' salary over a period of three years.
  3. Leave Travel Concession: For himself and his family, once in a year incurred in accordance with the rules of the Company.
  4. Club Fees: Subject to a maximum of two clubs excluding admission and life membership fees.
  5. Personal Accident Insurance: Premium not to exceed ₹4,000/- per annum.  
Explanation: "Family" means spouse, dependent children and dependent parents.
  6. Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
  7. Gratuity: Gratuity payable shall not exceed half a Month's salary for each completed year of service.
  8. Provision for use of Company's Car and telephone at residence will not be considered as perquisites. However personal long distance calls on telephone and use of car for private purpose shall be billed by the company to him.
  9. Leave and leave encashment: Privilege leave of one month for every 11 months of service. Encashment of accumulated leave at the end of the tenure or earlier termination.

### **Minimum Remuneration:**

Notwithstanding absence or inadequacy of profits in any year during the tenure, the appointee shall be entitled to the above salary, perquisites, benefits and allowance as minimum remuneration subject to the limits laid down in Schedule V of the Companies Act, 2013 from time to time.

The appointment of Mr. Naimish Choksi is in accordance with the conditions specified in Part I and Part II of Schedule V of the Companies Act, 2013.

**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. 5 TO 7**

**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	2015-2016	2014-2015	2013-2014
Sales	5085.38	11888.14	18482.63
Profit/Loss before Tax	218.38	(9.70)	(641.01)
Profit/Loss after Tax	216.79	42.07	(646.43)
Dividend on Equity %	10 %	5%	-

- (iv) Foreign investments or collaborations, if any:  
The Company has no foreign investment or collaboration.

**INFORMATION ABOUT THE DIRECTORS**

Particulars	Mr. Anil Choksi	Mr. Gaurav Choksi	Mr. Naimish Choksi
Background Detail	Mr. Anil Choksi is an Undergraduate. He is one of the promoter Director of the Company.	Mr. Gaurav Choksi is Graduate in commerce and Chartered Accountant having 18 years of experience. He started his career with Arthur Andersen, subsequently joined the Company.	Mr. Naimish N. Choksi is a B. Com Graduate and his age is 62 years. He is one of the Promoter Director and is associated with Photosensitised Industry since last 43 years having in-depth knowledge of industry.
Past Remuneration	₹ 1,00,000/-p.m.	₹ 1,00,000/-p.m.	₹ 1,00,000/-p.m.
Recognition and Awards	NIL	NIL	NIL
Job Profile, Suitability & Expertise	He is associated with the Photosensitized industry since the last 62 and is having in-depth knowledge of the industry. He is responsible for the overall management of the business and affairs of the Company.	Mr. Gaurav Choksi is a Chartered Accountant. He is also CFO of the Company and look after Finance Department.	He is associated with Photosensitised Industry since last 43 years having in-depth knowledge of industry. He is responsible for the overall management of the business and affairs of the Company.
Remuneration Proposed	₹ 50,000/- p.m. up to the ceiling of ₹ 3,50,000/- with authority to the Board or committee to fix remuneration within such limit.	₹ 50,000/- p.m. up to the ceiling of ₹ 3,50,000/- with authority to the Board or committee to fix remuneration within such limit.	₹ 50,000/- p.m. up to the ceiling of ₹ 3,50,000/- with authority to the Board or committee to fix remuneration within such limit.
Comparative remuneration Profile with respect to industry, size of the Company, profile & position of the 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.		
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. Sunil Choksi son of Mr. Anil Choksi is employed as President Marketing in the Company.	Mr. Gaurav Choksi is himself the Whole time Director has no pecuniary relationship with the Company.	Mr. Naimish Choksi is himself the Whole Time Director has no pecuniary relationship with the Company.

**OTHER INFORMATION:**

(a) Reason for inadequate profit:

- The company is in the business of manufacturing and trading of healthcare products. The raw material for the manufacturing products and the trading products are imported. Due to the continuous depreciation of the Indian Rupee, margins have been affected. Further the company is facing technology obsolescence in its manufacturing products from Computer Radiology.

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

- The Company has stopped business of several of the trading products wherein the margins are not enough to face the challenges of volatility of foreign exchange markets and depreciation of the Indian Rupee. The Company has also reduced its operating expenses and working capital needs, leading to reduction in expenses including interest cost.

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

- The Company is regularly making efforts to add new products to the portfolio .

The Special Resolutions as set out at Item No. 5 to 7 of the Notice is in the interest of the Company and the Board recommends the same for the approval of the members.

Mr. Anil Choksi, Mr. Gaurav Choksi & Mr. Naimish Choksi are interested in the resolutions set out respectively at Item Nos. 5 to 7 with regard to their respective resolution.

Except Mr. Anil Choksi, Mr. Gaurav Choksi & Mr. Naimish 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. 5 to 7 of the Notice.

**On behalf of Board of Directors**

Sd/-

Rishi Dave

**Company Secretary**

Registered Office:

**Choksi Imaging Limited**

**(CIN:L24294MH1992PLC068852)**

D-10, Prasad Indl.Est., 2-66, Sativali,

Vasai Kaman Rd., Vasai (E), Dist. Thane-401208.

Place: Mumbai

Date: 16th May, 2016

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 21st September, 2016, from 10.00 a.m. and ends on 23rd September, 2016 till 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 17th September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below: The instructions for shareholders voting electronically are as under:

For Members holding shares in Demat Form & 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 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>OR Date of Birth (DOB) Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

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

- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## DIRECTORS REPORT

To,  
**The Members,**  
**Choksi Imaging Limited**

Your Directors have pleasure in presenting the 24th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016.

### FINANCIAL STATEMENTS & RESULTS

The Company's performance during the year ended 31st March, 2016 as compared to the previous financial year, is summarized below:

(₹ in Lacs)

Particulars	2015-2016	2014-2015
Total Revenue	4636.24	10809.67
Profit/(Loss) Before Depreciation, Amortisation, Exceptional & Extraordinary Items and Tax	259.35	34.51
Less: Depreciation and Amortisation expense	40.97	44.21
Profit/(Loss) Before Exceptional & Extraordinary Items And Tax	218.38	(9.70)
Net Profit/(Loss) Before Tax (NPBT)	218.38	(9.70)
Less: Tax expenses	1.59*	-
Add/(Less): Deferred tax	-	51.77
Net Profit/(Loss) After Tax (NPAT)	216.79	42.07
Add: Surplus brought forward from previous year	773.93	755.37
Amount available for Appropriations	990.72	797.44
Less: Appropriations:		
Proposed Dividend	39.00	19.50
Tax on Proposed Dividend	7.94	3.99
General Reserve	-	-
Balance carried forward to Balance Sheet	943.78	773.95

\*Net of Mat Credit

### FINANCES

The total long term borrowings of your Company as on 31st March, 2016 stood at NIL, Cash and Cash Equivalent stood at ₹152.38 lac and total investments is 386.68 Lac at the end of the year.

### OPERATIONS

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 products of the Company include other medical consumables and equipments.

During the year under the review, your Company earned a total income of ₹4636.24 as against ₹10809.67 during the previous year.

### DIVIDEND

Your Directors pleased to recommend dividend of 10% i.e. ₹1/- (Rupee One Only) per share on 3900000 fully paid-up Equity Shares of ₹10/- each of the Company for the year ended 31st March, 2016. The proposed dividend, if approved, at the Annual General Meeting, will absorb a sum of ₹39 lac and Dividend Tax of ₹7.94 lac.

### TRANSFER TO RESERVES:

The Company has not transferred any amount to General Reserves.

### SHARE CAPITAL

The paid up Equity Share Capital as at 31st March, 2016 stood at ₹390 lac. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2016, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

## REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements for the year under review.

## REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the year under review, your Company did not have any subsidiary, associate and joint venture company.

## CORPORATE GOVERNANCE REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

A detailed report on Industry Structure and Developments, Operations, Performance, Business Outlook, Opportunities & Threats and Risks and Concerns, is presented in a separate section forming a part of the Annual Report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### • Cessation from Directorship:

During the year, none of the Directors of the Company have resigned.

### • Director Retiring by Rotation:

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Gaurav Choksi retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Your Directors recommend his approval.

### • Appointment of Managing Director & Whole time Director:

The Nomination & Remuneration Committee and the Board, have approved the re-appointment of Mr. Anil Choksi as Managing Director for period of 1 year w.e.f 1st September, 2016, re-appointment of Mr. Gaurav Choksi as Whole Time Director for period of 3 years w.e.f. 1st July, 2016 & reappointment of Mr. Naimish Choksi for the period of 3 years w.e.f. 1st January, 2017 at a remuneration of ₹6,00,000/- (Rupees Six Lac only) per annum i.e. ₹50,000/- (Rupees Fifty Thousand only) per month. Approval of the shareholders is sought for the same in this ensuing Annual General Meeting.

### • Appointment of Independent Directors and declaration of independence:

No Independent Directors have been appointed or have retired or resigned during the year.

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.

### • Appointment of Key Managerial Personnel:

No Key Managerial Person have been appointed or have retired or resigned during the year.

## BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013 and Listing Regulations, the Board has carried out performance evaluation. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

## REMUNERATION POLICY

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and executive one level below director, pursuant to the provisions of the Act and the Listing Regulations. The policy on Nomination & Remuneration of Directors and KMP is available on website of the Company at [www.choksiworld.com](http://www.choksiworld.com).

## DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134 3 (c) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2016, the Board of Directors hereby confirms that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit/loss of the Company for that year;
- proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

### DETAILS OF BOARD AND COMMITTEES MEETING:

#### Board Meetings:

Details of the Board meetings and attendance of the directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

#### Committees of the Board:

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the committees viz. Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee.

The details with respect to the compositions, roles, terms of reference, etc. of relevant committees are provided in the Corporate Governance Report of the Company, which forms part of this Annual Report.

### RELATED PARTY TRANSACTIONS:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties are given in Annexure I in form AOC-2.

Further, during the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The details of the related party transactions as required under Accounting Standard - 18 are set out in Note to the financial statements forming part of this Annual Report.

The Policy on Related Party Transactions as approved by the Board has been uploaded on the website of the Company.

### DEPOSITS

Your Company has not accepted any public deposits during the financial year under review.

### AUDITORS

#### ? Statutory Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Parikh & Amin, Chartered Accountants, the Statutory Auditors of the Company have been appointed for a term of 3 (three) from conclusion of 22nd Annual General Meeting held on 27th September, 2014 till conclusion of 25th Annual General Meeting, However their appointment as Statutory Auditors of the Company shall require to be ratified by the Members at the ensuing Annual General Meeting. The Company has received a confirmation from the Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company.

Necessary resolution for ratification of appointment of the Auditors is included in the Notice of AGM for seeking approval of members.

#### ? Secretarial Auditors:

Provisions of Section 204 read with rules made thereunder, Ms. Nikita Pedhdiya, Nikita Pedhdiya & Associates, Practising Company Secretaries (C.P No. 14295) had been appointed to undertake Secretarial Audit of the Company for the year 2015-2016. The report of the Secretarial Auditor is annexed herewith as Annexure II and forms part of this Report.

The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

#### • Internal Auditors:

Pursuant to provisions of Section 138 read with rules made thereunder, the Board has appointed Karia & Shah, Chartered Accountants, as an Internal Auditors of the Company to check the internal controls and functioning of the activities and recommend ways of improvement. The Internal Audit is carried out half yearly basis, the report is placed in the Audit Committee Meeting and the Board Meeting for their consideration and direction.

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are

adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

### **AUDITORS' REPORT**

In the opinion of the directors, the notes to financial statements are self-explanatory and adequately explain the matters, which are dealt within the Auditors' Report.

The said report does not contain any observation or qualification requiring explanation or comments.

### **COST AUDITORS**

Provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, the requirement of appointment of Cost Auditor is not applicable to your Company.

### **INTERNAL CONTROL & FINANCIAL REPORTING SYSTEMS**

The Company has in place an adequate system of internal controls & policy on closure of Financial Statements. It has documented policies and procedures covering all financial and operating functions and processes. These have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses and compliance with regulations.

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations has been recognized. Internal control systems ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

### **RISK MANAGEMENT:**

In accordance with Section 134 of Companies Act, 2013, the Company has in place the Risk Assessment and Minimization Policy to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the business plans and in periodic management reviews.

The Constitution of Risk Management Committee is not applicable to your Company.

Some of the risks and threats that the company is exposed to are-

#### **Technological obsolescence**

The company strongly believes that technological obsolescence is a practical reality. Technological obsolescence is evaluated on a continual basis. The use of technology is mainly concentrated in the area of manufacturing of Medical and Industrial X-ray films. The innovation and advancement in technology is concentrated on improving the quality of the films, increasing the output by reducing the time-lag involved and reducing the wastages.

#### **Fluctuations in Foreign Exchange**

While our functional currency is the Indian rupee, we transact a non-significant portion of our business in USD, Euro, Yen and other currencies and accordingly face foreign currency exposure from our purchase in other countries and from our purchases from overseas suppliers in U.S. dollars and other currencies and are exposed to substantial risk on account of adverse currency movements in global foreign exchange markets.

#### **Legal factors**

Legal risk is the risk in which the Company is exposed to legal action. As the Company is governed by various laws and the Company has to do its business within four walls of law, where the Company is exposed to legal risk exposure.

### **HUMAN RESOURCES:**

The Company regards its human resource as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potentials of its employees.

At CIL, there is consistent emphasis on each individual's sense of responsibility, while simultaneously as part of a team. This results in our people's ability to work in perfect harmony despite coming from different disciplines. As of 31st March 2016, the number of employees on our payroll was 74.

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

#### **(A) Conservation of energy-**

##### **(i) The steps taken or impact on conservation of energy;**

We have replaced Voltas Air Condition Plant which was having rotary compressors with Bluestar Scroll compressor based plant. This has resulted in 25% saving in energy consumption.

- (ii) The steps taken by the company for utilising alternate sources of energy;  
None
- (iii) The capital investment on energy conservation equipments;  
₹717187.50

**(B) Technology absorption-**

- (i) the efforts made towards technology absorption;  
The interleaving operation has been partially automated.
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;  
Improvement in product quality and reduction in production cost.
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-  
N.A.
- (iv) the expenditure incurred on Research and Development.

N.A.

**A. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Sr. No	Particulars	Current Year (₹ in lac)	Previous year (₹ in lac)
1	Foreign Exchange Earnings	-	8.01
2	Foreign Exchange Outgo	127.07	7043.40

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is provided in Annexure III forming part of this report.

**DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014.**

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review has been marked as Annexure III.

**WHISTLE BLOWER POLICY /VIGIL MECHANISM POLICY.**

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

**SEXUAL HARRASMENT POLICY**

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder, the Company has framed and adopted the a policy for Prevention of Sexual Harassment at Workplace.

The Company has not received any complaint of sexual harassment during the financial year 2015-16.

**CORPORATE SOCIAL RESPONSIBILITY**

The Provisions of Section 135 of Companies Act, 2013 is not applicable to your Company.

**EXTRACT OF ANNUAL RETURN.**

Extract of the Annual Return in form MGT-9 pursuant to Section 92(3) of the Companies Act, 2013 for the financial year ended 31st March, 2016 is provided in Annexure IV forming part of this report.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY.**

The Company invest its cash surplus in liquid mutual funds, the Company had an investment of ₹ 386.68 lack in SBI Saving fund Reg growth as on 31st March, 2016.

The Company has not given any loans or provided any security during the year.

### OTHER DISCLOSURE

- No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.
- The Company is in receipt of order from Commissioner of Customs from the Authority for payment of Special Additional Duty along with penalty against exemption availed by the Company pursuant to Notification No. 45/2005 - Customs dated 16th May, 2005.

The Company has filed an appeal against order with Customs, Excise & Service Tax Appellate Tribunal, west zonal bench, Mumbai on 25th June, 2015.

### 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.

### CAUTIONARY STATEMENT

Statements in this Board's Report and Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include change in government regulations, tax laws, economic & political developments within and outside the country and such other factors.

### ACKNOWLEDGEMENTS AND APPRECIATION

Your Directors wish to thank all the employees of the Company for their dedicated service during the year. They would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from bankers, financial institutions, business partners and other stakeholders.

Your Directors give their warm gratitude to the shareholders for their faith in the Company. The directors also sincerely appreciate the professionalism and dedication displayed by the employees of the Company.

**On behalf of the Board of Directors**

**Sd/-  
Anil Choksi  
Director**

**Sd/-  
Gaurav Choksi  
Director**

Date: 16th May, 2016

Place: Mumbai

**ANNEXURE I**  
**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis

Name(s) of the related party and nature of relationship	Hi-tech Imaging Private Limited	Choksi Brothers Private Limited	M/s. Unique Imaging
Nature of contracts/arrangements/transactions	Sale of Materials	Payment of Rent	Purchase of Material
Duration of the contracts / arrangements/transactions	1 year	1 year	1 year
Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.	N.A.	N.A.
Justification for entering into such contracts or arrangements or transactions	The transaction is done in regular course of Business.	The location of property meets requirement of Company.	The transaction is done in regular course of Business.
Date(s) of approval by the Board	31.03.2016	31.03.2016	31.03.2016
Amount paid as advances, if any	N.A.	N.A.	N.A.
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N.A.	N.A.	N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis

The Company does not enter into any material related party transaction.

**ANNEXURE II  
SECRETARIAL AUDIT REPORT**

To,  
The Members  
Choksi Imaging Limited

My report of even date is to be read along with this letter.

- (1) Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- (2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practice, I followed provide a reasonable basis for my opinion.
- (3) I have not verified the correctness and appropriate of financial records and Books of Accounts of the Company.
- (4) Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Nikita Pedhdiya & Associates**

**Sd/-  
Nikita Pedhdiya  
Proprietor  
Membership No. F7875  
CP No. 14295**

**Place: Mumbai  
Date: 10.05.2016**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For The Financial Year Ended March 31,2016**

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

To,

The Members,

**Choksi Imaging Limited**

Gala No.D-10, Prasad Incl. Estate, Survey No. 2&66  
Sativali, Vasai Kaman Road, Vasai Road(E),  
Vasai - 401208

I have conducted the secretarial audit of the compliance of Choksi Imaging Limited applicable statutory provisions and the adherence to good corporate practices by Choksi Imaging Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Choksi Imaging Limited ("the company") for the financial year for the ended March 31, 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Guidelines, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

Other Laws applicable to the Company;

- |  |                                   |
|--|-----------------------------------|
| 1. Income Tax Act, 1961                  | 2. Finance Act, 1994              |
| 3. Maharashtra Value Added Tax Act, 2002 | 4. Profession Tax Act, 1975       |
| 5. The Payment of Bonus Act, 1965        | 6. The Payment of Wages Act, 1936 |

- |   |   |
|---|---|
| 7. The Payment of Gratuity Act, 1972  | 8. The Contract Labour (Regulation & Abolition) Act, 1970 |
| 9. Child Labour (Prohibition and Regulation) Act, 1986                                    | 10. Sale of Good Act, 1930                                |
| 11. Employees provident Funds & Miscellaneous   | 12. The Bombay Shop & Establishment Act, 1948             |
| 13. The Minimum Wages Act, 1948   | 14. The Employee State Insurance Act, 1948                |
| 15. Sexual Harassment of Women Workplace (Prevention Prohibition and Redressal) Act, 2013 | 16. Maternity Benefit Act, 1961                           |
| 17. Negotiable Instrument Act, 1881   | 18. The Contract Act, 1872                                |
| 19. Bombay Stamp Act, 1958  | 20. Industrial Dispute Act, 1947                          |
| 21. Energy Conservation Act, 2001   | 22. Factories Act, 1948                                   |
| 23. The Right to Information Act, 2005  | 24. Special Economic Zone Act, 2005                       |
| 25. Micro, Small and Medium enterprise development Act, 2006                              | 26. Consumer Protection Act, 1986.                        |
| 27. Trade Mark Act, 1999  | 28. Customs Act, 1962                                     |
| 29. Central sales tax Act, 1956   | 30. Maharashtra Value Added Tax Act, 2002                 |

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

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

I further report that; The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

**I further report that;** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Place:** Mumbai

**Date:** 10.05.2016

**For Nikita Pedhdiya & Associates**

**Sd/-**

**Nikita Pedhdiya**

Proprietor

**Membership No. F7875  
CP No. 14295**

## ANNEXURE III

**DISCLOSURE FOR RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S  
REMUNERATION AND OTHER DETAILS AS PER RULE 5 OF THE COMPANIES  
(APPOINTMENT & REMUNERATION) RULES, 2014**

- (a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Executive Directors	Ratio
Anil Choksi	5.35
Naimish Choksi	5.35
Samir Choksi	5.35
Gaurav Choksi	5.35

- (b) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.** CEO: NIL, CFO: NIL, CS: NIL.

\* No increase in remuneration of Directors during the year.

- (c) **The percentage increase in the median remuneration of employees in the financial year:** 6.42%.
- (d) **The number of permanent employees on the rolls of the Company:** 74 employees as on 31st March, 2016.
- (e) **Explanation on the relationship between average increase in remuneration and the Company's performance:** The increase in remuneration depends on company's performance and individual contribution.
- (f) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

The remuneration of Managing Director & Whole time Director as per cent of Revenue from operation and profit before tax is 0.20% & 5.5% respectively.

The remuneration of Company Secretary as per cent of Revenue from operation and profit before tax is 0.08% & 2.06% respectively.

- (g) **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year:**

Particulars	As at March 31, 2016	As at March 31, 2015	Variation
Closing rate of shares at BSE	32.95	16.30	102.15
EPS	5.56	1.08	448%
Market Capitalisation (₹Lac)	1285.05	635.7	50.53%
Price Earnings Ratio	5.92	15.09	(60.77%)
Percentage Increase/decrease of market quotations of the shares of the Company in comparison to the rate at which the Company came out with last Public offer.	229.5%	63%	72.55%

- (h) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** The average increase in salaries of employees other than managerial personnel in the financial year 2015-16 was 7% and there was no increase in the percentage of managerial remuneration for the year 2015-16.
- (i) **The key parameters for variable component of remuneration availed by the directors are as follows:** There were no parameters for variable component of remuneration availed by the directors for the year 2015-16.
- (j) **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.** N.A.
- (k) **Affirmation that the remuneration is as per the remuneration policy of the Company:** The Company affirms remuneration is as per the remuneration policy of the Company.

**STATEMENT PURSUANT TO RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (a) **List of employees of the Company employed throughout the financial year 2015-16 and were paid remuneration not less than ₹60 Lac per annum:**  
No employee receive remuneration more not less than ₹60 lac per annum.
- (b) **Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager:** N.A.

**ANNEXURE IV**  
**EXTRACT OF ANNUAL RETURN**

As on financial year ended on March 31, 2016  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
CIN	L24294MH1992PLC068852
Registration Date	01/10/1992
Name of the Company	Choksi Imaging Limited
Category/Sub-Category of the Company	Company Limited by shares Indian Non- Government Company.
Address of the Registered office and contact details	D-10, Prasad Indl. Est., 2-66, Sativali, Vasai Kaman Rd., Vasai (E), Dist. Thane-401208. Tel.: 0250-3251797
Whether Listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	M/s. Adroit Corporate Services Private Limited 19/20, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri- East, Mumbai- 400 059. Tel.: 022-42270400. Fax: 2850 3748.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1	X-Ray films	24294	88.58

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

The Company does not have any holding, subsidiary and associate Companies.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity):**
**i. Category-wise share holding:**

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	1573984	0	1573984	40.36	1560284	0	1560284	40.01	-0.87
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total(A)(1):	1573984	0	1573984	40.36	1560284	0	1560284	40.01	-0.87
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	206610	0	206610	5.30	206610	0	206610	5.30	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2):	206610	0	206610	5.30	206610	0	206610	5.30	0.00
Total shareholding of Promoter(A)= (A)(1)+(A)(2)	1780594	0	1780594	45.66	1766894	0	1766894	45.30	-0.77
B. Public Shareholding									
(1) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non-Institutions									
a) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	238013	4900	242913	6.23	210095	4900	214995	5.51	-11.56
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00

i) Individual shareholders holding nominal share capital upto ₹1 lakh	945211	276700	1221911	31.33	1011988	274700	1286688	32.99	5.30
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	452585	0.00	452585	11.60	446185	0	446185	11.44	-1.41
c) Others (Director & relatives)	5100	10400	15500	0.40	0	10400	10400	0.26	-35
Clearing Member	1044	0	1044	0.03	2359	0	2359	0.06	100
Non resident Indians (Repat)	72953	112500	185453	4.76	59979	112500	172479	4.42	-7.14
Non resident Indians (Non Repat)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total(B)(2):	1714906	404500	2119406	54.34	1730606	402500	2133106	54.70	0.66
Total Public Shareholding (B)=(B)(1)+(B)(2)	1714906	404500	2119406	54.34	1730606	402500	2133106	54.70	0.66
C. Shares held by Custodian for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total (c)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>3495500</b>	<b>404500</b>	<b>3900000</b>	<b>100</b>	<b>3497500</b>	<b>402500</b>	<b>3900000</b>	<b>100</b>	<b>0.00</b>

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2015)			Shareholding at the end of the year (31.03.2016)			% change in shareholding during the year
		No of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Anil Choksi	189927	4.87	0.00	189927	4.87	0.00	0.00
2	Naimish Choksi	131599	3.37	0.00	131599	3.37	0.00	0.00
3	Samir Choksi	86565	2.22	0.00	86565	2.22	0.00	0.00
	<b>Total</b>	<b>408091</b>	<b>10.46</b>	<b>0.00</b>	<b>408091</b>	<b>10.46</b>	<b>0.00</b>	<b>0.00</b>

iii. Change in Promoters' Shareholding (please specify, if there is no change)

There is no change in the Promoters' Shareholding during the financial year 2015-16.

iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and holders of GDRS and ADRS):

Name of Shareholder	Share Holding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.15 to 31.03.16)	
	No. Shares at the beginning of the year (01.04.2015)	% of total shares of the company				No. of Shares	% of total shares of the Company
VINOD MANGALDAS BENGALI			01-04-2015			92500	2.37
			15-05-2015	1000	Sale of Shares	91500	2.35
			22-05-2015	500	Sale of Shares	91000	2.33
			04-07-2015	6160	Sale of Shares	83840	2.15
			17-07-2015	10340	Sale of Shares	73500	1.88
			24-07-2015	1016	Sale of Shares	72484	1.86
			31-07-2015	192	Sale of Shares	72292	1.85
			07-08-2015	792	Sale of Shares	71500	1.83
			14-08-2015	7380	Sale of Shares	64120	1.64
			21-08-2015	1120	Sale of Shares	63000	1.62
			30-10-2015	38483	Sale of Shares	24517	0.63
			20-11-2015	5000	Sale of Shares	19517	0.50
			01-12-2015	9517	Sale of Shares	10000	0.26
			30-12-2015	2528	Sale of Shares	7472	0.19
			31-12-2015	2472	Sale of Shares	5000	0.13
NINJA SECURITIES PRIVATE LIMITED	88966	2.28	17-04-2015	250	Purchase of shares	89216	2.29
			24-04-2015	5	Purchase of shares	89221	2.29
			08-05-2015	200	Purchase of shares	89421	2.29
			15-05-2015	1117	Sale of Shares	88304	2.26
			22-05-2015	30	Purchase of shares	88334	2.26
			12-06-2015	8301	Purchase of shares	96635	2.48
			19-06-2015	500	Purchase of shares	97135	2.49
			26-06-2015	1000	Purchase of shares	98135	2.52
			30-06-2015	107	Purchase of shares	98242	2.52
			03-07-2015	200	Purchase of shares	98442	2.52
			10-07-2015	2651	Sale of Shares	95791	2.46
			17-07-2015	999	Sale of Shares	94792	2.43
			24-07-2015	505	Sale of Shares	94287	2.42
			31-07-2015	1291	Sale of Shares	92996	2.38
			07-08-2015	811	Purchase of shares	93807	2.41
			14-08-2015	24698	Sale of Shares	69109	1.77
			21-08-2015	16033	Purchase of shares	85142	2.18
			04-09-2015	727	Purchase of shares	85869	2.20
			18-09-2015	281	Sale of Shares	85588	2.19

Name of Shareholder	Share Holding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.15 to 31.03.16)	
	No. Shares at the beginning of the year (01.04.2015)	% of total shares of the company				No. of Shares	% of total shares of the Company
			25-09-2015	1	Sale of Shares	85587	2.19
			23-10-2015	970	Purchase of shares	86557	2.22
			30-10-2015	3215	Sale of Shares	83342	2.14
			06-11-2015	250	Purchase of shares	83592	2.14
			13-11-2015	145	Sale of Shares	83447	2.14
			20-11-2015	6921	Sale of Shares	76526	1.96
			27-11-2015	1586	Sale of Shares	74940	1.92
			04-12-2015	2424	Sale of Shares	72516	1.86
			11-12-2015	252	Sale of Shares	72264	1.85
			18-12-2015	7264	Sale of Shares	65000	1.67
			31-12-2015	4500	Sale of Shares	60500	1.55
			08-01-2016	1875	Sale of Shares	58625	1.50
			15-01-2016	14	Sale of Shares	58611	1.50
			25-03-2016	9692	Purchase of shares	68303	1.75
			31-03-2016	1465	Purchase of shares	69768	1.79
AKSHOBHYA HEALTHCARE PVT LTD	78407	2.01	17-07-2015	20365	Purchase of shares	98412	2.52
BINA BENGALI	75000	1.92	N.A	NIL	Nil movement During the year	75000	1.92
SMITA VINOD BENGALI	70000	1.79	31-07-2015	1000	Sale of Shares	69000	1.77
			07-08-2015	2000	Sale of Shares	67000	1.72
			14-08-2015	8500	Sale of Shares	58500	1.50
			30-10-2015	20000	Sale of Shares	38500	0.99
			18-12-2015	8500	Sale of Shares	30000	0.77
			25-12-2015	618	Sale of Shares	29382	0.75
			31-12-2015	4672	Sale of Shares	24710	0.63
			08-01-2016	6765	Sale of Shares	17945	0.46
			15-01-2016	1483	Sale of Shares	16462	0.42
ARPIT KANTILAL PATEL	42059	1.08	04-12-2015	1704	Sale of Shares	40355	1.03
			11-12-2015	578	Sale of Shares	39777	1.02
			18-12-2015	9500	Sale of Shares	30277	0.78
			31-12-2015	5000	Sale of Shares	25277	0.65
BANHEM STOCK BROKING PRIVATE LIMITED	38782	0.99	17-07-2015	500	Purchase of shares	39282	1.01
			14-08-2015	28630	Sale of Shares	10652	0.27
			21-08-2015	17481	Purchase of shares	28133	0.72

Name of Shareholder	Share Holding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.15 to 31.03.16)	
	No. Shares at the beginning of the year (01.04.2015)	% of total shares of the company				NO. of Shares	% of total shares of the Company
			30-10-2015	27219	Sale of Shares	914	0.02
			20-11-2015	914	Sale of Shares	0	0.00
AJAY M BENGALI	37500	0.96	N.A	NIL	Nil movement During the year	37500	0.96
ARVIND C JAIN	37500	0.96	N.A	NIL	Nil movement During the year	37500	0.96
MUKESH RATHI	35600	0.91	07-08-2015	1450	Sale of Shares	34150	0.88
			27-11-2015	4901	Purchase of shares	39051	1.00
			11-12-2015	4901	Sale of Shares	34150	0.88
			18-12-2015	5500	Sale of Shares	28650	0.73
PATEL PRAKASH KANUBHAI	16499	0.42	21-08-2015	28500	Purchase of shares	44999	1.15
			28-08-2015	657	Sale of Shares	44342	1.14
			04-09-2015	2339	Sale of Shares	42003	1.08
			23-10-2015	1000	Sale of Shares	41003	1.05
			30-10-2015	15013	Purchase of shares	25990	0.67
			06-11-2015	15000	Purchase of shares	40990	1.05
			18-12-2015	100	Sale of Shares	41090	1.05
			29-01-2016	3567	Sale of Shares	37535	0.96
			05-02-2016	1156	Sale of Shares	36379	0.93
RAMESH M KASBEKAR	3908	0.10	30-10-2015	6092	Purchase of shares	10000	0.26
			06-11-2015	1500	Purchase of shares	11500	0.29
			16-11-2015	1247	Purchase of shares	12747	0.33
			20-11-2015	1753	Purchase of shares	14500	0.37
			27-11-2015	4850	Purchase of shares	19350	0.50
			04-12-2015	650	Purchase of shares	20000	0.51
			08.01.2016	2000	Purchase of shares	22000	0.56
			15-01-2016	1750	Purchase of shares	23750	0.61
			22-01-2016	1250	Purchase of shares	25000	0.64
			29-01-2016	500	Purchase of shares	25500	0.65
			19-02-2016	699	Purchase of shares	26199	0.67
KINNAR JAYANTILAL SHAH	26011	0.67	N.A.	N.A.	N.A.	26011	06.7
MANISH BHUTRA	26000	0.67	N.A.	N.A.	N.A.	26000	0.67

## v. Shareholding of Directors and Key Managerial Personnel:

Name of Shareholder	Share Holding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.15 to 31.03.16)	
	No. Shares at the beginning of the year (01.04.2015)	% of total shares of the company				NO. of Shares	% of total shares of the Company
Mr. Anil Choksi	189927	4.87	N.A.	N.A.	N.A.	189927	4.87
Mr.Himanshu Kishnadwala	5100	0.13	20.11.2015 27.11.2015 08.12.2015	5100	Sale of Shares	NIL	N.A.
Mr. Tushar Parikh	5100	0.13	N.A.	N.A.	N.A.	5100	0.13
Mr. Vikram Maniar	1900	0.049	N.A.	N.A.	N.A.	1900	0.049
Mrs. Shanthakamani Prakash Sagarkatte	NIL	N.A.	N.A.	N.A.	N.A.	NIL	N.A.
Mr. Sharadchandra Pendse	NIL	N.A.	N.A.	N.A.	N.A.	NIL	N.A.
Mr. Naimish Choksi	131599	3.37	N.A.	N.A.	N.A.	131599	3.37
Mr. Samir Choksi	86565	2.22	N.A.	N.A.	N.A.	86565	2.22
Mr. Gaurav Choksi	194960	4.99	N.A.	N.A.	N.A.	194960	4.99
Mr. Rishi Dave Company Secretary	NIL	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

## V. INDEBTEDNESS

## Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	171.59	470.12	NIL	641.71
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>171.59</b>	<b>470.12</b>	<b>NIL</b>	<b>641.71</b>
Change in Indebtedness during the financial year*				
• Addition	7788.15	70	NIL	7858.15
• Reduction	7959.74	540.12	NIL	8499.86
Net Change	(171.59)	(470.12)	NIL	(641.71)
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

(₹ in Lacs)

Sl.No	Particulars of Remuneration	Name of MD and other WTD				Total Amount
		Mr. Anil Choksi	Mr. Naimish Choksi	Mr. Samir Choksi	Mr. Gaurav Choksi	
1	Gross salary					
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.25	12.25	12.25	12.25	49
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	0.24	0.24	0.24	0.24	0.96
	c. Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL	NIL
	- others, specify	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	1.47	1.47	1.47	1.47	5.88
	Total (A)	13.96	13.96	13.96	13.96	55.84
	Ceiling as per the Act	The remuneration to Managing Director and Whole time Directors has been given as per Schedule V of Companies Act, 2013 read with rules made thereunder;				

**VII. REMUNERATION TO OTHER DIRECTORS:**

Sl.No	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Shradchandra Pendse	Mrs. Maniprakash	Mr. Tushar Parikh	Mr. Vikram maniar	Mr. Himanshu Kishnadwala	
1	Independent Directors						
	• Fee for attending board / committee meetings	33000	18000	51500	64000	64000	230500
	• Commission	Nil	Nil	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	33000	18000	51500	64000	64000	230500
2	Other Non-Executive Directors	NIL					
	Total (2)	NIL					
	Total (B)=(1+2)	33000	18000	51500	64000	64000	230500
	Overall Ceiling as per the Act	Sitting fees not exceeding rupees one lakh per meeting of the Board or committee in terms of rules 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.					

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

(₹ in Lacs)

Sl.No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO*	CS	Total
1	Gross salary			
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	4.5	4.5
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	NIL	NIL
	c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	NIL	NIL
2	Stock Option	N.A.	NIL	NIL
3	Sweat Equity	N.A.	NIL	NIL
4	Commission			
	- as % of profit	N.A.	NIL	NIL
	- others, specify	N.A.	NIL	NIL
5	Others, please specify	N.A.	NIL	NIL
	Total	N.A.	4.5	4.5

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

The Company is in receipt of order from Commissioner of Customs from the Authority for payment of Special Additional Duty along with penalty against exemption availed by the Company pursuant to Notification No. 45/2005 - Customs dated 16th May , 2005.

The Company has filed an appeal against order with Customs, Excise & Service Tax Appellate Tribunal, west zonal bench, Mumbai on 25th June, 2015.

## REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Structure and Developments

Your Company is in the business of manufacturing & trading of Healthcare products, mainly Medical X-Ray Films and supply of other products to the Healthcare Industry. The other products of the Company include medical consumables and equipments. Your Company's growth is directly linked to the growth of the Healthcare Services Delivery business in India.

The Public health care sector which is integral part of healthcare sector in India, mainly concentrates on providing basic healthcare facilities in the form of primary health care centers in rural areas. Access to healthcare for all Indians is possible through this model with a nominal increase in the health sector's share of the Union budget if the Indian economy continues to grow 7-7.5% in the next few years.

Whereas, the Private healthcare sector in India has emerged as a strong player due to growing healthcare needs. This growth is primarily fueled by a growing population, rise in non-communicable diseases, increasing disposable incomes, changing demographics and increasing healthcare awareness. The investment opportunities in the sector are growing significantly.

The Indian Health care sector is undergoing a dramatic and fundamental shift in business, clinical, and operating models. There is no doubt that the government too is focusing on improving the quality of healthcare delivery in its own infrastructure, with tax sops and other government incentives, more secondary and tertiary care units will open in tier-2 & 3 cities.

#### Year at a Glance:

The turnover of the company for the year under review has decreased to ₹4596.39 lac from ₹10803 lac. This was primarily due to discontinuation of unprofitable and low margin products.

However, PAT of the Company has increased to ₹216.79 lac for the year 2015-2016 as compared to ₹42.07 lac for the 2014-15.

#### 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 other consumables and equipments for the Healthcare Industry. During the year manufacturing goods turnover decreased from ₹9979.93 lac to ₹4516.38 lac(Gross) and the trading goods turnover has decreased from ₹1798.13 lac to ₹537.16 lac (Gross).

#### Outlook:

The overall outlook for the Healthcare industry in India is upbeat. The demand for healthcare services is on rise in large Indian cities by the middle-class which is fueling the growth of private healthcare services. This is being 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.

India is a preferred destination for medical tourism with Presence of world-class hospitals and skilled medical professionals.

Superior quality healthcare, coupled with low treatment costs in comparison to other countries, is benefiting Indian medical tourism which has, in turn, enhanced the prospects of the Indian healthcare market. Treatment for major surgeries in India costs approximately 20 per cent of that in developed countries. India also attracts medical tourists from developing nations due to lack of advanced medical facilities.

Taking this into consideration, the industry has a bright future. According to the India Brand Equity Foundation, Indian healthcare sector is growing at a 15 per cent CAGR to reach \$ 158.2 billion by 2017.

#### Opportunities and Threats:

India has embarked upon journey of healthcare system transformation. The government introduced important structural reforms and has re-emphasized its vision of creating access to minimum set of healthcare services for all. Growth in next decade will be closely linked with nature and extent of reforms. The NITI Aayog has allocated USD55 billion under the 12th Five-Year Plan to the Ministry of Health and Family Welfare, which is about three times the actual expenditure under the 11th Five-Year Plan The share of healthcare in total plan allocation is set to rise to 2.5 per cent

of GDP in the 12th Plan from 0.9 per cent in the 11th Plan. The 12th plan focuses on providing universal healthcare, strengthening healthcare infrastructure, promoting R&D and enacting strong regulations for the healthcare sector. Establishing a system of Universal Health Coverage (UHC) in the country that means each individual would have assured access to a defined essential range of medicines and treatment at an affordable price, which should be entirely free for a large percentage of the population.

Government is encouraging the PPP model to improve availability of healthcare services and provide healthcare financing.

The Make in India campaign aims to have medical equipment manufactured in India itself to bring costs down and make healthcare reach the poorest of the poor all across the country.

Despite the progress made, the industry faces major challenges which need to be addressed.

### **Risks and Concerns:**

As nearly 90% of your Company's turnover is linked with trading & manufacturing of medical x ray films, introduction of computer radiology and its increasing use in urban areas, especially the metro and Tier-I cities, has reduced the use of X-Ray films. As a proactive measure, your company is regularly making efforts to add new products to the portfolio.

The other risk, which is mainly concerned around the trading business for your company, is that the Government of India has allowed 100 per cent FDI in the healthcare sector which results in 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.

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

The Company has instituted internal control systems commensurate with the 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 31st March, 2016 stood at 74, 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 a Vigil Mechanism policy for Directors and employees to report genuine concerns.

**On behalf of Board of Directors**

**Sd/-**

**Anil Choksi**

**MD**

**Sd/-**

**Gaurav Choksi**

**WTD & CFO**

Date : 16th May, 2016

Place : Mumbai

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

CIL's philosophy on Corporate Governance is to achieve business excellence, enhance long term values for its stakeholders, maintain excellent relations across all levels and proper compliance with all applicable legal and regulatory requirements. In its endeavor to achieve higher standards of governance by adopting the best emerging practices, it is not mere compliance of laws, rules and regulations, but also the application of best management practices and adherence to the highest ethical principles in all its dealings, to achieve the objects of the Company and discharge its social responsibility.

Your Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (Clause 49 of the erstwhile Listing Agreement executed with the Stock Exchange).

### BOARD OF DIRECTORS

- Composition of Board:**

The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholder value.

The composition of the Board of Directors of the Company is in complete conformity with the requirements of Listing Regulations. The details of the Board of Directors, their attendance records and other relevant details during the financial year ended 31st March, 2016 are as under:

Name of the Director	Nature of Directorship	Number of Directorship held		No. of Board meeting attended	Attendance at last AGM held on 5 <sup>th</sup> September, 2015	Shares held
		Public	Private			
Mr. Sharadchandra Pendse DIN:00049222	NEC	Nil	Nil	4	YES	NIL
Mr. Anil Choksi DIN:00049369	MD	Nil	1	4	YES	189927
Mr. Naimish Choksi DIN:00049397	WTD	Nil	2	2	NO	131599
Mr. Samir Choksi DIN:00049416	WTD	Nil	7	4	YES	86565
Mr. Gaurav Choksi DIN:00049445	WTD & CFO	Nil	3	4	YES	194960
Mr. Himanshu Kishnadwala DIN:00006822	ID	Nil	Nil	4	YES	NIL
Mr. Tushar Parikh DIN:00049287	ID	2	1	3	YES	5100
Mr. Vikram Maniar DIN:00043519	ID	Nil	1	4	YES	1900
Mrs. Samanthkamaniprakash Sagarkette DIN:06898477	ID	Nil	Nil	2	YES	NIL

NEC – Non Executive Chairman

MD – Managing Director

WTD – Whole Time Director

ID – Independent Director

None of the Director hold position of Chairman or Member of any Committee in other Companies.

- **Independent Directors:**

The Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder and meet with requirement of Regulation 16(b) of the Listing Regulation entered into with the Stock Exchange. As per the provision Companies Act, 2013 and Listing Regulations, terms and conditions of appointment of independent directors has been disclosed on the website of the Company.

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 12th February, 2016 to review the performance of Non-Independent Directors and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

All Independent Directors of the Company attended the Meeting of Independent Directors.

- **Board Meetings:**

The Board of Directors of the Company met four times on 11th May, 2015, 4th August, 2015, 31st October, 2015, and 12th February, 2016. The maximum gap between two Board meetings was less than 120 days.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to discharge its responsibilities effectively and take informed decisions.

- **Board procedure**

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulation to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

- **Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, a separate exercise was carried out to evaluate the performance of Independent Directors and Board as whole.

Performance evaluation of Independent Directors was done by the entire Board of Directors excluding the director being evaluated and evaluation of the Board as whole was done by Independent Directors.

Some of the key criteria for performance evaluation are as follows:–

**Performance evaluation of Independent Directors:**

- Maintains confidentiality.
- Devote sufficient time and attention towards the Company.
- Strive to attend all the Board and Committee Meetings.
- Participation in Board and Committee Meetings actively and consistently.
- Exercise his/her responsibilities in a bona fide manner in the interest of the Company and stakeholders.

**Performance evaluation of Board as whole**

- Act objectively and constructively while exercising the duties.
- Maintain transparency.
- The Board monitors compliances with all laws, orders, regulations, and corporate governance rules.
- The Board is able to take into consideration all the stakeholders concerns i.e. shareholders, employees, suppliers, & consumers.

The Board was satisfied with the evaluation results, which reflected the overall engagement of the Board with the Company.

- **Familiarisation Programme for Independent Directors:**

Whenever any Director joins the Board of the Company as an Independent Director, an induction programme is arranged for him / her wherein he / she is familiarised with the Company, their roles, rights and responsibilities in the Company, the code of conduct to be adhered, nature of the industry in which the Company operates, interact with the management, team members etc.

- **Code of Conduct:**

The Board has laid down a code of conduct for all Board members, and senior management of the Company. Additionally all Independent Directors of the Company shall be bound by duties of as set out in the Companies Act, 2013 read with the Schedules and Rules thereunder.

All Board members and senior management personnel (as per Regulation 26 (3) of the Listing Regulations) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect, signed by the Managing Director & CEO forms part of this Report.

- **Prevention of Insider Trading:**

During the year, the Company has adopted a revised Code of Conduct for Prevention of Insider Trading, under the amended SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines for procedures to be followed and disclosures to be made by insiders while trading in the shares of the Company.

Further, it prohibits the purchase or sale of company's shares by the Directors, officer and designated employees while in possession of unpublished price sensitive information in relation to the Company during the period when the Trading Window is closed. The Company Secretary is the Compliance Officer for monitoring the said regulation.

### 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 Regulations signed with the BSE Limited. 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 Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Companies Act, 2013.

- **Role of Audit Committee:**

The Audit Committee functions according to its Charter that defines its composition, authority, responsibilities and reporting functions. The terms of reference of the Audit Committee, inter alia, are as follows:

- a) Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Review with the management the quarterly and annual financial statements and the auditor's report thereon, before submission to the Board for approval.
- c) Discuss with the statutory auditors, before the audit commences, about the nature and scope of audit, as well as post-audit discussion to ascertain any area of concern.
- d) Recommend to the Board the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, remuneration and terms of appointment of auditors, fixation of audit fees and to approve payment for any other services rendered by the statutory auditors.
- e) Review and monitor the auditor's independence and performance and effectiveness of audit process.
- f) Review with the management, performance of the statutory and internal auditors.
- g) Review the adequacy of the internal audit function and the adequacy and efficacy of the internal control systems.
- h) Evaluate internal financial controls and risk management systems.
- i) Scrutinize inter-corporate loans and investments, if any.

- j) Discuss any significant findings with internal auditors and follow-up thereon.
- k) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- l) Approve transactions, including any subsequent modifications, of the Company with related parties.
- m) Valuation of undertakings or assets of the Company, wherever it is necessary.
- n) Review and monitor the statement of use and application of funds raised through public offers and related matters.
- o) Review the functioning of the Whistle Blower mechanism.
- p) Oversee compliance with legal and regulatory requirements.
- q) Oversee financial reporting controls and process for subsidiary companies.
- r) Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate.
- s) And, generally, all items listed in Part C of Schedule II to the Listing Regulations and in Section 177 of the Companies Act, 2013.

#### Composition:

All members of the Committee are financially literate, with Mr. Himanshu Kishnadwala, Chairman of the Committee & Mr. Tushar Parikh – Member of the committee, having the relevant accounting and financial management expertise.

The meetings of the Audit Committee are usually attended by the Managing Director, the Chief Financial Officer, the Head of Internal Audit, the Company Secretary and Statutory Auditors. The Business and Operation Heads are invited to the Meetings, when required. The Company Secretary acts as the secretary to the Committee.

The meetings of the Audit Committee were held on 11th May, 2015, 4th August, 2015, 31st October, 2015, 12th February, 2016 and 31st March, 2016. The gap between two Audit Committee meetings was not more than 4 months, in compliance with the requirements of the Listing Regulations. The Independent members of the Audit Committee are paid sitting fees of ₹5,000/- for every meeting of the Committee attended by them. 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	5
2	Mr. Tushar Parikh	Independent Non-Executive Director	4
3	Mr. Vikram Maniar	Independent Non-Executive Director	5
4	Mr. Anil Choksi	Managing Director	4

#### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been established 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.

##### • Terms of Reference:

- To identify persons who are qualified to become Directors, KMP and Senior Management personnel;
- To recommend to the Board for appointment and removal of Director, KMP and Senior Management personnel;
- To formulate criteria for determining qualification, positive attributes and independence of a Director;
- To formulate criteria for evaluation of Independent Director and the Board;
- To recommend to the Board a policy for remuneration of Directors, KMP and Senior Management Personnel;
- To formulate the policy of remuneration and ensures that -
  - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and;
- Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- To devise a policy on Board diversity;
- To carry out any other responsibilities and duties delegated to it by the Board from time to time.

### Composition

The Committee comprises of three members, all members are Independent Directors. 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. Vikram Maniar	Independent Non-Executive Director

During the year under review, three meeting of the Nomination & Remuneration Committee was held on 11th May, 2015, 4th August, 2015 & 12th February, 2016. All the Members of the Committee were present in the said meeting. The Independent members of the Committee are paid sitting fees of ₹.3,000/- for every meeting of the Committee attended by them.

### Details of remuneration paid to Managing Director and Whole-Time Directors during the year is as follows:

Sr.No.	Name of the Director	Salary (₹)	Contribution to Provident Fund (₹)	Perquisites (₹)	Total(₹)
1.	Mr. Anil Choksi	12,25,000	1,47,000	24,000	13,96,000
2.	Mr. Naimish Choksi	12,25,000	1,47,000	24,000	13,96,000
3.	Mr. Samir Choksi	12,25,000	1,47,000	24,000	13,96,000
4.	Mr. Gaurav Choksi	12,25,000	1,47,000	24,000	13,96,000

### 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 (₹)	Sitting Fees for Board Meeting (₹)
1	Mr. Himanshu Kishnadwala	34,000	30,000
2	Mr. Tushar Parikh	29,000	22,500
3	Mr. Vikram Maniar	34,000	30,000
4	Mr. Sharadchandra Pendse	3,000*	30,000
5	Mrs. Shamanthakamaniprakash Sagarkatte	3,000*	15,000

\*Committee meeting fees consist of ₹3,000 for fees of sitting fees paid for Meeting of Independent Director as per Schedule IV of Companies Act, 2013 and Listing Regulations.

### STAKEHOLDER RELATIONSHIP COMMITTEE

The committee comprises of four directors which also consists of the Managing Director. The Committee oversees 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, one meetings of Stakeholder relationship Committee was held on 11th May, 2015. All Members were present in the meeting.

**COMPLIANCE OFFICER**

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

Address: 4th 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 Tel.: 022 42287555

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 2015-16 is given below:**

Pending at the	Received during the year beginning of the year	Redressed / Replied during the year	Pending at the year
NIL	2	2	NIL

**CORPORATE SOCIAL RESPONSIBILITY**

The Provisions of Section 135 of Companies Act, 2013 is not applicable to your Company.

**GENERAL BODY MEETINGS**

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

Sr. No.	Year	Venue	Date	Time
1.	2014-15	Dara's Dabha, Mira road	5 <sup>th</sup> September, 2015	11.00 a.m.
2.	2013-14	Dara's Dabha, Mira road	27 <sup>th</sup> September, 2014	11.00 a.m.
3.	2012-14	Ramee Guestline Hotel, Juhu, Mumbai	10 <sup>h</sup> August, 2013	03.00 p.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	Date
1.	2014-15	Re-appointment of Mr. Anil Choksi as Managing Director	5 <sup>th</sup> September, 2015
2.	2014-15	Re-appointment of Mr. Samir Choksi as Whole time Director	5 <sup>th</sup> September, 2015
3.	2013-14	To approve borrowing limit of the Company	27 <sup>th</sup> September, 2014
4.	2013-14	Creation of charges in connection with borrowing limit of the Company.	27 <sup>th</sup> September, 2014
5.	2013-14	To approve revision in Managing Director's salary	27 <sup>th</sup> September, 2014
6.	2013-14	To approve revision in salary of Mr. Naimish Choksi	27 <sup>th</sup> September, 2014
7.	2013-14	To approve revision in salary of Mr. Samir Choksi	27 <sup>th</sup> September, 2014
8.	2013-14	To approve revision in salary of Mr. Gaurav Choksi	27 <sup>th</sup> September, 2014

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

No resolution was passed through postal ballot in the year 2015-2016.

**DISCLOSURES**

- The Directors and senior management of the Company have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with 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.
- The Company have a formal Whistle Blower/Vigil Mechanism Policy in place, all employees have 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 exchange or any other statutory authority on any matter related to capital markets during the last three years.
- The Managing Director & CEO and the Chief Financial Officer have certified to the Board in accordance with Part B of Schedule II to the Listing Regulations pertaining to CEO/ CFO certification for the Financial Year ended 31st March, 2016.

**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 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 Listing Regulations.

The Company also has and maintains a functional website, [www.choksiworld.com](http://www.choksiworld.com), in accordance with Regulation 46 of the Listing Regulations. 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.

**GENERAL SHAREHOLDERS INFORMATION**

**i) Annual General Meeting**

Annual General Meeting is to be held on 24th September, 2016 at 11.00 a.m. at Royal Hills Hotel Chinchoti Naka Village - Kolhi Post Kaman, Mum-Ahm Highway Taluka-Vasai Dist- Thane 401208.

**ii) Financial Calendar (Tentative)**

Financial Year ending	31st March, 2016
Results for the quarter ended on 30th June, 2016	Second week of August, 2016
Annual General Meeting for the year ending March, 2016	Third/Fourth week of September, 2016
Results for the quarter ended on 30th September, 2016	Second week of November, 2016
Results for the quarter ended on 31st December, 2016	Second week of February, 2017
Results for the quarter ended and financial year ended on 31st March, 2017	Third / Fourth week of May, 2017

**iii) Book Closure**

From 17th September, 2016 to 24th September, 2016.

**iv) Dividend payment.**

The dividend shall be paid on or before 22nd October, 2016, if approved.

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

The equity shares of the Company are listed on the BSE Limited, 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.: 022-42270400. Fax: 022-28503748

**vii) Share Transfer System**

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

**viii) Dematerialisation of Shares as on 31<sup>st</sup> March, 2016.**

Sr. No.	Particulars	No. of Shares	Percentage
1.	National Securities Depository Limited (NSDL)	1004562	25.76
2.	Central Depository Services (India) Limited (CDSL)	2492938	63.92
3.	Physical	402500	10.32
	<b>TOTAL</b>	<b>3900000</b>	<b>100</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 31st March, 2016

No. of Shares	No. of shareholders	% of shareholders	Shareholding	Amount (Rs.)	% of total shareholding
1-500	2041	77.64	333642	3336420	8.56
501-1000	248	9.43	208405	2084050	5.34
1001-2000	122	4.64	184625	1846250	4.73
2001-3000	89	3.39	224601	2246010	5.76
3001-4000	20	0.76	71017	710170	1.82
4001-5000	34	1.29	162578	1625780	4.17
5001-10000	30	1.14	232066	2320660	5.95
10001 & above	45	1.71	2483066	24830660	63.67
<b>Total</b>	<b>2629</b>	<b>100</b>	<b>3900000</b>	<b>39000000</b>	<b>100</b>

## xii) Pattern of Shareholding as on 31st March, 2016

Particulars	No. of Shares	% of shareholding
Promoter and Promoter Group (*)	1766894	45.31
Directors and their relatives (#)	10400	0.27
Non- Resident Individuals	172479	4.42
Foreign Institutional Investors	NIL	-
Corporate Bodies	217354	5.57
Public	1732873	44.43

\*Out of the total shareholding of Promoter and Promoter Group, 206610 shares are held by Foreign Individuals and 1560284 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.

## 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	Choksi Imaging Limited			Sensex	
	High (Rs.)	Low (Rs.)	No. of Shares	High (Rs.)	Low (Rs.)
April 2015	19.00	15.50	4724	27954.86	29094.61
May 2015	20.55	15.65	25438	27204.63	28071.16
June 2015	19.20	14.90	30940	27770.79	27968.75
July 2015	25.70	18.10	71997	27823.65	28578.33
August 2015	34.35	23.00	237633	28089.09	28417.59
September 2015	32.30	20.50	36050	26127.04	26471.82
October 2015	39.15	25.15	291691	26344.19	27618.14
November 2015	43.00	29.10	172658	26641.69	26824.30
December 2015	57.30	34.50	443862	26201.27	26256.42
January 2016	54.70	31.50	167008	26101.50	26197.27
February 2016	43.00	29.65	88823	24982.22	25002.32
March 2016	39.10	30.70	95613	23153.32	25479.62

**xiv) Details of unclaimed dividend**

This year, the Company is liable to transfer unclaimed dividend for the financial year ending 2008-09 to the Investor Education and Protection Fund (IEPF) established by Central Government. Accordingly, the company has transferred the unclaimed dividend for the financial year 2007-08 to IEPF on 18th November, 2015.

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
31.03.2009	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
31.03.2015	05.09.2015	04.10.2022

**xv) Share Capital 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 Regulation 40(9) of the Listing Regulations is also issued at a half-yearly basis by a Company Secretary in Practice.

**xvi) Secretarial Audit**

Nikita Pedhdiya & Associates, Practicing Company Secretaries have conducted the Secretarial Audit of the Company for the year 2015-16. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act, 2013 and the Rules made there under, Listing Regulations with the Stock Exchanges, Listing Regulations, applicable SEBI Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

**xvii) Compliance on Regulation 27 of the Listing Regulations**

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Clauses (b) to (i) of Regulation 46 (2) relating to the dissemination of information on the website of the Company.

The statutory Auditors have certified that the Company has complied with conditions of Corporate Governance as stipulated in Regulation 27 of Listing Regulations and the certificate is annexed to this report.

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

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

**xix) Compliance Certificate:**

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

**For and on behalf of the Board of Directors**

Place: Mumbai

Date: 16th May, 2016

Sd/-

**Anil Choksi**

**Managing Director**

Sd/-

**Gaurav Choksi**

**Whole Time Director**

### CEO / CFO Certification

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Choksi Imaging Limited (“the Company”) to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief, we state that:
  - 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 listed entity’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company’s code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
  - i. significant changes, if any, in internal control over financial reporting during the year;
  - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. 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 systems over financial reporting.

For **Choksi Imaging Limited**

Sd/-  
**Anil Choksi**  
Managing Director

Sd/-  
**Gaurav Choksi**  
WTD & CFO

Place: Mumbai

Date: 16th May, 2016

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### Declaration by the Managing Director under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

**The Members of Choksi Imaging Limited**

I, Anil Choksi, Managing Director of Choksi Imaging Limited hereby declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2016.

For **Choksi Imaging Limited**

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

Place: Mumbai

Date: 16th May, 2016

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

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 March 31, 2016 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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 SEBI Listing Regulations, 2015.

We 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 & AMIN ASSOCIATES,**

**Chartered Accountants**

**Firm Registration No.107520W**

**Sd/-**

**(K. R. Parikh)  
Partner  
M.No.036517**

**Mumbai**

**Date : May 16, 2016**

## INDEPENDENT AUDITORS' REPORT

To the Members of Choksi Imaging Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of **CHOKSI IMAGING LIMITED**. ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss 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

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

### Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An Audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### 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, 2016;
- b) In the case of the Statement of Profit and Loss, of the Loss 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, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that :
- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
  - 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 referred to in Section 133 of the Companies Act, 2013 read with Rules 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors, as on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016, from being appointed as a director in terms of Sub-section (2) of Section 164 of the Companies Act, 2013.
  - f) In our opinion, the Company has, in all material respects, an adequate internal financial controls, system over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2016 based on the internal control over financial reporting criteria established by the Company.
  - g) With respect to the other matters to be included in Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - 1) The Company has disclosed the impact of pending litigations on its financial positions in its financial statement.
    - 2) The Company has made provisions, as required under the applicable Law or Accounting Standards, for the material foreseeable losses, if any, on long term contracts including derivative contracts.
    - 3) There has been no delay in transferring amounts, required to be transferred, to the investor's Education and Protection Fund by the Company.

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

**Sd/-**  
**K.R. PARIKH**  
**(PARTNER)**  
**Membership No.36517**

Place : Mumbai

Date: May 16, 2016

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" 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 per the information and explanations given to us, 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 title deeds of the Immovable Properties are held in the name of the Company.

2. In respect of its Inventories :

According to information and explanation given to us physical verification of inventory has been conducted at reasonable intervals by management and no material discrepancies were noticed on physical verification during the year.

3. In respect of the loans, secured or unsecured, granted by the company to / from companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:

- 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 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) (b), (c) and (d) of the Order are not applicable to the Company.

4. According to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities.

5. According to the information and explanation given to us, the Company has not accepted any deposit from the public during the year to which provision of section 73 to 76 or any other relevant provision of the Companies Act, 2013 and the rules framed thereunder, where applicable.

6. The provision of Cost Audit prescribed by the Central Government, under Section 148 of the Companies Act, 2013 are not 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 148 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.

7. 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, VAT, 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, VAT, Customs Duty, Excise Duty and Cess were in arrears, as at 31st March, 2016 for a period of more than six months from the date they became payable.

However, according to information and explanation given to us, dues of Custom Duty and Penalty has not been deposited on account of any dispute is ₹1574.64 lacs related to Accounting Year 2011-2012, 2012-2013 and 2013-2014 pending before the Hon'ble Customs, Excise, Service Tax Appellate Tribunal – West Zone, Mumbai. The Company has paid a deposit of ₹59,04,883/- being the 7.5% of duty leviable and also paid the deposit of ₹5,62,500/- on behalf of executive of the Company.

8. 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.

9. The Company has not raised any money by way of initial public offer or further public offer (including debts instruments) and term loans during the year.
10. 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.
11. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V of the Companies Act,2013.
12. The Clause of the CARO 2016 is not applicable to the Company as the Company is not a Nidhi Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act,2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us, the Company has not entered into any Non-cash transactions with Directors or persons connected with him and the provisions of section 192 of Companies Act,2013 have been complied with.
16. The Clause of Caro 2016 is not applicable to Company as the Company is not a required to be registered under section 45-IA of Reserve Bank of India Act,1934.

For **PARIKH AND AMIN ASSOCIATES**

**CHARTERED ACCOUNTANTS**  
**Firm Registration No. 107520W**

**Sd/-**  
**K.R. PARIKH**  
**(PARTNER)**  
**Membership No.36517**

Place : Mumbai  
Date: 16th May, 2016

## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

### Annexure B to the Independent Auditor's Report of even date on financial statements of M/S. CHOKSI IMAGING LIMITED.

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

1. We have audited the internal financial controls over financial reporting of M/s. Choksi Imaging Limited ('the Company') as of 31st March 2016 in conjunction with our audit of financial statements of the company for the year ended on that date.

#### Management's Responsibility for the Internal Financial Controls

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

#### Auditor's Responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Notes on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') and the standard on auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI.
5. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
6. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

8. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

9. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

10. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **PARIKH & AMIN ASSOCIATES,**

**Chartered Accountants**

**Firm Registration No.107520W**

**Sd/-**

**(K. R. Parikh)**

**Partner**

**M.No.036517**

**Place : Mumbai**

**Date : 16th May, 2016**

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2016

	Particulars	Note No.	As at 31st March, 2016 ₹ in Lakhs	As at 31st March, 2015 ₹ in Lakhs
A	<b>EQUITY AND LIABILITIES</b>			
1	Shareholders' funds			
	(a) Share capital	2.1	390.00	390.00
	(b) Reserves and surplus	2.2	<u>1,000.60</u>	<u>830.75</u>
			<b>1,390.60</b>	<b>1,220.75</b>
2	Non- Current Liabilities			
	Deferred tax liabilities (net)	2.4	-	-
3	Current liabilities			
	(a) Short-term borrowings	2.3	-	643.10
	(b) Trade payables	2.6	2,027.48	1,378.74
	(c) Other current liabilities	2.7	111.45	289.88
	(d) Short-term provisions	2.5	<u>105.97</u>	<u>40.22</u>
			<b>2,244.90</b>	<b>2,351.94</b>
	<b>TOTAL</b>		<b><u>3,635.50</u></b>	<b><u>3,572.69</u></b>
B	<b>ASSETS</b>			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	2.8	843.99	873.48
	(ii) Intangible assets	2.8	5.70	7.73
			<u>849.69</u>	<u>881.21</u>
	(b) Long-term loans and advances	2.9	157.21	152.46
2	Current assets			
	(a) Investment	2.10	386.68	-
	(b) Inventories	2.11	980.48	1,193.42
	(c) Trade receivables	2.12	799.05	970.48
	(d) Cash and cash equivalents	2.13	152.38	66.66
	(e) Short-term loans and advances	2.14	260.76	280.16
	(f) Other current assets	2.15	<u>49.25</u>	<u>28.30</u>
			<b>2,628.60</b>	<b>2,539.02</b>
	<b>TOTAL</b>		<b><u>3,635.50</u></b>	<b><u>3,572.69</u></b>
	Significant Accounting policies & notes to accounts	1		

In terms of our report attached.

For and on behalf of the Board of Directors

For PARIKH & AMIN ASSOCIATES  
Chartered Accountants  
Firm Regn.no.107520W

sd/  
Anil V.Choksi

Managing Director  
DIN-00049369

sd/  
Gaurav S.Choksi

Whole Time Director & CFO  
DIN-00049445

sd/  
(K.R.PARIKH)  
Partner  
(Membership No.036517)

sd/  
Rishi Dave

Company Secretary

Place : Mumbai  
Date : 16th May, 2016

Place : Mumbai  
Date : 16th May, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

	Particulars	Note No.	As at 31st March, 2016 ₹ in Lakhs	As at 31st March, 2015 ₹ in Lakhs
<b>A</b>	<b>INCOME</b>			
1	Revenue from operations (gross)	2.16	4516.38	9979.93
	Less: Excise duty		501.83	1116.19
	Net Sales		4014.55	8863.74
	Trading Sales	2.16	537.16	1798.13
	Other Revenue		44.68	141.13
	Revenue from operations (net)		4596.39	10803.00
2	Other income 2.16		39.85	6.67
	<b>Total revenue (1+2)</b>		<b>4636.24</b>	<b>10809.67</b>
3	<b>Expenses</b>			
	(a) Cost of materials consumed	2.17	2728.93	7926.98
	(b) Purchases of stock-in-trade	2.18	328.48	1310.61
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.19	467.50	124.57
	(d) Employee benefits and expenses	2.20	354.68	441.13
	(e) Finance costs	2.21	37.17	155.54
	(f) Depreciation and amortisation expense		40.97	44.21
	(g) Other expenses	2.22	460.13	816.33
	<b>Total expenses</b>		<b>4417.86</b>	<b>10819.37</b>
4	<b>Profit / (Loss) before exceptional and extraordinary items and tax (1+2-3)</b>		218.38	(9.70)
5	<b>Profit / (Loss) before extraordinary items and tax</b>		218.38	(9.70)
6	<b>Profit / (Loss) before tax</b>		218.38	(9.70)
7	<b>Tax expense:</b>			
	(a) Current tax expense for current year		46.50	-
	(b) MAT Credit Entitlement		(40.40)	-
	(c) Current tax expense relating to prior years		(4.51)	(0.11)
	(d) Deferred tax		-	(51.66)
			1.59	(51.77)
8	<b>Profit / (Loss) from continuing operations (6 ± 7)</b>		216.79	42.07
9	<b>Profit / (Loss) for the year</b>		216.79	42.07
	<b>Earnings per share -Basic &amp; diluted- Note No.2.30</b>		5.56	1.08
	Significant Accounting policies & notes to accounts	1		

In terms of our report attached.

For PARIKH & AMIN ASSOCIATES  
Chartered Accountants  
Firm Regn.no.107520W

sd/-  
(K.R.PARIKH)  
Partner  
(Membership No.036517)

Place : Mumbai  
Date : 16th May, 2016

For and on behalf of the Board of Directors

sd/-  
Anil V.Choksi  
Managing Director  
DIN-00049369

sd/-  
Gaurav S.Choksi  
Whole Time Director & CFO  
DIN-00049445

sd/-  
Rishi Dave  
Company Secretary

Place : Mumbai  
Date : 16th May, 2016

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

Particulars	For the year ended 31 <sup>st</sup> March, 2016		For the year ended 31 <sup>st</sup> March, 2015	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		218.38		(9.70)
Adjustments for:				
Depreciation and amortisation	40.97		44.21	
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	1.24		0.84	
Net unrealised exchange (gain) / loss				
Operating profit / (loss) before working capital changes		42.21		45.05
Changes in working capital:		260.59		35.36
Adjustments for (increase) / decrease in operating assets:				
Investment	(386.68)		-	
Inventories	212.94		238.96	
Trade receivables	171.43		1334.87	
Short-term loans and advances	19.40		29.89	
Long-term loans and advances	(4.75)		(14.65)	
Other current assets	(20.95)		11.75	
Other non-current assets				
		(8.60)		1,600.82
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	648.74		(505.25)	
Other current liabilities	(178.42)		(91.13)	
Other long-term liabilities				
Short-term provisions	65.75		23.61	
Long-term provisions				
		536.07		(572.76)
Cash flow from extraordinary items		788.05		1,063.42
Cash generated from operations		788.05		1,063.42
Net income tax (paid) / refunds		4.51		0.11
<b>Net cash flow from / (used in) operating activities (A)</b>		792.56		1,063.53
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(16.81)		(12.25)	
<b>Net cash flow from / (used in) investing activities (B)</b>		(16.81)		(12.25)
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings	-		-	
Net increase / (decrease) in working capital borrowings	(172.98)		(555.12)	
Proceeds from other short-term borrowings	(470.11)		(566.74)	
Dividends paid	(39.00)		(19.50)	
Tax on dividend	(7.94)		(3.99)	
		(690.03)		(1,145.35)
<b>Net cash flow from / (used in) financing activities ©</b>		(690.03)		(1,145.35)
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		85.72		(94.07)
Cash and cash equivalents at the beginning of the year		66.66		160.73
<b>Cash and cash equivalents at the end of the year</b>		152.38		66.66
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents as per Balance Sheet (Refer Note)		152.38		66.66
<b>Cash and cash equivalents at the end of the year *</b>		152.38		66.66
* Comprises:				
(a) Cash on hand		2.03		3.29
(c) Balances with banks				
(i) In current accounts		102.79		26.22
Margin Money Account With Scheduled Bank (refer note no 2)		41.08		31.11
(d) Others (specify nature) ( Unclaimed Dividend Account)		6.48		6.04
		152.38		66.66

Notes:

- 1) Balance with margin money with schedule bank is for letter of credit bank guarantee issued

For and on behalf of the Board of Directors

For PARIKH & AMIN ASSOCIATES  
Chartered Accountants  
Firm Regn.no.107520W

sd/-  
Anil V.Choksi

Managing Director  
DIN-00049369

sd/-  
(K.R.PARIKH)  
Partner  
(Membership No.036517)

sd/-  
Gaurav S.Choksi

Whole Time Director & CFO  
DIN-00049445

Place : Mumbai  
Date :16th May, 2016

sd/-  
Rishi Dave

Company Secretary

Place : Mumbai  
Date : 16th May, 2016

**SCHEDULE: 1 NOTES FORMING PART OF FINANCIAL STATEMENTS.**

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 except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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 II to the Companies Act, 2013.

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 charged 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 salary is accounted on payment basis.

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.

l. 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

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.

q. Investment

Current Investments are stated at cost.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 2.1 Share Capital

Particulars	As at 31st March, 2016	As at 31st March, 2015		
(a) Authorised (15000000 Equity Shares of ₹10/- each)	1500.00	1500.00		
(b) Issued subscribed & Fully paid up (please refer note) 3900000 Equity Shares of ₹.10/- each fully paid up (Previous year 3900000 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 along with number of Equity share held is given below :				
Name of Shareholders	Number of Shares Held	As at 31st March, 2016 %	Number of Share Held	As at 31st March, 2015 %
Minaxi Suresh Choksi	312204	8.00	312204	8.00

### Note 2.2 Reserves and Surplus

Particulars	As at 31st March, 2016	As at 31st March, 2015
General reserve		
Opening balance	56.82	123.00
Less : Adjustment in Depreciation as per Company Act-2013	-	95.78
	56.82	27.22
Add: Adjustment of Deferred tax due to Change in Depreciation as per Company Act, 2013	-	29.60
Closing Balance	56.82	56.82
Surplus in Statement of Profit & Loss		
Opening balance	773.93	755.35
Add: Profit / (Loss) for the year	216.79	42.07
Amount transfer from		
Dividends proposed to be distributed to equity shareholders ₹1/- (₹ 0.50/-) Per Share	39.00	19.50
Tax on dividend	7.94	3.99
	943.78	773.93
Closing balance	1,000.60	830.75

(All Figures are in ₹ in Lakhs unless specifically mentioned)

Note 2.3 Short-term Borrowings

Particulars	As at 31st March, 2016	As at 31st March, 2015
(a) Loans repayable on demand		
From banks Secured ( refer note no.1)	-	172.98
	-	172.98
(b) Loans and advances from related parties (refer note no.2)		
Unsecured Directors	-	470.12
	-	470.12
<b>Total</b>	-	<b>643.10</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

Name	Designation	As at 31st March 2016	As at 31st March, 2015
Anil V.Choksi	Managing Director	-	130.46
Gaurav S. Choksi	Whole Time Director	-	125.86
Samir K.Choksi	Whole Time Director	-	185.44
Naimish N.Choksi	Whole Time Director	-	28.36

Note 2.4 Deferred Tax

Nature of Timing Difference	Deferred Tax Assets/ Liability as on 01.04.2015	Credit for the Current Year Changes to Profit & Loss account	Deferred Tax Assets/ Liability as at 31.03.2016
A) Deferred Tax Liability			
Fixed Assets	-	5.06	5.06
<b>Total</b>	-	5.06	5.06
B) Deferred Tax Assett			
	-	-	-
Add: Defered tax asset due to setoff of carryforward business loss of Rs.20457997/-	-	67.64	67.64
<b>Defered Tax Liabilities Net</b>	-	72.70	72.70
B) Deferred Tax Asset			
Business Loss/Unabsorted Depreciation Please refer Note Below	-	72.70	72.70
<b>Deferred Tax Assets Net</b>		72.70	72.70
<b>Net deferred Tax Assets</b>	-	-	-

**Note:** deferred tax asset carried forwarded not provided in books is ₹93.82 on account of carried forward losses and unabsorbed depreciation which is recognised. The Management believe that growth in operation of the company will result into increase in its revenue on basis of business plan prepared by the Management and profitability and consequently, Sufficient future taxable income will be available against which such Deferred Tax asset can be realised to the extent of deferred tax liability.

Note 2.5 Short-term Provisions

Particulars	As at 31st March, 2016	As at 31st March, 2015
(a) Provison for employee benefits:		
(i) Provison for bonus	12.53	16.73
	<b>12.53</b>	<b>16.73</b>
(ii) Provison for proposed equity dividend	39.00	19.50
(iii) Provison for tax on proposed dividend	7.94	3.99
(iv) Provison for Income Tax	46.50	-
	<b>93.44</b>	<b>23.49</b>
Total	<b>105.97</b>	<b>40.22</b>

Note: The Board of Directors has recommended dividend of ₹1 per share for the year ended 31st march, 2016.

Note 2.6 Trade Paybles

Particulars	As at 31st March, 2016	As at 31st March, 2015
Trade payables		
Acceptances	2,027.48	1,378.74
Outstanding dues from Micro, Small & Medium Enterprises	-	-
Total	<b>2,027.48</b>	<b>1,378.74</b>

Note :

1) 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 claims from suppliers under the interest on delayed payment to small scale Ancillary Industrial Undertaking as informed by the Management.

Note 2.7 Other Current Liabilities

Particulars	As at 31st March, 2016	As at 31st March, 2015
(a) Income received in advance (Unexpired Annual maintenance contracts)	-	-
(b) Unpaid dividends	6.43	5.99
(c) Unpaid Fixed Deposit	0.40	0.95
(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.)	24.33	51.26
(ii) security deposits received	4.60	34.60
(iii) Advances from customers	20.91	105.38
(iv) Other	54.73	91.66
a) Outstanding Expenses	₹ 13.47	(14.16)
b) Excise Duty on Closing Stock	₹ 36.01	(64.13)
c) Salary Payable	-	(0.05)
d) Advance	₹ 5.04	(11.54)
e) Rent Payable	-	(1.58)
f) Security Deposit	₹ 0.20	(0.20)
Total	<b>111.45</b>	<b>289.88</b>

## FIXED ASSETS AUDITED AS AT 31-03-2016

### Note 2.8 Tangible

	Particulars	Gross Block (at Cost)				Depreciation/Amortisation				Net Block	
		As At 01.04.15	Addition	Deduct	As At 31.03.16	As At 31.03.15	For the Year	ADJ. FOR YEAR	AS AT 31.03.16	AS AT 31.03.16	AS AT 31.03.15
1	LAND	13.68	-	-	13.68	-	-	-	-	13.68	13.68
2	BUILDING	533.94	0.40	-	534.34	95.81	10.60	-	106.41	427.93	438.12
3	PLANT & MACHINERY	356.26	9.54	-	365.80	250.90	12.68	-	263.58	102.22	105.36
4	FURNITURE & FIXTURE	98.99	-	6.39	92.59	76.03	5.49	6.16	75.36	17.23	22.96
5	VEHICLES	67.20	-	0.05	67.15	63.84	-	0.05	63.79	3.36	3.36
6	OFFICE EQUIPEMENTS	37.78	-	8.12	29.66	25.54	3.59	7.87	21.26	8.40	12.23
7	OFFICE PREMISES	299.10	-	-	299.10	26.76	4.73	-	31.49	267.61	272.34
8	OTHER ( COMPUTER)	77.33	1.81	58.95	20.19	71.91	1.85	57.13	16.63	3.56	5.42
		<b>1,484.27</b>	<b>11.75</b>	<b>73.51</b>	<b>1,422.51</b>	<b>610.79</b>	<b>38.94</b>	<b>71.21</b>	<b>578.52</b>	<b>843.99</b>	<b>873.48</b>
	PREVIOUS YEAR	1,483.10	9.98	8.81	1,484.27	478.99	42.32	5.09	610.79	873.48	1,004.10

### Note : Intangible

	Particulars	Gross Block (at Cost)				Depreciation/Amortisation				Net Block	
		As At 01.04.15	Addition	Deduct	As At 31.03.16	As At 31.03.15	For the Year	ADJ. FOR YEAR	AS AT 31.03.16	AS AT 31.03.16	AS AT 31.03.15
1	GOODWILL	50.00	-	50	-	50.00	-	50	-	-	-
2	COMPUTER (SOFTWARE)	17.26	-	-	17.26	9.53	2.03	-	11.56	5.70	7.73
		<b>67.26</b>	<b>-</b>	<b>50</b>	<b>17.26</b>	<b>59.53</b>	<b>2.03</b>	<b>50</b>	<b>11.56</b>	<b>5.70</b>	<b>7.73</b>
	PREVIOUS YEAR	62.11			62.11	56.43	1.89		59.53	7.73	5.68

- 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 ₹ in Lakhs unless specifically mentioned)

Note 2.9 Long-term Loans and Advances

Particulars	As at 31st March, 2016	As at 31st March, 2015
(a) Security deposits		
Statutory	0.38	0.48
Utilities	13.20	13.37
Others	114.95	53.28
	128.53	67.13
(b) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.) "	0.79	1.01
(c) Advance income tax net of provisions Unsecured, considered good	27.89	84.32
	-	
Unsecured ( Advances paid for Purchase of materials)	28.68	85.33
<b>Total</b>	<b>157.21</b>	<b>152.46</b>

Note 2.10 Current Investment

Particulars	As at 31st March, 2016	As at 31st March, 2015
Other current investment with SBI Mutual Fund (refer note )	386.68	-
<b>Total</b>	<b>386.68</b>	<b>-</b>

Note: SBI Savings Fund-Reg Growth - Balance Units 1645211.719, NAV as on 31.03.16 . Aggregate Market value ₹386.68

Note 2.11 Inventories

Particular	As at 31st March, 2016	As at 31st March, 2015
(a) Raw materials & Packing Materials		
Medical X-Ray Films	482.64	209.29
Others	92.46	101.23
	575.10	310.52
(b) Finished goods (other than those acquired for trading)		
Medical X-Ray Films	307.04	560.16
Scrap	-	6.53
	307.04	566.69
(c) Stock-in-trade (acquired for trading)		
Other Trading Goods (Health Care Products)	98.34	316.21
	98.34	316.21
<b>Total</b>	<b>980.48</b>	<b>1,193.42</b>

Note 2.12 Trade Receivables

Particular	As at 31st March, 2016	As at 31st March, 2015
Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good	412.72	305.61
	412.72	305.61
Others Trade Receivables Unsecured, considered good	386.33	664.87
	386.33	664.87
<b>Total</b>	<b>799.05</b>	<b>970.48</b>

Note 2.13 Cash & Cash Equivalents

Particular	As at 31st March, 2016	As at 31st March, 2015
(a) Cash on hand	2.03	3.29
(b) Balances with banks		
(i) In current accounts	102.79	26.22
(ii) In deposit accounts (Refer Note (i) below)	41.08	31.11
(iii) Unpaid dividend accounts	6.43	5.99
(iv) Unpaid matured deposits	0.05	0.05
<b>Total</b>	<b>152.38</b>	<b>66.66</b>

Notes: (i) Margin money amounting to ₹ 41.08 (As at 31st March, 2016 ) which have an original maturity of more than 12 months for letter of credit & Bank Guarantee (₹31.11)

Note 2.14 Short-term Loan & Advance

Particular	As at 31st March, 2016	As at 31st March, 2015
(a) Security deposits Unsecured, considered good (Earnest Money, Tender Deposit & Security Deposit)	2.99	1.33
(b) Loans and advances to employees Unsecured, considered good	0.48	-
((c) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium , Annual Maintenance contract etc)"	3.18	3.97
(d) Balances with government authorities Unsecured, considered good (i) CENVAT credit receivable	221.18	274.12
(e) Others Unsecured, considered good (Advance paid to Suppliers against Materials)	-	0.03
(f) Other advance	32.93	0.71
<b>Total</b>	<b>260.76</b>	<b>280.16</b>

Note 2.15 Other Current Assets

Particular	As at 31st March, 2016	As at 31st March, 2015
(I) Others (Excise & Custom duty Receivable on Export - Bank charges)	5.61	20.45
(ii) Service Tax on AMC	1.21	1.13
(iii) Other Receivable	-	6.72
(iv) Sales Tax	2.03	-
(v) Unutilised MAT Receivable	40.40	-
<b>Total</b>	<b>49.25</b>	<b>28.30</b>

Note 2.16 Revenue from Operation

Particular	For the Year 31st March, 2016	For the Year 31st March, 2015
(a) Sale of products (Refer Note (I) below)	5053.54	11778.06
Less:		
Excise duty	501.83	1116.19
	4551.71	10661.87
(b) Sale of services (Refer Note (ii) below)	31.84	110.08
(c) Other operating revenues (Refer Note (iii) below)	12.84	31.05
(I) Sale of products comprises:		
Manufactured goods		
X-RAY FILMS	4516.38	9979.93
Traded goods		
Healthcare products	537.16	1798.13
<b>Total - Sale of products</b>	<b>5053.54</b>	<b>11778.06</b>
(ii) Sale of services comprises :		
Service Charges (Including Annual maintenance charges & Comprehensive maintenance charges for X-Ray Processor & Equipment & C.R. System)	31.84	110.08
<b>Total - Sale of services</b>	<b>31.84</b>	<b>110.08</b>
(iii) Other operating revenues comprise:		
Sale of scrap	10.43	15.34
Commission	2.41	15.71
<b>Total - Other operating revenues</b>	<b>12.84</b>	<b>31.05</b>

Other Income

Particular	As at 31st March, 2016	As at 31st March, 2015
Interest income	19.92	5.94
Other non-operating income (Miscellaneous net of expense)	19.93	0.73
<b>Total</b>	<b>39.85</b>	<b>6.67</b>

Note 2.17 Cost of Raw Materials & Packing Materials Consumed

Particular	As at 31st March, 2016	As at 31st March, 2015
Opening stock	310.52	428.81
Add: Purchases	2,993.51	7,808.69
Less: Closing stock	575.10	310.52
<b>Cost of material consumed</b>	<b>2,728.93</b>	<b>7,926.98</b>

Note 2.18 Purchase of Traded Goods

Particular	As at 31st March, 2016	As at 31st March, 2015
Healthcare products	328.48	1,310.61
<b>Total</b>	<b>328.48</b>	<b>1,310.61</b>

Note 2.19 Change in Inventories of finished goods

Particular	As at 31st March, 2016	As at 31st March, 2015
<b>Work in process and stock in trade</b>		
<u>Inventories at the end of the year:</u>		
Finished goods	307.04	566.69
Stock In Trade	98.35	306.20
	405.39	872.89
<u>Inventories at the beginning of the year:</u>		
Finished goods	566.69	216.23
Stock In Trade	306.20	781.24
	872.89	997.47
<b>Net (increase) / decrease in stock in Trade</b>	<b>207.85</b>	<b>475.04</b>
<b>Net (increase) / decrease in Finished Goods</b>	<b>259.65</b>	<b>(350.47)</b>
<b>Net (increase) / decrease</b>	<b>467.50</b>	<b>124.57</b>
Note : Closing Stock of Finished goods includes adjustment of excise duty		

Note 2.20 Employee Benefit Expenses

Particular	As at 31st March, 2016	As at 31st March, 2015
Salaries and wages	327.78	366.97
Contributions to provident and other funds	19.45	64.15
Staff welfare expenses	7.45	10.01
<b>Total</b>	<b>354.68</b>	<b>441.13</b>

Note 2.21 Finance Costs

Particular	As at 31st March, 2016	As at 31st March, 2015
Interest expense on: Borrowings	37.17	155.54
<b>Total</b>	<b>37.17</b>	<b>155.54</b>

## Note 2.22 Other Expenses

Particular	As at 31st March, 2016	As at 31st March, 2015
Consumption of stores and spare parts	0.05	0.48
Increase / (decrease) of excise duty on inventory	(28.11)	40.38
Power and fuel	20.62	27.17
Rent including lease rentals	24.26	23.79
Repairs and maintenance - Buildings	0.59	0.48
Repairs and maintenance - Machinery	3.93	10.29
Repairs and maintenance - Others	4.55	6.62
Insurance	8.38	14.24
Rates and taxes	2.80	2.91
Communication	7.91	14.94
Travelling and conveyance	45.13	87.79
Printing and stationery	4.63	6.06
Freight and forwarding	58.69	162.48
Sales commission	71.39	116.40
Business promotion	9.85	21.80
Payments to auditors (Refer Note (i) below)	5.00	5.00
Bad trade and other receivables, loans and advances written off	41.95	81.72
Net loss on foreign currency transactions and translation (other than considered as finance cost)	42.69	(12.81)
Miscellaneous expenses	135.82	206.59
<b>Total</b>	<b>460.13</b>	<b>816.33</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 2.23 Contingent liabilities and commitments (to the extent not provided for)

Particular	As at 31st March, 2016	As at 31st March, 2015
Contingent liabilities		
(a) Guarantees	41.08	29.12
(b) Letter of Credit	-	1.99
(c) Claim not Acknowledge by Company (refer note.1)	128.50	143.75
(d) Claim not Acknowledge by Company - Custom Duty & Penalty (refer note.2)	1,574.64	1,574.64
(e) Executive - ( Penalty for Custom duty to be indemnify by the company) (refer note.3)	75.00	-

## 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 the case.
- The Company has received copy of order passed by The Commissioner of Customs (Nhava Sheva-General), JNCH, denying and demanding for recovery of the amount of benefit of exemption from Special Additional Duty (SAD) availed for the year 2011-12, 2012-13 & 2013-14 by the Company pursuant to Notification No. 45/2005 - Customs dated 16.05.2005 along with penalty of equivalent amount.  
The Company has filed appeal to Hon'ble Customs, Excise, Service Tax Appellate Tribunal - West Zone, Mumbai and expecting a favorable outcome for the same.
- The Company has also passed resolution to indemnify Executive of the Company for the same.

(All Figures are in ₹ in Lakhs unless specifically mentioned)

Note 2.24 Value of imports calculated on CIF Basis:

Particular	As at 31st March, 2016	As at 31st March, 2015
Raw materials	471.32	6253.09
	471.32	6253.09
Equipment, Spares & X-Ray Accessories & Other Finished Goods	47.78	263.97
	47.78	263.97

Note 2.25 Expenditure in foreign currency

Particular	As at 31st March, 2016	As at 31 st March, 2015
Expenses Including Foreign Travelling	-	2.10
Fixed Asset Purchased in Foreign Currency	2.81	-

Note No.2.26 Details of consumption of imported and indigenous items

Particular	As at 31st March, 2016	
	Amount	%
<b>Imported</b>		
Raw materials	659.42 (7099.63)	24.16% (89.56%)
<b>Indigenous</b>		
Raw materials & Packing Material	2069.51 (827.35)	75.84% (10.44%)

Note: Figures / percentages in brackets relates to the previous year

Note 2.27 Remittance in Foreign Currency on account of dividend

Particular	As at 31st March, 2016	As at 31st March, 2015
Dividend	0.74	-

Note 2.28 Disclosures under Accounting Standards

Particular
<p><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.</p>

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 2008-09, 2009-10, 2010-11, 2011-12 & 2012-13 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., Unique Imaging & Hitech Imaging Pvt. Ltd.
- b) Directors of the company  
Anil Choksi, Samir Choksi, Naimish Choksi, Gaurav Choksi
- c) Key Managerial personnel & Relative of Directors  
Rishi Dave, Tushar K. Choksi, Sunil A. Choksi

Details of Transaction with above parties

Particular	Associates		Directors		Key Managerial Personnel		Relative of Directors	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Remuneration	-	-	55.84	68.16	4.50	4.50	27.92	34.08
Purchase of Goods	8.22	28.26	-	-	-	-	-	-
Sales of Goods	-	12.23	-	-	-	-	-	-
Rent paid	21.06	21.06	-	-	-	-	-	-
Interest Expenses on deposit Taken	-	66.10	32.08	44.98	-	-	-	-
Deposit taken	-	62.75	70.00	422.75	-	-	-	-
Deposit Repaid	-	759.03	572.21	326.90	-	-	-	-

b) Foreign Currency exposure that are not hedged by derivative investment as on 31.03.16 is as follows:

Particulars	Foreign Currency	Amount
Account Receivable	NIL	NIL
Account Payable	USD.2104370.71(1515196.35)	1395.89 (948.37)
	Euro.46260.29(65168)	34.74(43.99)

Note 2.30 Disclosures under Accounting Standard-20

Particular	As at 31st March, 2016	As at 31st March, 2015
<b>Earnings per share</b>		
Basic		
Continuing operations		
Net profit / (loss) for the year from continuing operations	216.79	42.07
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	216.79	42.07
Weighted average number of equity shares		
Par value per share	39.00	39.00
Earnings per share from continuing operations - Basic	5.56	1.08

Note No.2.31 As Schedule for previous year figure

The figures of the previous year have been regrouped / rearranged wherever necessary. The Figure or the Previous years are given in brackets.

**Note 2.32 Disclosure as per Accounting Standard-15**

Defined Benefit Plan	2014-2015	2015-16
Changes in Present value of obligations		
Opening balance of Present value of Obligations	73.19	73.31
Interest Cost	6.18	5.43
Current Service Cost	-	3.53
Benefits Paid	(6.06)	(16.22)
Actuarial (gain) / loss on obligations	-	-
Present value of Obligations as at 31 st March	73.31	66.05
Changes in Fair Value of plan assets		
Opening Fair Value of Plan Assets	73.19	73.31
Expected return on Plan Assets	5.87	5.21
Actuarial gain / (losses) on Plan Assets	-	-
Contributions by Employer	0.31	3.75
Benefits Paid	(6.06)	(16.22)
Fair Value of Plan Assets as at 31 st March	73.31	66.05
Amount to be recognised in the Balance Sheet		
Present Value of Funded Obligations as at 31 st March	73.31	66.05
Fair Value of Plan Assets as at 31 st March	73.31	66.05
Expense recognised in the Profit & Loss Account		
Current Service Cost	-	3.53
Interest Cost	6.18	5.43
Expected return on Plan Assets	(5.87)	(5.21)
Net Actuarial gain / (Loss)	-	-
Expense recognised in the Profit & Loss Account	0.31	3.75
Description of Plan Assets		
Insurer Managed Funds	100%	100%
Assumptions		
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%

# 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,

.....

Signature of Member

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 TWENTY FOURTH ANNUAL GENERAL MEETING of the Company at *Royal Hills Hotel Chinchoti Naka Village - Kolhi Post Kaman, Mum-Ahm Highway Taluka-Vasai Dist- Thane 401208*, on 24th September, 2016 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.*

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# 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 24th Annual General Meeting of the company, to be held on the 24th September, 2016 at 11.00 am. at Royal Hills Hotel Chinchoti Naka Village - Kolhi Post Kaman, Mum-Ahm Highway Taluka-Vasai Dist- Thane 401208 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 Financial Statements, Board's and Auditors' Reports for the financial year ended 31stMarch, 2016
2	To declare dividend on equity shares for the financial year ended March 31, 2016.
3	To appoint a Director in place of Mr. Gaurav Choksi, who retires by rotation and being eligible, offers himself for re-appointment.
4	Ratification of appointment of Statutory Auditors of the Company.
	<b>SPECIAL BUSINESS</b>
5	Re-appointment of Mr. Anil Choksi as Managing Director of the Company.
6	Re-appointment of Mr. Gaurav Choksi as Whole Time Director of the Company.
7	Re-appointment of Mr. Naimish Choksi as Whole Time Director of the Company.

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



\_\_\_\_\_  
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.

# Map



Book-Post

If Undelivered, Please return to :



**CHOKSI IMAGING LIMITED**

CIN : L24294MH1992PLC068852

**CORPORATE OFFICE**

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