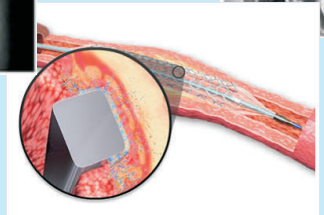




**CHOKSI IMAGING LIMITED**

**20th Annual Report 2011-12**



**20TH ANNUAL REPORT 2011-2012**

- BOARD OF DIRECTORS** :
- : **SHARADCHANDRA PENDSE** - Chairman
  - : **ANIL V. CHOKSI** - Managing Director
  - : **SURESH V. CHOKSI** } Whole Time Directors
  - : **NAIMISH N. CHOKSI** }
  - : **SAMIR K. CHOKSI** }
  - : **VIKRAM V. MANIAR** } Independent
  - : **TUSHAR M. PARIKH** } Non-Executive
  - : **HIMANSHU KISHNADWALA** } Directors
- COMPANY SECRETARY** : **NIKITA PEDHDIYA**
- BANKERS** : **BANK OF BARODA**
- AUDITORS** : **PARIKH & AMIN ASSOCIATES**  
Chartered Accountants  
205, 2nd Floor, B wing, Abhinav Apts.,  
Shraddhanand Road, Vile Parle (E), Mumbai 400 057.
- REGISTRAR & TRANSFER AGENT** : **ADROIT CORPORATE SERVICES PVT. LTD.**  
19, Jaferbhoy Industrial Estate, Makwana Road,  
Marol Naka, Andheri (East), Mumbai - 400 059.  
Tel.: 022 - 2859 6060 / 2859 4060  
Fax: 022 - 2850 3748
- REGISTERED OFFICE** : 4th Floor, C Wing, Classique Centre, Plot No. 26,  
Mahal Indl. Estate, Off. Mahakali Caves Road,  
Andheri (East), Mumbai - 400 093.  
Tel.: 022 - 4228 7555
- GRIEVANCE REDRESSAL DIVISION** : [compliance.officer@choksiworld.com](mailto:compliance.officer@choksiworld.com)
- FACTORY** : Plot No.10, Survey No. 121/P, Off. 66 K.V.A. Road,  
Amlı, Silvassa - 396 230, Dadra & Nagar Havelı (U.T.)

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**FINANCIAL HIGHLIGHTS**

(In ₹ Lakhs.)

	2011-12 (*)	2010-11	2009-10	2008-09	2007-08
Gross Turnover	19528.47	16931.66	14741.70	11907.39	6177.47
Profit before tax	186.63	535.02	752.89	423.53	300.88
Profit after tax (after extraordinary / prior period items)	126.64	355.06	495.21	270.31	190.81
Dividend (incl. Dividend tax and surcharge, if any)	45.33	68.22	90.95	59.32	54.75
Net Worth	1914.62	1833.31	1561.02	1173.10	964.53
Book value per share (₹)	49.09	47.01	40.03	30.08	24.73
Earnings per share (₹)	3.25	8.73	12.28	6.93	4.89
Dividend %	10%	15%	20 % (15%+5%)	13%	12%

\*The figures of the year 2011-12 have been arrived at in accordance with the Revised Schedule VI to the Companies Act, 1956 notified by the Ministry of Corporate Affairs vide notification no. S.O. 447(E) on 28th February, 2011.

## NOTICE

Notice is hereby given that the TWENTIETH ANNUAL GENERAL MEETING of the MEMBERS OF CHOKSI IMAGING LIMITED will be held on Wednesday, 8th day of August, 2012 at 3.00 p.m. at Harvard Chamber, Ramee Guestline Hotel, 462, A.B. Nair Road, Juhu, Mumbai -400 049 to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet of the Company as on 31st March, 2012, the Profit and Loss Account and Cash Flow Statement for the year ended on that date and the Reports of the Directors and Auditors' thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Sharadchandra M. Pendse, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Himanshu Kishnadwala, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. Parikh & Amin Associates, Chartered Accountants, Mumbai (Firm Regn. No. 107520W) as Statutory Auditors of the Company who shall hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

6. To consider and if thought fit, pass with or without modification, the following resolution as special resolution:

**"RESOLVED THAT** pursuant to the provisions of sections 198,269,309,310,311 and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force) and all other applicable circulars, notifications and guidelines issued by Ministry of Corporate Affairs and any other Authorities in granting such approvals, permissions and sanctions and as agreed by Board of Directors (herein after referred to as the Board, which term shall be deemed to include any Committee thereof and any person, authorised by Board in this behalf), consent of the members be and is hereby accorded to re-appoint Mr. Anil V. Choksi as Managing Director of the Company, for a further period of three years with effect from 1st September, 2012, upon terms and conditions as set out in the Explanatory Statement appended herein under, with liberty to the Board of Directors to alter and vary the terms and conditions in such manner as may be agreed to by and between the Board of Directors and Mr. Anil V. Choksi.

**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 Section II of part II of Schedule XIII of the Companies Act, 1956 or such other limits as may be prescribed by the Government from time to time.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised 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, pass with or without modification, the following resolution as special resolution:

**"RESOLVED THAT** pursuant to the provisions of sections 198,269,309,310,311 and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force) and all other applicable circulars, notifications and guidelines issued by Ministry of Corporate Affairs and any other Authorities in granting such approvals, permissions and sanctions and as agreed by Board of Directors (herein after referred to as the Board, which term shall be deemed to include any Committee thereof and any person, authorised by Board in this behalf), consent of the members be and is hereby accorded to

re-appoint Mr. Samir K. Choksi as Whole Time Director of the Company, for a further period of three years with effect from 1st September, 2012, upon terms and conditions as set out in the Explanatory Statement appended herein under, with liberty to the Board of Directors to alter and vary the terms and conditions in such manner as may be agreed to by and between the Board of Directors and Mr. Samir K. Choksi.

**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 Section II of part II of Schedule XIII of the Companies Act, 1956 or such other limits as may be prescribed by the Government from time to time.

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

**BY ORDER OF THE BOARD OF DIRECTORS**

Sd/-

**Nikita Pedhdiya**  
Company Secretary

Registered Office:  
4th Floor, C Wing, Classique Centre,  
Plot No. 26, Mahal Indl. Estate,  
Off. Mahakali Caves Road, Andheri (East),  
Mumbai – 400 093.

Place: Mumbai  
Date: 12th May, 2012

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. **The Proxies in order to be valid must be deposited with the Company at its Registered office not less than 48 hours before the commencement of the meeting. No photocopy / scanned copy of the completed proxy form will be accepted.**
3. Corporate Members intending to send their authorised representative are requested to send a duly certified copy of Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
4. The Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business stated above is annexed.
5. 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.
6. Members / Proxies should bring the Attendance Slip duly filled in for attending the meeting along with their copy of Annual Report to the meeting.
7. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the company. The nomination form can be downloaded from the Company's website [www.choksiworld.com](http://www.choksiworld.com) under the section "Investor info".
8. Members who hold shares in physical form in multiple folios in identical names or joint holdings in the same order of names are requested to send the share certificates to Adroit Corporate Services Private Limited, Company's Registrar & Share Transfer Agent, for consolidation into a single folio.
9. The Register of Members and the Share Transfer Book shall remain closed from Wednesday, 1st August, 2012 to Wednesday, 8th August, 2012 (both days inclusive).
10. The Dividend on Equity Shares as recommended by the Board of Directors, if any, declared at the meeting, will be payable to those shareholders whose names appear in the Register of Members as on Wednesday, 1st August, 2012 and in respect of shares held in Electronic form the dividend will be paid on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.
11. 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.
12. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividends which remain unclaimed in the unpaid dividend account for a period of seven years from the date of transfer of the same, will be transferred to the Investor Education and Protection Fund established by the Central Government under section 205C of the Companies Act, 1956.

Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:

Financial Year ended	Date of declaration of Dividend	Due date of Transfer
31.03.2006	26.08.2006	26.09.2013
31.03.2007	01.09.2007	02.10.2014
31.03.2008	20.09.2008	21.10.2015
31.03.2009	01.09.2009	02.10.2016
31.03.2010	20.09.2010	21.10.2017
31.03.2011	24.09.2011	25.10.2018

According to the provisions of the Act, shareholders are requested to note that no claim shall lie against the Company or said fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the date that they first became due for payment and no payment shall be made in respect of any such claims. Members who have not claimed their dividends declared by the Company for the year ended 31st March, 2006 onwards are requested to write to the Company for obtaining duplicate warrants or for revalidating warrants, before the balance gets transferred to the Investor Education and Protection Fund established by the Central Government under section 205C of the Companies Act, 1956.

13. In order to provide protection against fraudulent encashment of the warrants, Members holding shares in physical form are requested to notify any change in their addresses or bank mandates immediately to the company's Registrar and Transfer Agent.
14. Non-resident shareholders are requested to inform immediately to the Company's RTA i.e. Adroit Corporate Services Private Limited regarding:
  - a. Change in residential status on return to India for permanent settlement
  - b. Particulars of bank account maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished earlier.
15. 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.
16. All documents referred to in the accompanying Notice are open for inspection at the registered office of the company during the office hours on all working days between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.
17. The Annual Report of the company circulated to the members of the Company is also available on the Company's website i.e. [www.choksiworld.com](http://www.choksiworld.com)
18. In view of the Green Initiative in Corporate Governance introduced by the Ministry of Corporate Affairs vide its Circular 17/2011 dated 21st April, 2011, all members who are holding shares of the company in physical mode, are requested to register their e-mail Ids, so as to enable the company to send all notices/reports/documents/intimations and other correspondences etc. through emails, in the electronic mode instead of receiving physical copies of the same. 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.
19. Members are requested to carry their Annual Report copy to the meeting. Additional copies of Annual Report will NOT be provided at the meeting to members.
20. The information as required in terms of clause 49 of the Listing Agreement with the Stock Exchanges regarding the Directors who are proposed to be re-appointed is as under:

**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT IN 20TH ANNUAL GENERAL MEETING  
(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)**

<b>Name of the Director</b>	Mr. Sharadchandra M. Pendse	Mr. Himanshu V. Kishnadwala	Mr. Anil V. Choksi	Mr. Samir K Choksi
<b>Date of Birth</b>	19.04.1946	06.08.1964	07.04.1932	24.04.1964
<b>Date of first appointment</b>	26.10.2002	26.10.2002	01.10.1992	01.10.1992
<b>Qualification</b>	B.A., C.A.I.I.B	B.Com, C.A.	Undergraduate.	Diploma in Automobile Engineering

<b>Expertise</b>	He was a banker associated with the State Bank of India from 1967 to 1997 in various capacities. He has a vast experience in the field of finance and management.	He is a Practising Chartered Accountant of repute having more than 20 years of experience in the field of accounts, taxation and Corporate Finance.	He is one of the Promoter Director and associated with the Photosensitised industry since the last 58 years and is having in-depth knowledge of the industry.	He is one of the Promoter Director and associated with the Photosensitised industry since the last 25 years and is having in-depth knowledge of the industry.
<b>Directorships held in other public companies including private companies which are subsidiaries of public company (excluding foreign and private companies)</b>	NIL	NIL	NIL	NIL
<b>Memberships/Chairmanships across all companies</b>	NIL	NIL	NIL	NIL
<b>Shareholding of Directors</b>	NIL	5,100	189,927	77,932
<b>Relationship between Directors inter-se</b>	NIL	NIL	NIL	NIL

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

**ITEM NO 6:**

Mr. Anil V. Choksi was re-appointed as a Managing Director of the Company for a period of 3 years with effect from 1st September, 2009 upon terms and conditions and remuneration approved by the Shareholders at the Annual General Meeting of the Company held on 11th September, 2009. The Board of Directors at its meeting held on 12th May, 2012 has re-appointed Mr. Anil V. Choksi, as Managing Director, for a further period of 3 years w.e.f 1st September, 2012 to 31st August, 2015 on the terms and conditions as set out below:

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:** 3 years from 1st September, 2012 to 31st August, 2015.
3. **Remuneration:** Mr. Anil V. Choksi will be entitled to the following emoluments, benefits and perquisites subject to the ceiling limits laid down in Sections 198 and 309 of the Companies Act, 1956 read with Schedule XIII of the Companies Act, 1956 or any amendment thereto:
  - A) **Salary:** ₹ 1,25,000/- p.m. up to a ceiling of ₹ 2,50,000/- 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, 1956.



- B) **Commission:** At the rate 1% of the Net profit of the company for each financial year, subject to the approval of the Board of Directors.
- C) **Perquisites:** Mr. Anil V. Choksi shall be entitled to the following perquisites, restricted to an amount equal to the annual salary 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 XIII of the Companies Act. 1956 from time to time.

The appointment of Mr. Anil V. Choksi is in accordance with the conditions specified in Part I and Part II of Schedule XIII, as provided in Section 269 of the Companies Act, 1956.

Pursuant to Sub clause (B) of Section II of Part II of Schedule XIII and as required therein, information is given hereunder:

#### **I. GENERAL INFORMATION:**

- 1) Nature of Industry: Company is engaged in manufacturing and dealing in Photosensitised materials and other products for the Healthcare Industry since 01-10-1992.
- 2) Date or expected date of Commencement of commercial production: Company is in this line of business since its incorporation.
- 3) In case of new company, expected date of commencement of activities: Not applicable.
- 4) Financial performance: As given elsewhere in the Annual Report.
- 5) Export performance and net foreign exchange earnings: Export turnover for the financial year ended 31st March, 2012 is ₹ 55,328,719/-.
- 6) Foreign investments or collaborators: Not applicable

#### **II. INFORMATION ABOUT THE APPOINTEE:**

- 1) Background details: Mr. Anil V. Choksi is an undergraduate. Mr. Anil V. Choksi is one of the Promoter Director and is associated with Photosensitised Industry since last 58 years having indepth knowledge of industry. He is one of the Key decision makers of the Company.

- 2) Past Remuneration: Salary of ₹ 1,25,000/- p.m and other terms of remuneration is as stated in the resolution passed by the shareholders at the Annual General Meeting held on 11th September, 2009
- 3) Recognition and awards: NIL.
- 4) Job profile and his suitability: Mr. Anil V. Choksi is holding the office of Managing Director and he is responsible for the overall management of the business and affairs of the Company. He shall perform such duties and functions as would be commensurate with his position as a Managing Director of the Company.

Mr. Anil V. Choksi has good contacts in the Industry and abroad. Considering his experience, knowledge and his contribution towards the growth of the Company, Board of Directors are of the view that he is suitable person to hold the office of Managing Director of the Company.

- 5) Remuneration proposed: As stated in the Resolution proposed in the notice at Item No. 6.
- 6) Comparative remuneration with respect to industry, size of Company, profile and position:  
Considering knowledge and expertise of Mr. Anil V. Choksi, the proposed remuneration is in line with the Industry standards. However, it may be noted that considering nature of activities being carried on by the Company and duty performed by candidate comparative remuneration cannot be quantified in terms of measurable value.
- 7) Pecuniary Relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any.  
Mr. Anil V. Choksi is himself the Managing Director of the company and has no pecuniary relationship with the company other than being a Managing Director.

### III. OTHER INFORMATION:

- 1) Reasons of loss or inadequacy profits: Due to intense competition in the Photosensitised materials and other products in the Healthcare Industry coupled with increasing raw material costs and interests has had a beating on the Profits of the Company. However, the Company has attained growth year after year and under able guidance of existing management including Mr. Anil V. Choksi, the Company is optimistic to achieve further growth in coming years.
- 2) Steps taken or proposed to be taken for improvement: The Company has initiated several trading products & process quality initiatives and cost controlling exercise for improvement of Company's performance.
- 3) Expected increase in productivity and profits in measurable terms: The Company expects growth in trading products and its productivity and profits in coming years. However considering nature of activities and the market move, it is not possible to quantify the growth in measurable terms.

### IV. DISCLOSURES:

- 1) Proposed remuneration as mentioned in resolution at item No.6 to the notice shall be considered as the remuneration package of Mr. Anil V. Choksi.
- 2) Disclosures to be made in Board of Directors Report: Necessary Disclosures shall be made in the annual report.

Pursuant to Schedule XIII of the Companies Act, 1956, the approval of the shareholders is sought by way of special resolution.

Re-appointment of Managing Director after retirement by rotation will not be treated as break in their service period.

None of the Directors except Mr. Anil V. Choksi, Mr. Suresh V. Choksi, Mr. Naimish N. Choksi and Mr. Samir K. Choksi may be deemed to be, directly or indirectly interested in this Resolution.

This may be treated as an abstract pursuant to Section 302 of the Companies Act, 1956.

In the beneficial interest of the company, your Directors recommend the resolution for your approval.

**ITEM NO 7:**

Mr. Samir K. Choksi was re-appointed as a Whole Time Director of the Company for a period of 3 years with effect from 1st September, 2009 upon terms and conditions and remuneration approved by the Shareholders at the Annual General Meeting of the Company held on 11th September, 2009. The Board of Directors at its meeting held on 12th May, 2012 has re-appointed Mr. Samir K. Choksi, the Whole Time Director, for a further period of 3 years w.e.f 1st September, 2012 to 31st August, 2015 on the terms and conditions as set out below:

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 1st September, 2012 to 31st August, 2015.
3. **Remuneration:** Mr. Samir K. Choksi will be entitled to the following emoluments, benefits and perquisites subject to the ceiling limits laid down in Sections 198 and 309 of the Companies Act, 1956 read with Schedule XIII of the Companies Act, 1956 or any amendment thereto:

- A) **Salary:** ₹ 125,000/- p.m. up to a ceiling of ₹ 2,50,000/- 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, 1956.
- B) **Commission:** At the rate 1% of the Net profit of the company for each financial year, subject to the approval of the Board of Directors.
- C) **Perquisites:** Mr. Samir. K. Choksi shall be entitled to the following perquisites, restricted to an amount equal to the annual salary 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, 1961.
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 XIII of the Companies Act.1956 from time to time.

The appointment of Mr. Samir K. Choksi is in accordance with the conditions specified in Part I and Part II of Schedule XIII, as provided in Section 269 of the Companies Act, 1956.

Pursuant to Sub clause (B) of Section II of Part II of Schedule XIII and as required therein, information is given hereunder:

**I. GENERAL INFORMATION:**

- 1) Nature of Industry: Company is engaged in manufacturing and dealing in Photosensitised materials and other products for the Healthcare Industry since 01.10.1992.
- 2) Date or expected date of Commencement of commercial production: Company is in this line of business since its incorporation.
- 3) In case of new company, expected date of commencement of activities: Not applicable.
- 4) Financial performance: As given elsewhere in the Annual Report.
- 5) Export performance and net foreign exchange earnings: Export turnover for the financial year ended 31st March, 2012 is ₹ 55,328,719/-.
- 6) Foreign investments or collaborators: Not applicable

**II. INFORMATION ABOUT THE APPOINTEE:**

- 1) Background details: Mr. Samir K. Choksi holds a Diploma in Automobile Engineering. Mr. Samir K. Choksi is one of the Promoter Director and is associated with Photosensitised Industry since last 27 years having in-depth knowledge of industry. He is one of the Key decision makers of the Company.
- 2) Past Remuneration: Salary of ₹ 1,25,000/- p.m and other terms of remuneration is as stated in the resolution passed by the Shareholders at the Annual General Meeting held on 11th September, 2009.
- 3) Recognition and awards: NIL.
- 4) Job profile and his suitability: Mr. Samir K. Choksi is holding the office of Whole Time Director and he is responsible for the general conduct and management of the business and affairs of the Company.

Mr. Samir K. Choksi has good contacts in the Industry and abroad. Considering his experience, knowledge and his contribution towards the growth of the Company, Board of Directors are of the view that he is the suitable person to hold the office of Whole-time Director of the Company.

- 5) Remuneration proposed: As stated in the Resolution proposed in the notice at Item No. 7.
- 6) Comparative remuneration with respect to industry, size of Company, profile of the position and person: Considering the expertise of Mr. Samir K. Choksi, the proposed remuneration is in line with the Industry standards. However it may be noted that considering nature of activities being carried on by the Company and duty performed by candidate, comparative remuneration cannot be quantified in terms of measurable value.
- 7) Pecuniary Relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any.

Mr. Samir K. Choksi is himself the Whole-Time Director of the Company and has no pecuniary relationship with the company other than being a Whole-Time Director.

**III. OTHER INFORMATION:**

- 1) Reasons of loss or inadequacy profits: Due to intense competition in the Photosensitised materials and other products in the Healthcare Industry coupled with increasing raw material costs and interests has had a beating on the profits of the Company. However, the Company has attained growth year after year and with the foresight of existing management including Mr. Samir K. Choksi, the Company is optimistic to achieve further growth in coming years.
- 2) Steps taken or proposed to be taken for improvement: The Company has initiated several trading products & process quality initiatives and cost controlling exercise for improvement of Company's performance.
- 3) Expected increase in productivity and profits in measurable terms: The Company expects growth in trading products and its productivity and profits in coming years. However considering nature of activities and the market move, it is not possible to quantify the growth in measurable terms.

**IV. DISCLOSURES:**

- 1) Proposed remuneration as mentioned in resolution at Item No.7 to the notice shall be considered as the remuneration package of Mr. Samir K. Choksi.
- 2) Disclosures to be made in Board of Directors Report: Necessary Disclosures shall be made in the annual report.

Pursuant to Schedule XIII of the Companies Act, 1956, the approval of the shareholders is sought by way of special resolution.

Re-appointment of whole-time Directors after retirement by rotation will not be treated as break in their service period.

None of the Directors except Mr. Anil V. Choksi, Mr. Suresh V. Choksi, Mr. Naimish N. Choksi and Mr. Samir K. Choksi may be deemed to be interested in this resolution

This may be treated as an abstract pursuant to Section 302 of the Companies Act, 1956.

In the beneficial interest of the company, your Directors recommend the resolution for your approval.

**BY ORDER OF THE BOARD OF DIRECTORS**

Sd/-

**Nikita Pedhdiya**  
Company Secretary

Registered Office:  
4th Floor, C Wing, Classique Centre,  
Plot No. 26, Mahal Indl. Estate,  
Off. Mahakali Caves Road, Andheri (East),  
Mumbai – 400 093.

Place: Mumbai  
Date: 12th May, 2012

## DIRECTORS' REPORT

To,

The Members of CHOKSI IMAGING LIMITED,

The Board of Directors are pleased to present the 20th Annual Report on the business and operations of your Company along with the financial statements for the year ended on 31st March, 2012.

**FINANCIAL RESULTS SUMMARY**

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

Particulars	2011-2012 (₹ lakhs)	2010-2011 (₹ lakhs)
Total Revenue	18450.48	17115.11
Less: Expenses other than Depreciation & Amortisation	18205.13	16528.42
Profit Before Depreciation, Amortisation, Exceptional & Extraordinary Items and Tax	245.35	586.69
Less: Depreciation and Amortisation expense	58.72	51.68
Profit Before Exceptional & Extraordinary Items And Tax	186.63	535.01
Add / (Less): Exceptional & Extraordinary Items	--	--
Net Profit Before Tax (NPBT)	186.63	535.01
Less: Tax expenses	59.99	194.51
Net Profit After Tax (NPAT)	126.64	340.50
Add: Surplus brought forward from previous year	1320.31	1066.03
Amount available for Appropriations	1446.95	1406.53
Less: Appropriations:		
Proposed Dividend	39.00	58.50
Tax on Proposed Dividend	6.33	9.72
General Reserve	--	18.00
Balance carried forward to Balance Sheet	1401.62	1320.31

The above figures have been arrived at in accordance with the Revised Schedule VI to the Companies Act, 1956, as notified by the Ministry of Corporate Affairs.

**REVIEW OF PERFORMANCE**

Your Company is working hard towards expanding its network throughout the length and breadth of India and also outside India. Your Company has a presence in every nook and corner of the country either through its Branch offices or through its pan-India dealer network. During the year under review, your Company earned a Total Income of ₹ 18450.48 lakhs as against ₹ 17115.11 lakhs during the previous year. Net Profit After Tax (NPAT) for the current year stood at ₹ 126.64 lakhs as against ₹ 340.50 lakhs during the previous year. The main reason for decline in NPAT in the current year is due to depreciation of the Rupee against the US Dollar.

**DIVIDEND**

The Directors recommend a dividend on total paid up capital of the company at the rate of ₹ 1/- (10 per cent) per fully paid up equity share of ₹ 10/- each for the financial year ended 31st March, 2012, which would amount to a total of ₹ 39 lakhs, exclusive of Dividend Distribution Tax.

The dividend is subject to the approval of shareholders at the ensuing Annual General Meeting.

## MANAGEMENT DISCUSSION AND ANALYSIS

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

### DIRECTORS

In accordance with section 256 of the Companies Act, 1956 read with the Articles of Association of the Company, Mr. Sharadchandra Pendse and Mr. Himanshu Kishnadwala are liable to retirement by rotation and being eligible, offer themselves for re-appointment.

A brief resume of the Directors mentioned above has been annexed to the notice of the 20th Annual General Meeting.

The Board recommends their re-appointment.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2012 and of the profit of the Company for that period;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts on a going concern basis.

### CORPORATE GOVERNANCE

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

### PUBLIC DEPOSITS

During the year under review, your Company discontinued renewal of the existing public deposits and acceptance of any further public deposits under section 58A of the Companies Act, 1956. Five Deposits aggregating to ₹ 1.80 lakhs were repaid on account of maturity. Also, your Company has received three Deposits aggregating ₹ 1 lakh for Premature Repayments, which were repaid as per the terms of Companies (Acceptance of Deposits) Rules, 1975.

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

### AUDITORS

The Statutory Auditors of your Company, M/s. Parikh & Amin Associates, Chartered Accountants, Mumbai hold the office till the conclusion of the ensuing Annual General Meeting have furnished a certificate under section 224(1B) of the Companies Act, 1956 to the effect that their appointment, if made, would be within the prescribed limits. They have confirmed their willingness to accept the office, if re-appointed and it is proposed that they be re-appointed.

### COST ACCOUNTING RECORDS

The Ministry of Corporate Affairs (MCA) issued notification no. GSR 429(E) dated 3rd June, 2011 notifying The Companies (Cost Accounting Records) Rules, 2011. According to the aforementioned notification, your Company is now required to maintain cost records pertaining to per unit cost of production, cost of sales and margins for each of its products to enable company to make optimum utilisation of available

resources. These records, at the end of the financial year, are to be reconciled with the audited financial statements and a Compliance Report is to be obtained from a Cost Accountant and file the same with the MCA.

In compliance with the above, your Company has appointed M/s. Y.R. Doshi & Associates, Cost Accountants, to maintain the cost records and issue Compliance Report.

#### **DEMATERIALISATION OF SHARES, SHARE REGISTRY AND LISTING DETAILS**

Your Company has issued 39 lakh equity shares of ₹ 10 each, all of which are listed on the Bombay Stock Exchange. Your Company has paid the annual listing fees for the financial year 2012-13

As on 31st March, 2012 out of the total number of equity shares, **3481700 shares** are held in dematerialised form, which represents **89.27 per cent** of the total listed shares of your Company.

In accordance with SEBI circular No. D&CC / FITTC / CIR-15 / 2002 dated 27th December, 2002, your Company has appointed M/s. Adroit Corporate Services Private Limited, a Category I Registrar and Share Transfer Agent registered with SEBI, to look after works and matters related to share registry, in co-ordination with the Secretarial Department of your Company.

The Directors request all the shareholders holding shares in physical form to get their shareholding converted into dematerialised form through their Bankers or Depository Participants at the earliest to avail benefits of dematerialisation, as trading in the shares of your Company on the Stock Exchange is only permitted in dematerialised form as per rules of the Securities and Exchange Board of India (SEBI).

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

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

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

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

#### **FINANCES**

The total long term borrowings of your Company as on 31st March, 2012 stood at ₹ 44.36 lakhs, Cash and Cash Equivalent stood at ₹ 173.05 lakhs and total investments stood at NIL at the end of the year.

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

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

#### **ACKNOWLEDGMENT**

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

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

Place: Mumbai  
Date: 12th May, 2012

Sd/-  
**Sharadchandra Pendse**  
Chairman



## Annexure to the Directors' Report

### ANNEXURE I

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

#### A. CONSERVATION OF ENERGY

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

#### B. TECHNOLOGY ABSORPTION

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

#### FORM B

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

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

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

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

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Forex market conditions were volatile during the year gone by. The fluctuations in the market were high during mid-December, the rupee highly depreciated against the dollar. But your Company was able to manage the volatility in a prudent manner due to which losses were minimised.

	<b>Particulars</b>	<b>Current year (₹)</b>	<b>Previous Year (₹)</b>
1.	Foreign Exchange Earnings	55,328,719	33,212,709
2.	Foreign Exchange Outgo:		
	a) Travelling Expenses	1,526,695	1,840,747
	b) Equipment, Spares, X-Ray Accessories and other Finished Goods	1,216,075,617	1,146,704,094

For and on behalf of the Board of Directors

Place: Mumbai  
Date: 12th May, 2012

Sd/-  
Sharadchandra Pendse  
Chairman

## MANAGEMENT DISCUSSIONS AND ANALYSIS

### Industry structure and developments:

Your Company is in the business of manufacturing and trading of Photosensitised materials and other products for Healthcare Industry, especially supplies to Hospital and Diagnostic Centres all over India.

Globally, the industry is amongst fastest growing sectors. Within this context, India is viewed as one of the most promising markets among the developing countries and is projected to reach USD 140 billion by 2017. India is one of the world's most lucrative healthcare markets, and is expanding rapidly, according to latest findings by a report published in February 2012, by market research firm RNCOS. India is the most competitive destination with advantages of lower cost and sophisticated treatments, according to RNCOS report titled 'Indian Healthcare - New Avenues for Growth'.

The Indian Government, on its part, is promoting this sector through positive regulations like the introduction of the Health Bill, which proposes to bring all independent bodies. The Government has also decided to increase health expenditure to 2.5 per cent of the gross domestic product (GDP) by the end of the 12th Five Year Plan, from the current 1.4 per cent. In addition a number of initiatives that have been proposed and taken up by the Government of India (GOI) for enhancement of the healthcare sector:

- 100 per cent Foreign Direct Investment (FDI) is permitted in health and medical services under the automatic route
- Allocation for National Rural Health Mission (NHRM) has proposed to be increased from ₹ 18,115 crore (US\$ 3.59 billion) in 2011-12 to ₹ 20,822 crore (US\$ 4.13 billion) in 2012-13
- National Urban Health Mission is being launched
- Pradhan Mantri Swasthya Suraksha Yojana, a Health Insurance Scheme for low income group people, being expanded to cover upgradation of 7 more Government medical colleges

The initiatives by the Government to promote Healthcare industry are in turn more beneficial and profitable to the growth of your company. However, due to the lack of affordability among the majority of Indians and increase in cost structure for the segment, profitability has taken a hit. This has in turn led to continuous demands from the end users for reduction in cost of Medical equipments and consumables.

We still feel that this industry has tremendous potential due to the unmet demand in the country. Also the spread of Health Insurance is a must for the further growth and development of the Industry as a whole. Currently hardly 5 % of India's population is covered under some kind of Health Insurance and as such the scope is huge. As the coverage of Insurance increases the demand for Healthcare Services will increase in the country, leading to increase in demand for our products.

### Year at a Glance:

The year gone by has been a year of consolidation for your Company. The focus had been on increasing our turnover in the various products and that the turnover of the Company for the year under review has increased to ₹ 19528.47 lakhs. This is an increase of almost 15%. The net turnover has increased to ₹ 18317.75 lakhs (increase of almost 8%).

However, EBIDTA of the company has decreased to ₹ 574.06 lakhs as compared to that of ₹ 897.79 lakhs in previous year. Besides the intense competition, another major cause for the reduction in margins is due to the immense volatility in Foreign exchange rates during the year. Your company has started taking steps to reduce the borrowings and the interest cost in the coming year as the company has not invited or renewed any deposits this year.

### Product-wise performance:

Your Company primarily supplies to the Hospitals and Diagnostic Centres. Broadly we classify the Company's products in manufacturing and trading. During the year the manufacturing goods turnover increased from ₹ 11696.05 lakhs to ₹ 12632.22 lakhs at Gross level and ₹ 10597.48 lakhs to ₹ 11421.50 lakhs at Net level. The trading goods turnover has increased from ₹ 6221.18 lakhs to ₹ 6816.41 lakhs.

**Outlook:**

Fitch India Private Limited, a Credit Rating agency, has come out with its report on Indian healthcare sector. In a recent report, the agency has classified the outlook for the sector for 2012 as stable. According to the rating agency some level of consolidation in the highly fragmented healthcare industry along with improved occupancy rates and average revenues per operating bed could be positive for the sector in 2012.

Fitch Ratings expects growth in Indian health care sector in 2012 to be driven by the gap between demand and supply in health care services in the country due to increasing lifestyle-related health problems, changing demographics, increasing disposable income and insurance penetration, below par healthcare infrastructure (especially in Tier II and Tier III cities, or smaller cities), government support and increasing medical tourism.

The overall industry scenario is upbeat, propelled by a growing economy, shifting demographics, rising disposable incomes, high incidence of lifestyle-induced diseases, new investment avenues and a large pool of talented and cost-effective human resource. The segments that are reaping the most benefits are hospitals, pharmaceuticals, medical equipment companies, pathological labs and other service providers, Going forward in FY 2012-2013 we expect moderate growth rates. Your Company has grown substantially over the last 6 years and has grabbed all the possible opportunities by supplying its products to major Hospitals and Diagnostic Centres. It is looking at adding more and more products which shall be contributing to the Profitability of the Company. Also as a policy your Company, always first ties up the Sales and Marketing of the products before venturing into manufacturing.

**Opportunities and Threats:**

Currently approx. 5% of India population is covered under Health Insurance. With the entry of private Health Insurance Companies, we expect a sizeable percent of the Indian Population which is currently not able to afford treatment would in time to come be able to avail of the same. This will lead to increased demand for your company's products. Further your Company being one of the few all India players, it will be able to tie up with more Companies to sell and market their products.

The main threat for your Company is the low entry barrier in this field wherein a lot of new players are entering the Distribution of Healthcare products. However due to the All India infrastructure and base, your Company is confident of growing in the increased competitive landscape. Another major threat that the Company faces is the direct entry of Multinational Companies in India. Even here we do not foresee much of a threat as they eventually need an All India player like your Company to enable them to be a have a proper Sales and Distribution Network.

**Risks and Concerns:**

One of the key risk and concern for your Company is the advent of Computer Radiology in India. Though not an immediate risk, this is a matter of concern in the long run. Your Company as a strategy has been adding more and more products in its portfolio to negate this risk in the long run. In fact, in spite of the advent of Computer Radiology your Company has been able to maintain and marginally increase the turnover.

Another key risk is the extreme volatility in the Foreign Exchange rates. This is something that is affecting majority of the Industries whether Import or Export Based. However looking at the Global Scenario and higher growth rates in GDP in India, we feel in the medium and long range the INR to be range bound. Also your Company has been able to neutralise the effect of this volatility by passing on the benefits or losses to some extent down the chain i.e. Dealer Network.

**Internal Control systems and their adequacy:**

The company has instituted adequate internal control systems to commensurate with the nature of its business and the size of its operations. An Audit Committee consisting of four independent, non-executive directors is in place. Internal Audit is conducted on regular intervals at plant and office which covers key areas of operations. All significant audit observations and follow-up actions thereon are reported to the Audit Committee. The Company has appointed a Cost Accountant to ensure adequate control systems and to reduce wastages in the manufacturing process. The Cost Accountant shall be responsible for maintaining cost records and issue Compliance Report.

**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.

Total number of employees as on 31<sup>st</sup> March, 2012 stood at 167, 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.

**Financial Performance**

**Operational Income:** Your Company achieved a total operational income of ₹ 18426.63 lakhs against last year's operational income of ₹ 17083.76 lakhs which translates into a growth of about 7.86%.

**EBIDTA:** Your Company's EBIDTA margin stood ₹ 574.06 lakhs as compared to ₹ 897.79 lakhs in previous year. The reduction in EBIDTA margin of 36 % is due to the immense volatility in Foreign exchange rates.

**Other Income:** Your Company earned other income of ₹ 23.86 lakhs as against ₹ 31.35 lakhs in previous year.

**Profit after tax:** The profit after tax was ₹ 126.64 lakhs as against ₹ 340.50 lakhs in previous year.

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

**Sd/-**

**Sharadchandra Pendse**

Chairman

Place: Mumbai

Date: 12th May, 2012

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

### BOARD OF DIRECTORS

The Board of Directors, along with its committees, provides leadership and guidance to the management of your Company and directs, supervises and controls its performance. The Board currently comprises of 8 directors, out of which 4 directors (50 per cent) are independent non-executive directors. The composition of Board is in total conformity with clause 49 of the Listing Agreement, as amended from time to time.

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

Sr. No.	Name of the Director	Nature of Directorship	Age	Qualification
1.	Mr. Sharadchandra Pendse	Independent Non-Executive Chairman	66	B.A., C.A.I.I.B
2.	Mr. Anil Choksi	Managing Director	80	Undergraduate.
3.	Mr. Suresh Choksi	Whole-time Director	71	M.S In Chemical Engg. U.S.A
4.	Mr. Naimish Choksi	Whole-time Director	58	B.Com
5.	Mr. Samir Choksi	Whole-time Director	48	Diploma in Automobile Engineering
6.	Mr. Tushar Parikh	Independent Non-Executive Director	54	B.Com, CA
7.	Mr. Vikram Maniar	Independent Non-Executive Director	68	B.Com, LLB
8.	Mr. Himanshu Kishnadwala	Independent Non-Executive Director	47	B.Com, C.A.

During the year under review, the Board of your Company met four times, on 30th May, 2011, 10th August, 2011, 21st October, 2011 and 13th February, 2012. The maximum time gap between any two meetings did not exceed four months.

The following table gives the attendance of the Board of Directors at Board Meetings of the company, at the last Annual General Meeting and also other directorships other than the Company and Memberships / Chairmanship in Board and Committees of other Bodies Corporate as on 31st March, 2012:

Sr. No	Name of the Director	No. of Board Meetings attended	Attendance at the last AGM on 24th September, 2011	Number of Directorships held		Committee positions		Shares held
				Public	Private	Member	Chairman	
1.	Mr. Sharadchandra Pendse	3	Yes	Nil	1	Nil	Nil	Nil
2.	Mr. Anil Choksi	4	No	Nil	1	Nil	Nil	189927
3.	Mr. Suresh Choksi	3	No	Nil	1	Nil	Nil	236792
4.	Mr. Naimish Choksi	2	Yes	Nil	1	Nil	Nil	131599
5.	Mr. Samir Choksi	4	Yes	Nil	7	Nil	Nil	77932
6.	Mr. Tushar Parikh	4	Yes	1	3	Nil	Nil	5100
7.	Mr. Vikram Maniar	4	Yes	Nil	2	Nil	Nil	1900
8.	Mr. Himanshu Kishnadwala	4	Yes	Nil	Nil	Nil	Nil	5100

### COMMITTEES OF THE BOARD

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

1. Audit Committee.
2. Remuneration Committee.
3. Shareholders' / Investors' Grievance Committee.

### AUDIT COMMITTEE

The Audit Committee of the Board of Directors was constituted vide a Board Resolution passed on 26th October, 2002. The role of the Audit Committee is:

- a. To review quarterly, half-yearly un-audited financial statements and yearly audited financial statements and pre-publication announcements before submission to the Board.
- b. To ensure compliance of Internal Control Systems and action taken on Internal Audit reports.
- c. To appraise the Board on the impact of accounting policies, auditing standards and legislation.
- d. To hold periodical discussions with statutory auditors on the nature and scope of the audit.
- e. To review the Company's financial and risk management policies.
- f. To approve the payment to Statutory Auditors for any other services rendered by them.
- g. To recommend to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and to finalise their remuneration.
- h. To review Management Discussion and Analysis of financial condition and results of operations;
- i. To review Statement of significant related party transactions submitted by the management.
- j. To review Internal Audit reports.
- k. Reviewing with the Management, the statement of uses/applications of funds raised through an issue, the statement of funds utilised for purposes other than stated in offer document / prospectus / notice and report submitted by the monitoring agencies monitoring the utilisation of the proceeds of a Public or Right issue and making appropriate recommendations to Board to take up steps in this matter.
- l. Other functions as set out in Clause 49 (II) (D) of the Listing Agreement.

The Audit Committee comprises of 4 directors, all being Independent non-executive directors, all of whom are financially literate. The composition of Audit Committee and the number of meetings attended by each member is as follows:

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

Mr. Himanshu Kishnadwala is a Practising Chartered Accountant of repute in the industry and a fellow member of the Institute of Chartered Accountants of India. He is having experience of more than 20 years in the field of accounts, taxation and corporate finance.

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

Mr. Sharadchandra Pendse is an ex-banker associated with the State Bank of India from 1967 to 1997 in various capacities. He is also the Chairman of the Board of Directors of the Company.

Mr. Vikram Maniar has been associated with the Photographic products industry since long and has an experience of almost 47 years on the Boards of various companies.

Ms. Nikita Pedhdiya, Company Secretary, acts as the secretary to the Audit Committee.

The meetings of the Audit Committee were held on 28<sup>th</sup> May, 2011, 10<sup>th</sup> August, 2011, 21<sup>st</sup> October, 2011 and 13<sup>th</sup> February, 2012. The gap between two Audit Committee meetings was not more than 4 months, in compliance with the requirements of the Listing Agreement. The Independent members of the Audit Committee are paid sitting fees of ₹ 5,000/- for every meeting of the Committee attended by them.

Apart from the Audit Committee members, the Audit Committee meeting is also attended by the Managing Director, President- Finance, other Key Management Personnel, the Statutory and the Internal auditors. The Internal Audit Reports are also laid before the Audit Committee by the internal auditors.

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

#### REMUNERATION COMMITTEE

The Remuneration Committee has been constituted by the Company to oversee the remuneration of the Managing Director, Executive Directors and Directors' relatives who occupy an office or a place of profit in the Company, including retirement benefits and commissions.

The Remuneration Committee comprises of three members, all of whom are Independent Non-Executive 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. Sharadchandra Pendse	Independent Non-Executive Director

During the year under review, no meetings of the Remuneration Committee were held.

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	15,00,000	1,80,000	24,000	17,04,000
2.	Mr. Suresh Choksi	15,00,000	1,80,000	24,000	17,04,000
3.	Mr. Naimish Choksi	15,00,000	1,80,000	24,000	17,04,000
4.	Mr. Samir Choksi	15,00,000	1,80,000	24,000	17,04,000

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

Sr. No	Name of the Director	Sitting Fees for Audit Committee meeting (₹)	Sitting Fees for Board Meeting (₹)
1.	Mr. Himanshu Kishnadwala	20,000	30,000
2.	Mr. Tushar Parikh	20,000	30,000
3.	Mr. Vikram Maniar	20,000	30,000
4.	Mr. Sharadchandra Pendse	10,000	22,500

#### **INVESTORS' GRIEVANCE COMMITTEE**

The Company has constituted an Investors Grievance Committee in accordance with Clause 49 of the Listing Agreement. The committee comprises of three directors which also consists of the Managing Director. The task of the Investors Grievance Committee is to oversee complaints received from shareholders and deposit holders with regard to transfer and transmission of shares, non-receipt of interest or dividend, non-receipt of annual report, issue of duplicate certificates and other miscellaneous complaints. The composition of the committee is as follows:

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

#### **Compliance Officer**

Ms. Nikita Pedhdiya, Company Secretary, is the Compliance Officer of the Company. The Compliance Officer can be contacted at:

Address: 4th Floor, Classique Centre, C-Wing, Plot No. 26, Mahal Indl. Estate,  
Off. Mahakali Caves Road, Andheri- East, Mumbai- 400093, India.

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

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

#### **Details of Complaints received and redressed**

Sr. No	Nature of Complaint	Received	Redressed
1.	Non- receipt of dividend	03	03
2.	Grievance received through SEBI	01	01

#### **GENERAL BODY MEETINGS**

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

Sr. No	Year	Venue	Date	Time
1.	2010-2011	Ramee Guestline Hotel, Juhu, Mumbai	24th September, 2011	10.00 am
2.	2009-2010	Dara's Dhaba Mira Road, Thane	20th September, 2010	11.00 am
3.	2008-2009	Dara's Dhaba, Mira Road, Thane	11th September, 2009	11.00 am

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	Year	Resolution For	Date
1.	2008-2009	Reappointment of Mr. Anil V. Choksi as Managing Director.	11th September, 2009
2.	2008-2009	Reappointment of Mr. Samir K. Choksi as Whole-Time Director	11th September, 2009

No special resolution was passed by Postal Ballot during the last year.

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

## DISCLOSURES

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

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

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

## CODE OF CONDUCT

The Board of Directors of the Company have laid down a Code of Conduct for all its Directors, Senior Management Personnel and Employees of the Company, who have affirmed their compliance for the year ended 31st March, 2012. The declaration from Mr. Anil V. Choksi, the Managing Director, regarding the affirmation of the compliance for the year ended 31st March, 2012, forms part of this report.

## INSIDER TRADING

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

## MEANS OF COMMUNICATION

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

The quarterly results are normally published in the **English** daily '**The Free Press Journal**' and the Hindi daily '**Navshakti**', in accordance with Clause 41 of the Listing Agreement.

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

Management Discussion and Analysis forms part of the Annual Report.

**GENERAL SHAREHOLDERS INFORMATION****i) Annual General Meeting**

Annual General Meeting is to be held on Wednesday, 8th August, 2012 at 3:30 p.m. at Harvard Chamber, Ramee Guestline Hotel, 462, A.B. Nair Road, Juhu, Mumbai -400 049.

**ii) Financial Calendar (Tentative)**

Financial Year ending	31st March, 2013
Results for the quarter ended on 30th June, 2012	Second week of August, 2012
Annual General Meeting for the year ending March, 2012	Second week of August, 2012
Results for the quarter ended on 30th September, 2012	Second week of November, 2012
Results for the quarter ended on 31st December, 2012	Second week of February, 2013
Results for the quarter ended and financial year ended on 31st March, 2013	Third / Fourth week of May, 2013

**iii) Book Closure**

1st August, 2012 to 8th August, 2012, both days inclusive.

**iv) Dividend payment**

The dividend, if approved, will be distributed by fourth week of August, 2012.

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

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

**vi) Registrar & Share Transfer Agent**

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

M/s. Adroit Corporate Services Private Limited  
**Unit: Choksi Imaging Limited**  
 19/20, Jaferbhoy Industrial Estate, Makwana Road,  
 Marol Naka, Andheri- East, Mumbai- 400 059.  
 Tel.: 022-2859 4060. Fax: 2850 3748.

**vii) Share Transfer System**

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

**viii) Dematerialisation of Shares**

Out of the total number of equity shares, **3481700 shares** are held in dematerialised form, which represents **89.27 per cent** of the total listed shares of the Company. Trading of the equity shares of the Company permitted only in dematerialised form on the Stock Exchange vide SEBI notification.

Sr. No	Particulars	No. of Shares	Percentage
1.	National Securities Depository Limited (NSDL)	2514278	64.47
2.	Central Depository Services (India) Limited (CDSL)	967422	24.81
	<b>TOTAL</b>	<b>3481700</b>	<b>89.27</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, 2012**

No. of Shares	No. of shareholders	% of shareholders	Shareholding	Amount (₹)	% of total shareholding
1 - 500	1998	77.77	328544	32,85,440	8.42
501 - 1000	216	8.41	184636	18,46,360	4.73
1001 - 2000	117	4.55	176270	17,62,700	4.52
2001 - 3000	92	3.58	235149	23,51,490	6.03
3001 - 4000	25	0.97	88710	8,87,100	2.27
4001 - 5000	34	1.32	164832	16,48,320	4.23
5001 - 10000	37	1.44	270333	27,03,330	6.93
10000 & above	50	1.95	2451526	2,45,15,260	62.86
<b>TOTAL</b>	<b>2569</b>	<b>100.00</b>	<b>3900000</b>	<b>3,90,00,000</b>	<b>100.00</b>

**xii) Pattern of Shareholding as on 31st March, 2012**

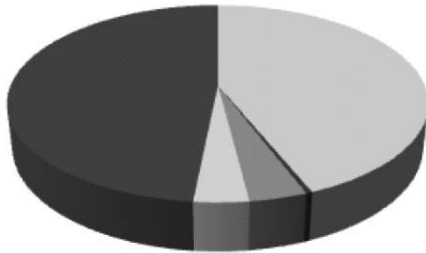
The Shareholding Pattern as on 31st March, 2012 is given below:

Particulars	No. of Shares	% of shareholding
Promoter and Promoter Group (*)	1710330	43.85
Directors and their relatives (#)	15500	0.39
Non- Resident Individuals	146186	3.75
Foreign Institutional Investors	Nil	Nil
Corporate Bodies	138968	3.56
Public	1889016	48.44

\* Out of the total shareholding of Promoter and Promoter Group, 206610 shares are held by Foreign Individuals and 1484720 shares are held by Directors and their relatives who form a part of Promoter and Promoter Group.

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

## Shareholding as on 31.03.2012



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

### xiii) Market Price Data

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

Particulars	High (₹)	Low (₹)	No. of Shares
April 2011	39.00	33.00	21083
May 2011	36.80	31.10	23216
June 2011	39.00	32.75	13841
July 2011	36.75	33.00	17052
August 2011	44.50	30.25	79704
September 2011	43.80	31.90	77405
October 2011	42.35	32.10	45821
November 2011	39.00	29.75	35046
December 2011	34.30	25.30	12998
January 2012	33.15	27.05	22448
February 2012	36.00	27.85	36813
March 2012	30.95	25.30	41623

### xiv) Details of unclaimed dividend

Financial Year ended	Date of declaration of Dividend	Due date of Transfer
31.03.2006	26.08.2006	26.09.2013
31.03.2007	01.09.2007	02.10.2014
31.03.2008	20.09.2008	21.10.2015
31.03.2009	01.09.2009	02.10.2016
31.03.2010	20.09.2010	21.10.2017
31.03.2011	24.09.2011	25.10.2018

**xv) Secretarial Audit**

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

A certificate under Clause 47(c) of the Listing Agreement is also issued on a half-yearly basis by a Company Secretary in Practice. The certificate confirms that the Company has delivered Share Certificates issued after registration of transfer within one month of the lodgment of transfer, sub-division or consolidation, as the case may be.

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

In so far as compliance with the requirements of Clause 49 of the Listing Agreement with the Stock Exchange for the year ended 31st March, 2012, the company has complied with the mandatory norms and disclosures that have to be made in Corporate Governance Report. The Statutory Auditors have certified that the Company has complied with conditions of Corporate Governance as stipulated in Clause 49 and the certificate is annexed to this report.

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

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

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

**Sd/-**

**Sharadchandra Pendse**

Chairman

Place: Mumbai

Date: 12th May, 2012

**CERTIFICATION****(Under Clause 49(V) of Listing Agreement)**

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

- a. We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2012 and that to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal control, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that:
  - There are no Significant changes in internal control over the financial reporting during the year;
  - There have been no Significant changes in accounting policies during the year which are required to be disclosed in the notes to the financial statements; and
  - There have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over the financial reporting.

**Date: May 12, 2012**  
**Place: Mumbai**

**Sd/-**  
**(ANIL V. CHOKSI)**  
**MANAGING DIRECTOR**

**Sd/-**  
**(GAURAV S. CHOKSI)**  
**PRESIDENT-FINANCE**

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**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**  
**(Under clause 49 of the Listing Agreement)**

To  
The Members of Choksi Imaging Limited

We have examined the compliance of conditions of Corporate Governance by Choksi Imaging Limited, for the year ended 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

We state that in respect of investor grievances received during the year ended 31st March, 2012, no investor grievances are pending against the Company.

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

**For PARIKH AND AMIN ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 107520W  
**K.R. PARIKH**  
Partner  
Membership No.36517

Place: Mumbai  
Date: 12th May, 2012

**AUDITOR'S REPORT****TO THE MEMBERS OF  
CHOKSI IMAGING LTD.,**

We have audited the accompanying financial statements of **CHOKSI IMAGING LTD.**, which comprise the Balance Sheet as at 31<sup>st</sup> March 2012, the Statement of Profit and Loss account for the year ended 31<sup>st</sup> March, 2012, the Cash Flow Statement of the Company for the year ended on that date and summary of significant accounting policies and other explanatory information.

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

The Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

In making those risk assessments, the Auditor considers internal control relevant to the Company's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment), Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 of India (the 'Act'), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations give to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

As required by Section 227(3) of the Act, we report that :

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- c) The Balance Sheet, the Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the Directors, as on 31<sup>st</sup> March 2012 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

- f) In our opinion and to the best of our information and according to the explanations given to us, the said Financial Statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India;
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2012;
- ii) in the case of the Profit and Loss account, of the profit of the Company for the year ended on that date; and
- iii) in the case of Cash Flow Statement, of the cash flow for the year ended on that date.

**FOR PARIKH AND AMIN ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Registration No. 107520W

**K.R. PARIKH****(PARTNER)****Membership No. 36517**

Place: Mumbai

Date : 12th May, 2012

**ANNEXURE TO THE AUDITOR'S REPORT**

The Annexure referred to in the Auditors' report to the members of Choksi Imaging Ltd., (the Company) on the financial statements for the year ended 31<sup>st</sup> March, 2012, we report that :

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its asset. No material discrepancies were noticed on such verification.
- (c) During the year, in our opinion, a substantial part of fixed assets has not been disposed off by the Company.
- (ii) (a) The inventory of the Company at work, godown and branches and with consignment agent has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the books record were not material.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under Section 301 of the Act. Consequently, clauses 4(iii) (a) to 4(iii)(d) of the Order are not applicable to the Company. However, Company has taken loans from five parties listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 1799.17 lacs and the year end balance of loan taken was ₹ 1638.29 lacs as per the annexure enclosed herewith.



- (b) In our opinion the rate of interest and other terms and conditions on which loan have been taken from the parties listed in the register maintained under Section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the Company.
- (c) There is no stipulation fixed regarding repayment of principal and interest.
- (d) There is no overdue amount of the loan taken from the parties listed in the register maintained u/s. 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanation given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
- (vi) In our opinion and according to the information and explanation given to us, the Company has complied with the provision of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 with regard to the deposit accepted from the public. Accordingly, there have been no proceedings before the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this matter and no order has been passed by any of the aforesaid authorities.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The provision of Cost Audit prescribed by the Central Government, u/s 209 (l)(d) of the Companies Act, 1956 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 209(l)(d) of the Act in respect of the product sold by the Company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained . The Company has obtained compliance report from Cost Auditor for the year.
- (ix) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31<sup>st</sup> March, 2012 for a period of more than six months from the date they became payable.
- According to the information and explanation given to us, the disputed Income tax ₹ 9,80,187/- related to Assessment Year 2001-2002 & matter is pending before Bombay High Court, that have not been deposited on account of disputed matters pending.
- (x) The Company does not have any accumulated losses as at 31<sup>st</sup> March, 2012 and has not incurred any cash losses in the Financial Year ended on that date or in the immediately preceding Financial Year.
- (xi) Based on our audit procedures and on 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, bank during the year.

- (xii) According to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Reports) Order, 2003 are not applicable to the Company.
- (xv) The Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) The Company has not taken any term loan during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment, and vice versa.
- (xviii) The Company has not made preferential allotment of shares to parties and Companies covered in the register maintained, under Section 301 of the Companies Act, 1956 during the year.
- (xix) Company has not made any issue of debentures.
- (xx) During the period covered by our audit report, the Company has not raised any money by public issues.
- (xxi) 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 found on or by the Company and causing material misstatement to Financial Statement have been noticed or reported during the course of our audit.

**For PARIKH AND AMIN ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Registration No. 107520W

**K. R. PARIKH**

**(PARTNER)**

**Membership No.36517**

Place: Mumbai

Date : 12th May, 2012

Balance Sheet as at 31<sup>st</sup> March, 2012

Particulars		Note No.	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
<b>A</b>	<b>Equity and Liabilities</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	2.1	390.00	390.00
	(b) Reserves and Surplus	2.2	1,524.62	1,443.31
			1,914.62	1,833.31
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	2.3	44.36	185.82
	(b) Deferred tax liabilities (net)	2.4	71.48	60.77
			115.84	246.59
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	2.3	3,373.82	2,575.25
	(b) Trade payables	2.6	4,866.55	3,118.32
	(c) Other current liabilities	2.7	400.91	337.85
	(d) Short-term provisions	2.5	65.11	130.92
			8,706.39	6,162.34
	<b>Total</b>		<b>10,736.85</b>	<b>8,242.24</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	2.8	1,044.22	822.29
	(ii) Intangible assets	2.8	42.87	54.17
			1,087.09	876.46
	(b) Long-term loans and advances	2.9	124.12	47.68
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	2.10	5,140.48	3,255.23
	(b) Trade receivables	2.11	3,129.88	2,970.88
	(c) Cash and cash equivalents	2.12	173.05	256.15
	(d) Short-term loans and advances	2.13	1,032.86	806.65
	(e) Other current assets	2.14	49.37	29.19
			9,525.64	7,318.10
	<b>Total</b>		<b>10,736.85</b>	<b>8,242.24</b>
	<b>Significant Accounting Policy &amp; notes to accounts</b>	<b>1 &amp; 2</b>		

In terms of our report attached.

**For PARIKH & AMIN ASSOCIATES**

Chartered Accounts

Firm Regn. no. 107520W

**(K.R.Parikh)**  
Partner

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

**Anil V. Choksi** Managing Director

**Naimish N. Choksi** Whole Time Director

**Nikita Pedhdiya** Company Secretary

Place : Mumbai  
Date : 12th May, 2012

Place : Mumbai  
Date : 12th May 2012

Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2012

Particulars		Note No.	For the year ended 31 <sup>st</sup> March, 2012 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March, 2011 ₹ in Lakhs
<b>A</b>	<b>INCOME</b>			
<b>1</b>	<b>Revenue from operations (gross)</b>	2.15	12632.23	11696.05
	Less: Excise duty		1210.72	1098.57
	Net Sales		11421.51	10597.48
	Trading Sales	2.15	6816.41	6221.18
	Other Revenue		188.70	265.10
	Revenue from operations (net)		18426.62	17083.76
<b>2</b>	Other income	2.15	23.86	31.35
	<b>Total revenue (1+2)</b>		<b>18450.48</b>	<b>17115.11</b>
<b>3</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	2.16	10078.02	9254.06
	(b) Purchases of stock-in-trade	2.17	7845.56	5887.89
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.18	(2482.40)	(673.55)
	(d) Employee benefits expense	2.19	581.35	519.50
	(e) Finance costs	2.20	328.71	311.10
	(f) Depreciation and amortisation expense		58.72	51.68
	(g) Other expenses	2.21	1853.89	1229.42
	<b>Total expenses</b>		<b>18263.85</b>	<b>16580.10</b>
<b>4.</b>	<b>Profit / (Loss) before exceptional and extraordinary items and tax (3-4)</b>		186.63	535.01
<b>5</b>	<b>Profit / (Loss) before extraordinary items and tax (5 ± 6)</b>		186.63	535.01
<b>6</b>	<b>Profit / (Loss) before tax (7 ± 8)</b>		186.63	535.01
<b>7</b>	<b>Tax expense:</b>			
	(a) Current tax expense for current year		50.54	179.61
	(b) Current tax expense relating to prior years		(1.26)	14.56
	(c) Deferred tax		10.71	0.34
			<b>59.99</b>	<b>194.51</b>
<b>8</b>	<b>Profit / (Loss) from continuing operations (9 ± 10)</b>		126.64	340.50
<b>9</b>	<b>Profit / (Loss) for the year (11 ± 13)</b>		126.64	340.50

In terms of our report attached.

**For PARIKH & AMIN ASSOCIATES**

Chartered Accounts

Firm Regn. no. 107520W

**(K.R.Parikh)**

**Partner**

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

**Anil V. Choksi** **Managing Director**

**Naimish N. Choksi** **Whole Time Director**

**Nikita Pedhdiya** **Company Secretary**

Place : Mumbai

Date: 12th May, 2012

Place : Mumbai

Date : 12th May 2012

**Cash Flow Statement for the year ended 31<sup>st</sup> March, 2012**

Particulars	For the year ended 31 <sup>st</sup> March, 2012		For the year ended 31 <sup>st</sup> March, 2011	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
<b>A Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		186.63		535.01
<u>Adjustments for:</u>				
Depreciation and amortisation	58.72		51.68	
Provision for impairment of fixed assets and intangibles				
Amortisation of share issue expenses and discount on shares				
<b>Preliminary Expenses Written off</b>	6.30		0.7	
(Profit) / loss on sale / write off of assets			0.26	
Net unrealised exchange (gain) / loss				52.64
Operating profit / (loss) before working capital changes		65.02		587.65
<u>Changes in working capital:</u>		251.65		
Adjustments for (increase) / decrease in operating assets:				
Inventories	(1,885.25)		(902.21)	
Trade receivables	(159.00)		(561.81)	
Short-term loans and advances	(226.21)		(374.12)	
Long-term loans and advances	(76.43)			
Other current assets	(26.47)			
Other non-current assets				
Adjustments for increase/(decrease) in operating liabilities:		(2,373.36)		(1,838.14)
Trade payables	1,748.23		1294.42	
Other current liabilities	63.06		65.48	
Other long-term liabilities				
Short-term provisions	(65.82)		156.87	
Long-term provisions				
		1,745.47		1,516.77
Cash flow from extraordinary items		(376.24)		266.28
Cash generated from operations		(376.24)		266.28
Net income tax (paid) / refunds		(59.99)		(194.17)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(436.23)</b>		<b>72.11</b>
<b>B Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(269.36)		(177.34)	
Preliminary Expenses			(7.00)	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(269.36)</b>		<b>(184.34)</b>
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings	(130.75)		(93.13)	
Net increase / (decrease) in working capital borrowings	298.34			
Proceeds from other short-term borrowings	500.23		312.37	
Dividends paid	(39.00)		(68.22)	
Tax on dividend	(6.33)			
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>622.49</b>		<b>151.02</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(83.10)</b>		<b>38.79</b>
Cash and cash equivalents at the beginning of the year		256.15		217.36
<b>Cash and cash equivalents at the end of the year</b>		<b>173.05</b>		<b>256.15</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents as per Balance Sheet (Refer Note)		173.05		256.15
<b>Cash and Cash equivalents at the end of the year*</b>		<b>173.05</b>		<b>256.15</b>
* Comprises:				
(a) Cash on hand		6.06		3.29
(b) Balances with banks				
(i) in current accounts		83.60		122.29
Margin Money Account with Scheduled Bank (refer note no 2)		76.64		124.61
(d) Others (specify nature) (Unclaimed Dividend Account)		6.75		5.96
		<b>173.05</b>		<b>256.15</b>

**Notes:**

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

In terms of our report attached.

**For PARIKH & AMIN ASSOCIATES**

Chartered Accounts

Firm Regn. no. 107520W

**(K.R.Parikh)**  
**Partner**

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

**Anil V. Choksi**      **Managing Director**

**Naimish N. Choksi**      **Whole Time Director**

**Nikita Pedhdiya**      **Company Secretary**

Place : Mumbai

Date: 12th May, 2012

Place : Mumbai

Date : 12th May 2012

**Note : 1**

**NOTES FORMING PART OF ACCOUNTS.**

**1. Significant Accounting Policies:**

**a. Basis of Preparation**

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

The Company has prepared these Financial Statements as per the format prescribed in the Revised Schedule VI to the Companies Act, 1956 ('the schedule') issued by Ministry of Corporate Affairs. Previous periods figures have been recast/restated to conform to the classification required by the Revised Schedule VI.

**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 recognised when significant risks and rewards in respect of ownership of products are transferred to customers. Revenue from domestic sales is recognized on delivery of products to customers, from the factory and depots of the Company. Revenue from export sales is recognised when the significant risks and rewards of ownership of products are transferred to the customers, which is based upon the terms of the applicable contract. 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.

Dividend income is recognised when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on the time proportionate method based on underlying interest rates.

Export entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

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

**d. Valuation of Inventories**

- (a) Inventories of raw materials, packing materials and spares are valued at cost. The cost includes the purchase price as well as incidental expenses and is net of CENVAT and VAT benefit available, if any.
- (b) The stock of scrap is valued at realisable value.
- (c) For valuation of finished goods the cost is determined by taking materials, labour and related factory overheads excluding depreciation.
- (d) The goods in transit are stated at actual cost upto the date of Balance Sheet.
- (e) Finished goods lying with the consignment agent are valued at cost.

**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**

(a) 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 capitalised. 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) Intangible Fixed Assets and Amortisation:

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

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

**g. Depreciation**

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

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

**h. Foreign Currency Transactions**

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Foreign currency monetary items outstanding as at the Balance Sheet date are reported using the closing rate. Gains and losses resulting from the settlement of such transaction and translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account.

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

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 Profit and Loss Account of the year.

**(ii) Long Term Benefits**

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) The Company has also set up an Employees Gratuity fund through Group Gratuity and Life Assurance Scheme of the Life Insurance Corporation of India. The contribution to the fund are charged to revenue every year. Leave encashment is being made on yearly basis as per rules.



**j. Taxation**

Current tax is determined as the amount of tax payable to the taxation authorities in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence, on timing difference being differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

**k. Impairment of Assets**

The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

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

Provisions are recognised 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 recognised 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 recognised in the Financial Statements.

**m. 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.

**n. 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.

**o. Borrowing Costs**

(a) Borrowing costs that are attributable to the acquisition or construction of an asset are capitalised 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.

**p. Excise Duty**

The Company is providing liability for Excise Duty on finished goods manufactured and lying in factory premises pending clearance.

Notes forming part of the Financial Statements

Note No.: 2.1 Share Capital

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Authorised (1,50,00,000 Equity Shares of Rs.10/- each)	1500.00	1500.00
(b) Issued subscribed & Fully paid up (please refer note) 39,00,000 Equity Shares of ₹ 10/- each fully paid up (Previous year 39,00,000 Equity Shares of ₹10/- each)	390.00	390.00
<b>Total</b>	<b>390.00</b>	<b>390.00</b>

**Note:** Subscribed & paid up Share Capital includes

Equity share holding more than 5% of equity shares alongwith number of Equity share held is given below:

Name of Shareholders	Number of Shares held	As at 31 <sup>st</sup> March, 2012 %	Number of Shares held	As at 31 <sup>st</sup> March, 2011 %
Suresh Vadilal Choksi	236792	6.07	255792	6.56
Gaurav Choksi	194960	5.00	178460	4.58

Note No.: 2.2 Reserves and Surplus

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(g) General reserve		
Opening balance	123.00	105.00
Add: Transferred from surplus in Statement of Profit & Loss	-	18.00
Closing balance	123.00	123.00
Opening balance	1,320.31	1,066.03
Add: Profit / (Loss) for the year	126.64	340.50
Amounts transferred from:		
Dividends proposed to be distributed to equity shareholders (₹ 1/- per share)	39.00	58.50
Tax on dividend	6.33	9.72
Transferred to:		
General reserve	0	18.00
Closing balance	<b>1,401.62</b>	<b>1,320.31</b>
<b>Total</b>	<b>1,524.62</b>	<b>1,443.31</b>

Note No.: 2.3 Long-term Borrowings

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
Deposits:		
Public deposits (Unsecured)	44.36	185.82
<b>Total - Deposits</b>	<b>44.36</b>	<b>185.82</b>

**Note:** Public Deposits received in ₹ 187.28 which includes ₹ 142.92 payable within one year & Balance ₹ 44.36 within next two years. Unpaid Public Deposit ₹ 0.03 (Nil) is included under the Head Unpaid Maturity Deposit & Interest Accrued thereon.

**Note No.: 2.3 Short-term Borrowings**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Loans repayable on demand		
From banks		
Secured (refer note no.1)	1091.50	793.16
	1091.50	793.16
From other parties		
Unsecured	480.25	490.00
	480.25	490.00
(b) Loans and advances from related parties (refer note no. 2)		
<b>Unsecured</b>		
Directors	681.61	599.00
Related Parties	977.54	689.69
	1659.15	1288.69
(c) Deposits		
Unsecured Public Deposits (refer note no. 3)	142.92	3.40
	142.92	3.40
<b>Total</b>	<b>3,373.82</b>	<b>2,575.25</b>

**Notes:**

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

Name of party	As at 31.03.12	As at 31.03.11
Anil V. Choksi Managing Director	188.15	259.37
Suresh V. Choksi Whole Time Director	196.36	186.02
Samir K. Choksi Whole Time Director	276.24	149.12
Naimish N. Choksi Whole Time Director	20.86	4.49

**Related Parties**  
Loans & Advances from related parties includes the balance of ₹ 891.71 (689.69) of Choksi Brothers Pvt. Ltd., & ₹ 85.83 of Hi-Tech Imaging Pvt. Ltd. in which the Directors are interested.
- Unsecured public deposits include the deposits from Mr. Sunil Choksi, ₹ 1.00, Sunil Choksi HUF ₹ 10.00, Ms. Kusum Choksi ₹ 80.00

**Note No.: 2.4 Deferred Tax**

Nature of Timing Difference	Deferred Tax Asset / liability as on 01.04.2011	Credit for the Current Year changes to Profit & Loss account	Deferred Tax Asset liability as at 31.03.2012
(A) Deferred Tax Liability			
Fixed Assets	65.14	6.34	71.48
<b>Total</b>	<b>65.14</b>	<b>6.34</b>	<b>71.48</b>
(B) Deferred Tax Asset			
Disallowed Gratuity	(4.37)	4.37	0
<b>Total</b>	<b>(4.37)</b>	<b>4.37</b>	<b>0</b>
<b>Deferred Tax Liabilities Net</b>	<b>60.77</b>	<b>10.71</b>	<b>71.48</b>

**Note No.: 2.5 Short-term Provisions**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Provision for employee benefits:		
(i) Provision for bonus	19.78	20.25
	19.78	20.25
(i) Provision for tax (net of advance tax)	-	42.45
(ii) Provision for proposed equity dividend	39.00	58.50
(iii) Provision for tax on proposed dividends	6.33	9.72
	45.33	110.67
<b>Total</b>	<b>65.11</b>	<b>130.92</b>

**Note:** The Board of Directors has recommended Dividend of ₹ 1/- per share for the period ended 31.03.2012, and had declared ₹ 1.50/- per share for the year ended 31.03.2011

**Note No.: 2.6 Trade Payables**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
Trade payables: Acceptances	4,866.55	3,118.32
<b>Total</b>	<b>4,866.55</b>	<b>3,118.32</b>
<b>Note:</b>		
(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 outstanding supplier from Micro, Small & Medium undertaking more than 45 days as informed. There is no claims from suppliers under the interest on delayed payment to small scale Ancillary Industrial Undertaking as informed by the Management.		
(2) Trade Acceptances includes ₹ 3.53 of Unique Imaging & ₹ 1.16 of S. S. Digitech Impex Pvt. Ltd., Photo Marketing Services ₹ 30.12 in which Key Management persons are interested & Maximum Balance of Outstanding anytime during the year.		

**Note No.: 2.7 Other Current Liabilities**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Income received in advance (Unexpired Annual maintenance contracts)	2.35	1.88
(b) Unpaid dividends	6.72	5.96
(c) Unpaid matured deposits and interest accrued thereon	0.03	-
(d) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, TDS etc.)	83.41	93.21
(ii) Security deposits received	44.60	52.50
(iii) Advances from customers	134.09	85.98
(iv) Other	129.71	98.32
a) Outstanding Expenses           ₹ 38.88 (33.46)		
b) Professional Fees               ₹ 0.078 -		
c) Excise Duty on Closing Stock   ₹ 74.42 (59.18)		
d) Salary Payable                   ₹ 1.86 (2.00)		
e) Advance                           ₹ 1.71 (1.60)		
f) Security Deposits               ₹ 0.14 (0.14)		
g) Rent Payable                     ₹ 12.62 -		
h) Commission Payable           ₹ - (1.94)		
	<b>400.91</b>	<b>337.85</b>

**Note No.: 2.9 Long-term Loans and Advances**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Security deposits		
Statutory	0.48	0.48
Utilities	12.89	15.70
Others	18.37	18.48
(b) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	0.85	0.02
© Advance income tax (net of provisions ₹ 50.50 (as at 31 <sup>st</sup> March, 2012) - Unsecured, considered good.	76.98	-
(d) Other loans and advances		
Unsecured (Advances paid for Purchase of materials)	14.55	13.00
	<b>92.38</b>	<b>13.02</b>
<b>Total</b>	<b>124.12</b>	<b>47.68</b>

**FIXED ASSETS**

**Note No.: 2.8 Tangible**

No	PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION / AMORTISATION			NET BLOCK	
		As at 01.04.11 Rupees	Addition Rupees	Deduct. Rupees	As at 31.03.12 Rupees	For the Year Rupees	Adj. for Year Rupees	As at 31.03.12 Rupees	As at 31.03.11 Rupees
1	LAND	13.68	-	-	-	-	-	13.68	13.68
2	BUILDING	292.86	241.07	-	533.93	8.87	-	469.68	237.48
3	PLANT & MACHINERY	317.49	4.88	-	322.37	15.28	-	141.08	151.48
4	FURNITURE & FIXTURE	83.64	12.14	-	95.79	5.37	-	76.53	69.76
5	VEHICLES	75.13	-	-	75.13	7.13	-	33.53	40.67
8	OFFICE EQUIPMENTS	25.67	7.05	-	32.72	1.68	-	22.89	17.52
9	OFFICE PREMISES	299.10	-	-	299.10	4.87	-	286.83	291.70
10	OTHERS (COMPUTER)	73.21	4.22	-	77.43	9.44	-	29.37	34.59
		<b>1,180.78</b>	<b>269.36</b>	<b>-</b>	<b>1,450.14</b>	<b>52.64</b>	<b>-</b>	<b>376.57</b>	<b>856.85</b>
	PREVIOUS YEAR	985.45	196.41	1.08	1,180.79	45.60	0.62	829.86	679.50

**Note : Intangible**

No	PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION / AMORTISATION			NET BLOCK	
		As at 01.04.11 Rupees	Addition Rupees	Deduct. Rupees	As at 31.03.12 Rupees	For the Year Rupees	Adj. for Year Rupees	As at 31.03.12 Rupees	As at 31.03.11 Rupees
1	GOODWILL	50.00	-	-	50	5.00	-	10.00	15.00
2	COMPUTER SOFTWARE	6.69	-	-	6.69	1.08	-	3.52	4.60
		<b>56.69</b>	<b>-</b>	<b>-</b>	<b>56.69</b>	<b>6.08</b>	<b>-</b>	<b>43.17</b>	<b>19.60</b>
	PREVIOUS YEAR	56.69	-	-	56.69	6.08	-	46.60	52.67

Note:

- 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.

**Note No.: 2.10 Inventories**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Raw materials & Packing Materials (at cost)		
Medical X-Ray Films	129.04	901.94
Industrial X-Ray Films	143.85	54.14
Others	190.96	104.90
	463.85	1,060.98
(b) Finished goods (other than those acquired for trading) (at cost)		
Medical X-Ray Films	526.38	480.90
Industrial X-Ray Films	126.78	131.70
	653.16	612.60
(c) Stock-in-trade (acquired for trading)		
Stent	3035.46	1154.38
Other Trading Goods	987.55	426.78
Goods-in-transit	0.46	0.49
	4,023.47	1,581.65
<b>Total</b>	<b>5,140.48</b>	<b>3,255.23</b>

**Note No.: 2.11 Trade receivables**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
Trade receivables outstanding for a period exceeding six month from the date they were due for payment		
Unsecured, considered good	502.46	203.74
	502.46	203.74
Other Trade receivables		
Unsecured, considered good	2,627.42	2,767.14
	2,627.42	2,767.14
<b>Total</b>	<b>3,129.88</b>	<b>2,970.88</b>
<b>Note:</b>		
Other Trade Receivables Includes ₹ 125.98 of Medical Solutions (India) Pvt. Ltd. in which Key Management Persons are interested Maximum Balance is outstanding anytime during the year.		

**Note No.: 2.12 Cash and Cash Equivalents**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Cash on hand	6.06	3.30
(b) Balances with banks		
(i) In current accounts	83.60	122.29
(ii) In deposit accounts (Refer Note (i) below)	76.64	124.60
(iii) Unpaid dividend accounts	6.72	5.96
(iv) Unpaid matured deposits	0.03	
<b>Total</b>	<b>173.05</b>	<b>256.15</b>
<b>Notes:</b>		
(I) Margin money amounting to ₹ 76.64 (as at 31 <sup>st</sup> March, 2012) which have an original maturity of more than 12 months for letter of credit & Bank Guarantee (124.60)		

**Note No.: 2.13 Short-term Loans and Advances**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Security deposits Unsecured, considered good (Earnest Money, Tender Deposit & Security Deposit)	36.51	30.54
	36.51	30.54
(b) Loans and advances to employees Unsecured, considered good	0.85	-
	0.85	-
(c) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual Maintenance contract etc.)	13.22	8.27
(d) Balances with government authorities Unsecured, considered good		
(i) CENVAT credit receivable	830.74	758.85
(e) Others Unsecured, considered good (Advance Paid to Suppliers against Materials)	151.54	8.99
<b>Total</b>	<b>1,032.86</b>	<b>806.65</b>

**Note No.: 2.14 Other Current Assets**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Accruals (i) Interest accrued on deposits	1.44	3.67
(b) Others (i) Insurance claims	13.46	-
(ii) Preliminary Expenses	-	6.30
(iii) Others (Excise Receivable on Export)	34.47	19.22
<b>Total</b>	<b>49.37</b>	<b>29.19</b>

**Note No.: 2.15 Revenue From Operations**

Particulars	For the year ended 31 <sup>st</sup> March, 2012 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Sale of products (Refer Note (i) below) Less: Excise duty	19448.64	17917.23
	1210.72	1098.57
	18237.92	16818.66
(b) Sale of services (Refer Note (ii) below)	79.83	78.55
(c) Other operating revenues (Refer Note (iii) below)	108.88	186.55
(i) Sale of products comprises : <u>Manufactured goods</u> X-RAY FILMS	12632.23	11696.05
<u>Traded goods</u> Stent	5020.50	4688.34
Others	1795.91	1532.84
	6816.41	6221.18
<b>Total - Sale of products</b>	<b>19448.64</b>	<b>17917.23</b>
(ii) Sale of services comprises : SERVICE CHARGES (Including Annual maintenance charges & Comprehensive maintenance charges for X-Ray Processor & Equipment.)	79.83	78.55
<b>Total - Sale of services</b>	<b>79.83</b>	<b>78.55</b>
(iii) Other operating revenues comprise: Sale of scrap	101.22	3.09
Commission	7.66	-
Others (Foreign Exchange Differences Gain)	-	183.46
<b>Total - Other operating revenues</b>	<b>108.88</b>	<b>186.55</b>

**Other Income**

Particulars	For the year ended 31 <sup>st</sup> March, 2012 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Interest income	6.86	5.02
Total	6.86	5.02
Miscellaneous income (net of expenses directly attributable)	13.89	26.33
Sundry Debtors and creditors Balance Written off	3.11	-
Total - Other non-operating income	17.00	26.33
<b>Total</b>	<b>23.86</b>	<b>31.35</b>
<b>Note:</b> Miscellaneous Income is ₹ 3.11 for appropriation of all debtors & creditors Written off		

**Note No. : 2.16 Cost of Raw Materials & Packing Materials Consumed**

Particulars	For the year ended 31 <sup>st</sup> March, 2012 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March, 2011 ₹ in Lakhs
Opening Stock	1,060.98	565.00
Add: Purchases	9,480.89	9,750.04
Less: Closing Stock	463.85	1,060.98
<b>Cost of material consumed</b>	<b>10,078.02</b>	<b>9,254.06</b>

**Note No. : 2.17 Purchase of Traded Goods**

Particulars	For the year ended 31 <sup>st</sup> March, 2012 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March, 2011 ₹ in Lakhs
Stent	5,857.61	4,491.95
Others	1,987.95	1,395.94
<b>Total</b>	<b>7,845.56</b>	<b>5,887.89</b>

**Note No. : 2.18 Changes in inventories of finished goods**

Particulars	For the year ended 31 <sup>st</sup> March, 2012 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March, 2011 ₹ in Lakhs
<b>Work in process and stock in trade</b>		
<u>Inventories at the end of the year</u>		
Finished goods	653.16	612.61
Stock in Trade	4,023.01	1581.16
	<b>4,676.17</b>	<b>2,193.77</b>
<u>Inventories at the beginning of the year:</u>		
Finished goods	612.61	460.73
Stock in Trade	1,581.16	1059.49
	2,193.77	1,520.22
<b>Net (increase) / decrease in stock in Trade</b>	<b>(2,441.85)</b>	<b>(521.68)</b>
<b>Net (increase) / decrease in Finished Goods</b>	<b>(40.55)</b>	<b>(151.87)</b>
<b>Net (increase) / decrease</b>	<b>(2,482.40)</b>	<b>(673.55)</b>
Closing stock of Finished goods includes adjustment of excise duty		



**Note No.: 2.19 Employee Benefits Expense**

Particulars	For the year ended 31 <sup>st</sup> March, 2012 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March, 2011 ₹ in Lakhs
Salaries and wages	530.42	471.64
Contributions to provident and other funds	32.41	29.40
Staff welfare expenses	18.52	18.46
<b>Total</b>	<b>581.35</b>	<b>519.50</b>

**Note No.: 2.20 Finance Costs**

Particulars	For the year ended 31 <sup>st</sup> March, 2012 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March, 2011 ₹ in Lakhs
(a) Interest expense on:		
Borrowings	328.71	311.10
<b>Total</b>	<b>328.71</b>	<b>311.10</b>

**Note No.: 2.21 Other Expenses**

Particulars	For the year ended 31 <sup>st</sup> March, 2012 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March, 2011 ₹ in Lakhs
Consumption of stores and spare parts	0.66	0.44
Increase / (decrease) of excise duty on inventory	15.23	13.63
Power and fuel	25.33	21.05
Rent including lease rentals	30.61	32.95
Repairs and maintenance - Buildings	0.59	6.10
Repairs and maintenance - Machinery	8.08	10.73
Repairs and maintenance - Others	13.79	6.82
Insurance	22.69	14.28
Rates and taxes	5.84	3.13
Communication	25.00	25.21
Travelling and conveyance	204.19	204.58
Printing and stationery	17.66	16.48
Freight and forwarding	354.52	257.37
Sales commission	216.89	143.23
Business promotion	113.74	73.50
Payments to auditors (Refer Note (i) below)	3.75	3.00
Bad trade and other receivables, loans and advances written off	14.35	9.18
Net loss on foreign currency transactions and translation (other than considered as finance cost)	416.52	-
Miscellaneous expenses	364.45	387.74
<b>Total</b>	<b>1853.89</b>	<b>1229.42</b>
(i) Payments to the auditors comprises (net of service tax input credit, where applicable) :		
As auditors - statutory audit	3.00	2.25
For taxation matters	0.50	0.5
For other services	0.25	0.25
<b>Total</b>	<b>3.75</b>	<b>3.00</b>

**Note No.: 2.22 Contingent liabilities and commitments (to the extent not provided for)**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
Contingent liabilities		
(a) Guarantees	53.15	58.76
(b) Letter of Credit	23.49	65.84

**Note No.: 2.23 Value of imports calculated on CIF basis :**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
Raw materials	7619.31	8039.59
Equipment, Spares & X-Ray Accessories & Other Finished Goods	6288.27	4706.61
	7619.31	8039.59
	6288.27	4706.61

**Note No.: 2.24 Expenditure in foreign currency :**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
Expenses including Foreign Traveling	15.27	18.41

**Note No.: 2.25 Details of consumption of imported and indigenous items**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
<b>Imported</b>	₹	%
Raw materials	9167.57 (8471.98)	90.97% (91.54%)
<b>Indigenous</b>		
Raw materials & Packing Material	910.36 (782.09)	9.03% (8.46%)
Note: Figures / percentages in brackets relates to the previous year		

**Note No.: 2.26 Earnings in foreign exchange :**

Particulars	As at 31 <sup>st</sup> March, 2012 ₹ in Lakhs	As at 31 <sup>st</sup> March, 2011 ₹ in Lakhs
Export of goods calculated on FOB basis	553.29	332.13

**Note No.: 2.27 Disclosures under Accounting Standards**

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

**Note No.: 2.28**

**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 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10 & 2010-11 subsequent dividend payment, shall be transferred to the "Investors Education and Protection Fund" account.

**B) Related Parties & Relationship**

- a) Company and firm in which Directors and their relatives are Directors or Partner  
Choksi Brothers Pvt. Ltd., Medical Solution (India) Pvt. Ltd., Unique Imaging, S.S.Digitech Impex Pvt. Ltd., Photo Marketing Services.
- b) Directors of company  
Mr. Anil Choksi, Mr. Suresh Choksi, Mr. Samir Choksi, Mr. Naimish Choksi
- c) Relatives  
Ms. Kusum Choksi, Mr. Sunil Choksi, Sunil Choksi HUF

Details of Transaction with above parties

Particulars	Companies in which the Company has substantial interest	Directors of the Company & their relatives	Total
Purchase of Goods	33.66	-	33.66
Sales of Goods	486.55	-	486.55
Rent paid to CBPL-Delhi	21.06	-	21.06
Interest Expense on Deposits Taken	89.71	85.84	175.55
Deposits taken	760.27	306.32	1066.59
Outstanding Deposits Payable	977.54	681.6	1659.14

d) Disclosure in respect of material related transaction during the year

- a) Purchase goods from Unique Imaging is ₹ 19.16/-
- b) Purchase goods from Medical Solution (India) Pvt. Ltd. in ₹ 4.70/- and sales ₹ 486.55/-
- c) Purchase goods from S.S. Digitech Impex Pvt. Ltd. is ₹ 9.80/-
- d) Fixed Deposit taken from Ms. Kusum Choksi is ₹ 80/- & Interest Paid ₹ 7.94/-
- e) Fixed Deposit taken from Mr. Sunil Choksi is ₹ 1/- & from Sunil Choksi HUF is ₹ 10/- interest paid ₹ 1.09/-

**C)** The Company does not enter into any forward contract of derivatives to cover its expenses in foreign currency. As at the year end, the exposures in foreign currency in foreign currency for the company as under :

Particulars	Foreign Currency	Amount ₹ in Lakhs
Accounts Receivable	USD 207200	106.00
Accounts Payable	USD 8345251.38 (3311363.52)	4269.14 (1478.52)
	Euro 82689 (194898.68)	56.51 (723.25)
	Yen 3804085	23.75

**Note No.: 2.29 Disclosure as per Accounting Standard- 15**

Defined Benefit Plan	2010-2011 ₹ in Lakhs	2011-2012 ₹ in Lakhs
<b>Changes in Present value of obligations</b>		
Opening balance of Present value of Obligations	32.42	51.07
Interest Cost	2.86	4.28
Current Service Cost	4.58	3.52
Benefits Paid	(2.85)	(0.50)
Actuarial (gain) / loss on obligations	14.06	0.00
Present value of Obligations as at 31 <sup>st</sup> March	51.07	58.38
<b>Changes in Fair Value of plan assets</b>		
Opening Fair Value of Plan Assets	32.42	51.07
Expected return on Plan Assets	2.35	3.73
Actuarial gain / (losses) on Plan Assets	-	-
Contributions by Employer	19.16	4.07
Benefits Paid	(2.85)	(0.50)
Fair Value of Plan Assets as at 31 <sup>st</sup> March	51.07	58.38
<b>Amount to be recognised in the Balance Sheet</b>		
Present Value of Funded Obligations as at 31 <sup>st</sup> March	51.07	58.38
Fair Value of Plan Assets as at 31 <sup>st</sup> March	51.07	58.38
<b>Expense recognised in the Profit &amp; Loss Account</b>		
Current Service Cost	4.58	3.52
Interest Cost	2.86	4.28
Expected return on Plan Assets	(2.35)	(3.73)
Net Actuarial Loss	14.06	0.00
Expense recognised in the Profit & Loss Account	19.16	4.07
<b>Description of Plan Assets</b>		
Insurer Managed Funds	100%	100%
<b>Assumptions</b>		
Mortality Rate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
Withdrawal Rate	1% to 3% depending on age	8% depending on age
Discount Rate	8.0%	8.0%
Salary Escalation	5.5%	5.0%

## Note No.: 2.30 Disclosures under Accounting Standard- 20

Note	Particulars	For the year ended 31 <sup>st</sup> March, 2012 ₹ in Lakhs	For the year ended 31 <sup>st</sup> March, 2011 ₹ in Lakhs
	<b>Earnings per share</b>		
	<u>Basic</u>		
	<u>Continuing operations</u>		
	Net profit / (loss) for the year from continuing operations	126.64	340.50
	Less: Preference dividend and tax thereon		
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	126.64	340.50
	Weighted average number of equity shares		
	Per value per share	39.00	39.00
	Earnings per share from continuing operations - Basic	3.25	8.73

# CHOKSI IMAGING LIMITED

**Regd. Off.:** Classique Centre, C-Wing, 4th Floor, Plot No.26, Mahal Industrial Estate,  
Off. Mahakali Caves Road, Andheri (E), Mumbai- 400 093.

## ATTENDANCE SLIP 20<sup>TH</sup> ANNUAL GENERAL MEETING ON 8<sup>TH</sup> AUGUST, 2012 AT 3.00 P. M.

Reg. Folio No: \_\_\_\_\_ No. of Shares held \_\_\_\_\_

DP ID \_\_\_\_\_ Client ID \_\_\_\_\_

Mr./Ms./Mrs. \_\_\_\_\_

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

I Certify that I am a Registered Shareholder/ Proxy for the registered Shareholder of the Company.

I hereby record my presence at the TWENTIETH ANNUAL GENERAL MEETING of the Company held at Harvard Chamber, Ramee Guestline Hotel 462, A.B. Nair Road, Juhu, Mumbai -400 049 on **Wednesday, 8<sup>th</sup> day of August, 2012 at 3.00 p.m**

Member's/ Proxy's name in BLOCK LETTERS

Member's/ Proxy's Signature

- Note: 1. Strike out whichever is not applicable  
2. Please fill this attendance slip and hand it over at the ENTRANCE OF THE HALL.  
Joint shareholders may obtain additional Attendance Slip on request.

TEAR HERE

# CHOKSI IMAGING LIMITED

**Regd. Off.:** Classique Centre, C-Wing, 4th Floor, Plot No.26, Mahal Industrial Estate,  
Off. Mahakali Caves Road, Andheri (E), Mumbai- 400 093.

## FORM OF PROXY

Reg. Folio No: \_\_\_\_\_ No. of Shares held \_\_\_\_\_

DP ID \_\_\_\_\_ Client ID \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a Member/ Members of the above-named Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our Proxy to vote for me/us on my/our behalf at the 20<sup>TH</sup> ANNUAL GENERAL MEETING of the Company at Harvard Chamber, Ramee Guestline Hotel 462, A.B. Nair Road, Juhu, Mumbai -400 049 on **Wednesday, 8<sup>th</sup> day of August, 2012 at 3.00 p.m** and at any adjournment(s) thereof.

Signed this ..... day.....2012.

Affix  
One Rupee  
Revenue  
Stamp

Signature across Revenue Stamp

**NOTE :** Proxy form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 HOURS before the Meeting

# CHOKSI IMAGING LIMITED

Regd. Off.: Classique Centre, C-Wing, 4th Floor, Plot No.26, Mahal Industrial Estate,  
Off. Mahakali Caves Road, Andheri (E), Mumbai- 400 093.

## E-MAIL ID REGISTRATION FORM

I, \_\_\_\_\_ (name of first/individual shareholder) holding  
\_\_\_\_\_ (no. of shares) equity shares in physical mode vide  
folio no. \_\_\_\_\_ in the Company, would like to register  
below mentioned e-mail ID for receiving all the communications / documents /  
notices / correspondences from the Company in electronic mode instead of  
getting physical copies of the same. Kindly register the same.

E-mail ID: \_\_\_\_\_

Yours truly,

\_\_\_\_\_

Name: \_\_\_\_\_

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

\_\_\_\_\_

\_\_\_\_\_

Dated: \_\_\_\_\_

**Book-Post**

If, Undelivered, Please return to :

**CHOKSI IMAGING LIMITED**

**Registered Office:**

4th Floor, C Wing, Classique Centre, Plot No. 26,  
Mahal Indl. Estate, Off. Mahakali Caves Road,  
Andheri (East), Mumbai - 400 093.