

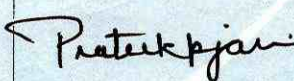

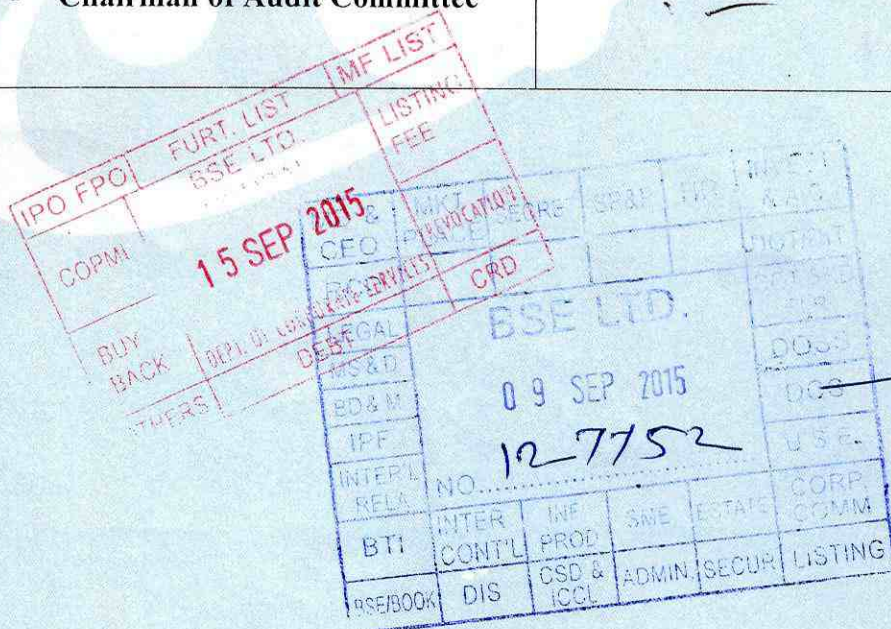


**FORM A**

**Format of covering letter of the annual audit report to be filed with the Stock Exchange**

1.	<b>Name of the Company</b>	<b>Choksi Laboratories Limited</b>
2.	<b>Annual financial statements for the year ended</b>	<b>31<sup>st</sup> March, 2015</b>
3.	<b>Type of Audit observation</b>	<b>Unqualified</b>
4.	<b>Frequency of observation</b>	<b>NA</b>
5.	<b>To be signed by:</b>  - CEO/ Managing Director  - CFO  - Auditor of the Company  - Chairman of Audit Committee	     



**Baroda Laboratory :**  
 829 GIDC, Makarpura  
 Baroda - 390 010 (Guj.) INDIA  
 Tel.: +91-265-2978001, 2978003,  
 3935121-3935125  
 Fax : +91-265-3935123  
 E-mail : baroda@choksilab.com

**Bengaluru Laboratory :**  
 Siddhi Vinayaka Complex,  
 Plot No. 8, 2nd Phase, Near BDA Complex  
 80 feet Ring Road, Nagarabhavi  
 BENGALURE 560 079 (Karnataka)  
 E-mail : bangalore@choksilab.com  
 Tel. : +91 080-23186929

**Goa Laboratory :**  
 C-18,C-20 Verna Industrial Estate  
 Phase - 1 A, Verna - 403722  
 (Goa) INDIA  
 Tel.: +91 8380033301-05  
 TeleFax : +91 8380033301-05  
 E-mail : goa@choksilab.com

**Panchkula Laboratory :**  
 Plot No. 362, Industrial Area, Phase - II  
 Panchkula - 734 112 (Haryana )  
 Tel.: +91-172-5048600, 5048601  
 Fax: +91-172-5048602  
 E-mail : panchkula@choksilab.com

**Vapi Laboratory :**  
 II<sup>nd</sup> & III<sup>rd</sup> Floor, Gokul Complex, 101/8,  
 GIDC-Char Rasta Behind GIDC Office,  
 Vapi -396 195 (Guj.) INDIA  
 Tel.: +91-260-2433488, 2434061, 2432731  
 Fax : +91-260-2432728  
 E-mail : vapi@choksilab.com



C-176  
15/09/2015

22<sup>nd</sup>  
**ANNUAL REPORT**  
**2014 - 2015**

MD & CEO	MARKET PLACE	SECRET	SP&P	HR	INVEST & AS
RCD					DOTA
LEGAL	<b>BSE LTD.</b>				DOCS
MS&D					09 SEP 2015
BD&M	NO. 127752				USE
IPF	INTER	INF	SME	ESTATE	CORP. COMM
INTER'L RELA	CONT'L	PROD			
BTI	DIS	CSD & ICCL	ADMIN	SECUR	LISTING
BSE/BOOK					



6/3, Manoramaganj, Indore - 452 001 (M. P.)

## CHOKSI LABORATORIES LIMITED

### BRANCHES/LAB

1. 829, GIDC Makarpura,  
Vadodara – 390 010 (Gujrat)
2. Gokul Complex, IInd & IIIrd Floor,  
101/8 GIDC Char Rasta Vapi - 396 195  
(Gujrat)
3. Plot No. 362, Industrial Area  
Phase II, Panchkula - 134 113  
(Hariyana)
4. Plot No. C-18 & 20, Phace 1-A,  
Verna Industrial Estate.  
Verna - 403 722 (GOA)
5. Plot No. 8, 2nd Floor, Siddhivinayak  
Complex, Phase - II, Near BDA Complex,  
80, Feet Ring Road, Nagarbhavi  
Bangalore - 560072, (Karnataka)

### SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mill Compound,  
L.B.S. Marg, Bhandup (W),  
Mumbai -400 078  
Tel. No. 022-25963838  
Fax : No. 022-25946969

### BOARD OF DIRECTORS :

Mr. Sunil Choksi - Managing Director  
Mrs. Himika Choksi - Jt. Managing Director -  
(Up to 01.09.2014)  
Mrs. Stela Choksi - Whole-time Director  
Mr. Vyangesh Choksi - Whole-time Director  
Mr. Sudarshan Shastri - Independent Director  
Mr. Pradip Karmakar - Independent Director  
Mr. Satish Chandra Joshi - Independent Director  
Mr. N. K. Mani – Independent Director

### COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Rikita Jain (Up to 30.04.2015)  
Mr. Abhishek Sharma (From 01.05.2015)

### AUDITORS :

PRATEEK JAIN & CO.  
Chartered Accountants  
212, Shalimar Corporate Centre,  
8-B, South Tukoganj, Indore – 452 001 (M.P.)

### BANKERS :

Axis Bank  
Bank Of India  
HDFC Bank  
Union Bank of India

### REGISTERED OFFICE & LABORATORY :

6/3, Manoramaganj,  
INDORE- 452 001 (M.P.)  
CIN : L85195MP1993PLC007471

**22<sup>nd</sup>**  
**ANNUAL REPORT**  
**2014 - 2015**



6/3, Manoramaganj, Indore - 452 001 (M. P.)

## CHOKSI LABORATORIES LIMITED

### BRANCHES/LAB

1. 829, GIDC Makarpura,  
Vadodara – 390 010 (Gujrat)
2. Gokul Complex, IInd & IIIrd Floor,  
101/8 GIDC Char Rasta Vapi - 396 195  
(Gujrat)
3. Plot No. 362, Industrial Area  
Phase II, Panchkula - 134 113  
(Hariyana)
4. Plot No. C-18 & 20, Phace 1-A,  
Verna Industrial Estate.  
Verna - 403 722 (GOA)
5. Plot No. 8, 2nd Floor, Siddhivinayak  
Complex, Phase - II, Near BDA Complex,  
80, Feet Ring Road, Nagarbhavi  
Bangalore - 560072, (Karnataka)

### SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mill Compound,  
L.B.S. Marg, Bhandup (W),  
Mumbai -400 078  
Tel. No. 022-25963838  
Fax : No. 022-25946969

### BOARD OF DIRECTORS :

Mr. Sunil Choksi - Managing Director  
Mrs. Himika Choksi - Jt. Managing Director -  
(Up to 01.09.2014)  
Mrs. Stela Choksi - Whole-time Director  
Mr. Vyangesh Choksi - Whole-time Director  
Mr. Sudarshan Shastri - Independent Director  
Mr. Pradip Karmakar - Independent Director  
Mr. Satish Chandra Joshi - Independent Director  
Mr. N. K. Mani – Independent Director

### COMPANY SECRETARY & COMPLIANCE OFFICER :

Ms. Rikita Jain (Up to 30.04.2015)  
Mr. Abhishek Sharma (From 01.05.2015)

### AUDITORS :

PRATEEK JAIN & CO.  
Chartered Accountants  
212, Shalimar Corporate Centre,  
8-B, South Tukoganj, Indore – 452 001 (M.P.)

### BANKERS :

Axis Bank  
Bank Of India  
HDFC Bank  
Union Bank of India

### REGISTERED OFFICE & LABORATORY :

6/3, Manoramaganj,  
INDORE- 452 001 (M.P.)  
CIN : L85195MP1993PLC007471

**NOTICE**

NOTICE is hereby given that the 22<sup>nd</sup> Annual General Meeting of the members of the Company will be held on Wednesday, 30<sup>th</sup> day of September, 2015 at 11.00 A.M. at the Registered Office of the Company to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss account of the Company for the year ended on 31<sup>st</sup> March, 2015 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr.Vyangesh Choksi (DIN: 00154926) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-  
“**RESOLVED THAT** pursuant to the provisions of Sections 139 of the Companies Act, 2013 (“Act”) and other applicable provisions of the Act, if any and the Rules framed thereunder, as amended from time to time, M/s Prateek Jain & Co., Chartered Accountants (ICAI Firm Registration No. 009494C) be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) to till the conclusion of next Annual General Meeting of the Company, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

FOR AND ON BEHALF OF THE BOARD  
CHOKSI LABORATORIES LIMITED

**SUNIL CHOKSI**

MANAGING DIRECTOR  
DIN: 00155078

**DATE : 01.09.2015**

**PLACE : INDORE**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.** The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or a Member.
2. The register of members and transfer books of the Company shall remain closed from 28<sup>th</sup> day of September, 2015 to 30<sup>th</sup> day of September, 2015 (both days inclusive) for the purpose of Annual General Meeting.
3. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring copies to the meeting.
4. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays between 11.00 A.M. to 1.00 P.M.
5. Any query relating to accounts or any other items of business set out in the Agenda of the meeting must be sent to the Company's Registered Office at 6/3, Manoramaganj Indore-M.P. at least seven days before the date of the Meeting.
6. Corporate members intending to send their authorized representatives to attend the meeting are requested to lodge a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before commencement of the meeting authorizing such person to attend and vote on its behalf at the meeting.

7. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).
8. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
9. Members / Proxies should bring their attendance slip duly filled in for attending the meeting. Members are also requested to inform company of any change in their address immediately so as to enable the company to dispatch any further communication at their correct address.
10. To support the 'Green Initiative', an Abridged Annual Report is being sent to the Members. In respect of Members whose e-mail ids are registered with the Company/the Depositories the Annual Report is sent in electronic mode. The Members who have not registered their e-mail ID are requested to register the same with Company's Registrars and Transfer Agents/Depositories. The Members who are desirous of receiving the full Annual Report may write to the Company's Registrar for a copy of the same.
11. In compliance with provisions of Clause 35B of the Listing Agreement entered into with the Stock Exchange(s), the Company is pleased to offer e-voting facility to enable members to cast their votes electronically. The Company has agreement with CENTRAL DEPOSITORY SERVICES LIMITED (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically.

**SECTION A - E-VOTING PROCESS:**

Step 1: Open your web browser during the voting period and log on to the e-Voting Website: [www.evotingindia.com](http://www.evotingindia.com).

Step 2: Click on "Shareholders" to cast your vote(s)

Step 3: Select the Electronic Voting Sequence Number (EVSN) i.e. "150903097" along with "COMPANY NAME" i.e. "Choksi Laboratories Limited" from the drop down menu and click on "SUBMIT".

Step 4 : Please enter User ID -

- a. For account holders in CDSL :- Your 16 digits beneficiary ID
- b. For account holders in NSDL :- Your 8 Character DP ID followed by 8 Digits Client ID
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

Step 5 : Enter the Image Verification as displayed and Click on Login

Step 6 : If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

Step 7: If you are a first time user follow the steps given below:

- 7.1 Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. For members who have not updated their PAN with the Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
- 7.2 Enter the Date of Birth (DOB) recorded in the demat account or registered with the Company for the demat account in DD/MM/YYYY format#

Step 8: After entering these details appropriately, click on "SUBMIT" tab.

Step 9: First time user holding shares in Demat form will now reach Password Generation menu wherein they are required to create their login password in the password field. Kindly note that this password can also be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system. Members holding shares in physical form will then directly reach the Company selection screen.

Step 10: Click on the EVSN of the Company i.e. "150903097" to vote.

Step 11: On the voting page, you will see Resolution description and against the same the option 'YES/NO' for voting. Select the relevant option as desired YES or NO and click on submit.

Step 12: Click on the Resolution File Link if you wish to view the Notice.

Step 13: After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

Step 14: Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

**SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS:**

1. The e-Voting period commences on From 10.00 A.M. (IST) on September, 26, 2015 and ends on upto 05.00 P.M. (IST) on September, 29, 2015. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut off date (record date) of 24th September, 2015 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter.
2. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
3. The voting rights of shareholders shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company.
4. CS Devendra Kumar Jain, Practicing Company Secretary, Membership No.: ACS 31994, COP No. 13319, Address: 584, Kalani Nagar Airport Road, Indore, M.P., (India), Email ID csdevendrajain@gmail.com, has been appointed as the Scrutinizer to scrutinize the e-Voting process.
5. The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same, provided that the chairman or a person authorized by him in writing who shall countersign the same.
6. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.choksilab.com](http://www.choksilab.com) and on the 'website of CDSL <https://www.evotingindia.co.in> within two days of the passing of the resolutions at the AGM of the Company and communicated to the BSE Limited where the shares of the Company are listed.
7. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.
8. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
9. Institutional Shareholders ( i. e. other than individuals , HUF, NRI etc .) are required to log o n to <https://www.evotingindia.co.in> and register themselves as Corporate, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
10. They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.
11. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
12. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e- Voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

FOR AND ON BEHALF OF THE BOARD  
CHOKSI LABORATORIES LIMITED

**SUNIL CHOKSI**

MANAGING DIRECTOR

DIN: 00155078

**DATE : 01.09.2015**

**PLACE : INDORE**





## DIRECTORS' REPORT

**Dear Members,**

Your Directors have pleasure presenting the 22<sup>nd</sup> Annual Report alongwith Audited Accounts for the year ended 31st March, 2015.

### Financial Results

(Rs. In lacs)

	(31.03.2015)	(31.03.2014)
Operational Receipts	2197.46	1988.65
Other Income	17.26	9.52
Profit/(Loss) on Sale of Fixed Assets	46.89	-
Profit before Depreciation, Interest & Tax	577.56	440.82
Depreciation	282.97	159.01
Interest	156.75	119.01
Provision for tax	55.25	32.57
Income Tax Earlier year	0.60	35.11
Deferred Tax Liability for Current Year	(6.13)	(11.34)
MAT Credit entiltement	-	(10.05)
Net Profit	88.12	116.51
Balance brought forward	1179.41	1062.90
Less : Fixed assets W/o due to transitional provisions of the Act- (Refer Note no. 9.1)	(188.06)	-
Balance carried to Balance Sheet	1079.47	1179.41

### OPERATIONS:

The turnover for the year under review was Rs.2197.46 Lacs as compared to Rs.1988.65 Lacs in the previous year. The Company has recorded a profit before depreciation, interest and tax of Rs.577.56 Lacs during the year as compared to Rs. 440.82 Lacs in the previous year and recorded a profit after tax of Rs. 88.12 Lacs during the year as compared to Rs. 116.51 Lacs during the previous year.

The Profit from operations of the Company for the year ended 31<sup>st</sup> March, 2015 was down as the useful life of Fixed assets has been revised as per Schedule II to the Companies Act, 2013 (the Act), Effective from April 1, 2014. Due to this, depreciation for the financial year 2014-15 is higher by previous year.

### EXTRACT OF ANNUAL RETURN

In compliance with section 92(3), section 134 (3) (a) and rule 11 of the Companies (Management and Administration) Rules, 2014 the extract of the annual return is annexed as Form No. MGT-9 with this report.

### MEETINGS OF THE BOARD

8 (Eight) meetings of the Board of Directors were held during the year. For further details, please refer report on Corporate Governance of this Annual Report.

### DIRECTORS

Mr.Vyangesh Choksi, Executive, Whole-time Director of the Company retire by rotation and being eligible offer himself for re-appointment. Board recommends him reappointment as director of the Company. Resignation of Mrs. Himika Choksi has been accepted by Board from the office of Joint Managing Director w.e.f. 01st day of September, 2014.

All the Independent Directors qualify all the requirements of sub-section (6) of section 149 of the Companies Act, 2013 and Listing Agreement & shall abide the code of Independent Directors.

### DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 134 (5) of the Companies Act, 2013, the Directors confirm that:-

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.

- (ii) They have, in the selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- (iii) They have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) They have prepared the annual accounts on a going concern basis.
- (v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

The Company has a vigil Mechanism named Vigil Mechanism/ Whistle Blower Policy to deal with instances of fraud and mismanagement, if any.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No complaint pertaining to sexual harassment were received during FY 2014-2015.

**AUDIT COMMITTEE**

The Audit Committee comprises Independent Directors namely Shri Sudarshan Shastri (Chairman), Shri Satish Joshi and Shri N.K. Mani as other members. All the recommendations made by the Audit Committee were accepted by the Board.

**AUDITORS:**

The Auditors, in their report have referred to the Notes forming part of the Account; the notes are self explanatory and need no comments. M/s. Prateek Jain & Co. Chartered Accountants, Indore, Statutory Auditors of the Company retire at the ensuing Annual General Meeting of the Company and being eligible offer themselves for reappointment.

**AUDIT REPORT:**

The Auditors, in their report have referred to the Notes forming part of the Account; the notes are self explanatory and need no comments.

**SECRETARIAL AUDITOR:**

The Board has appointed M/s. M. Maheshwari & Associates., Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2015-2016. The Secretarial Audit Report for the financial year ended 31st March, 2015 is annexed here with marked as Form No. MR- 3 to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. Due to uncertainty of filing Form MGT-10 and Clause 35-A Company has not filed relevant information to Stock Exchange.

**PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN AND SECURITIES PROVIDED:**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided.

**DIVIDEND:**

In order to conserve the resources of the Company and retain internal accruals for funding growth and maximizing capacity so that Company generates a good return for shareholders in the long run, the Board of Directors do not propose dividend for the year ended 2014-15.

**PUBLIC DEPOSITS:**

The Company has not invited/accepted public deposit within the meaning of section 73 of the Companies Act, 2013 and rules made thereunder, during the year under review.

**CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS:**

Report on Corporate Governance and Management Discussion and Analysis Report, in terms of Clause 49 of the Listing Agreement are annexed and form part of this Annual Report. A certificate from the Auditors confirming compliance with the conditions of Corporate Governance is also annexed.

**LISTING OF SECURITIES:**

The Equity Shares of the Company are listed at Bombay Stock Exchange & Madhya Pradesh Stock Exchange Limited, Indore (Since Madhya Pradesh Stock Exchange Limited have closed their activities hence Annual Listing Fees has not been deposit). The Company had duly paid the listing fees to the Bombay Stock Exchange for the financial year 2015-16.

**DEMAT STATUS**

The Company's shares are presently held in both electronic and physical modes.

**BUSINESS RISK MANAGEMENT:**

The company does not have any risk other than normal business risk therefore there is no any written risk management policy so far adopted by the company.

**INTERNAL FINANCIAL CONTROLS:**

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

The Internal financial controls with reference to the financial statements were adequate and operating effectively.

**RELATED PARTY TRANSACTIONS:**

Details of Related Party Transactions have been stated in the Corporate Governance Report.

**CORPORATE SOCIAL RESPONSIBILITY:**

The Company is not required to constitute a Corporate Social Responsibility Committee, as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

**PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company in accordance with the SEBI (Prohibition of Insider Trading) Regulations 2015.

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

**DECLARATION FROM MANAGING DIRECTOR & CFO CERTIFICATION:**

The Board of Directors have received declaration from Managing Director and certificate from CFO under Clause 49(v) of listing agreement. The Certificate have been enclosed in the Corporate Governance Report, is annexed herewith marked as "Declaration from Managing Director" & "CFO Certificate Under Clause 49 (IX)".

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

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

The requisite particulars required to be furnished under Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, regarding energy conservation technology absorption and R & D are not applicable, since the Company is not engaged in any manufacturing or processing activities.



**FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign Exchange outgo: a. Imports : Rs.7865640/-  
b. Travelling Expenses : Rs.632130/-

Foreign Exchange Earnings: Rs.921930/-

**ACKNOWLEDGEMENT:**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**FOR AND ON BEHALF OF THE BOARD  
CHOKSI LABORATORIES LIMITED**

**DATE: 01.09.2015  
PLACE: INDORE**

**STELA CHOKSI  
WHOLE-TIME DIRECTOR  
DIN: 00155043**

**SUNIL CHOKSI  
MANAGING DIRECTOR  
DIN: 00155078**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015**

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

To,  
The Members,  
**Choksi Laboratories Limited,**  
CIN: L85195MP1993PLC007471  
6/3,Manorama Ganj,  
**Indore (MP)**

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

Based on our verification of the **Choksi Laboratories Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **March 31, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on **March 31, 2015** according to the provisions of:

- i. The Companies Act, 2013 and The Companies Act, 1956(to the extent applicable)(the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- **Not applicable as the Company has not any ESOP Scheme;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not applicable as the Company has not issue any debt securities;**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-**Not applicable;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1999- **Not applicable as the Company has not bought back/propose to buyback any of its securities during the financial year under review.**
- vi Other laws applicable to the Company as per the representation made by the Management;
1. The Payment of Wages Act, 1936
  2. The Minimum Wages Act, 1948
  3. Employees' State Insurance Act, 1948
  4. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
  5. The Payment of Bonus Act, 1965
  6. The Payment of Gratuity Act, 1972
  7. The Contract Labour (Regulation & Abolition) Act, 1970
  8. The Maternity Benefit Act, 196
  9. The Child Labour (Prohibition & Regulation) Act, 1986
  10. The Employees' Compensation Act, 1923
  11. The Apprentices Act, 1961
  12. Equal Remuneration Act, 1976
  13. The Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013
  14. Water (Prevention and Control of Pollution) Act, 1974;
  15. Air (Prevention and Control of Pollution) Act, 1981
  16. Environment (Protection) Act, 1986
  17. The Negotiable Instrument Act, 1881

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India- **Not applicable during the audit period.**
- (ii) The Listing Agreements entered into by the Company with Exchanges.  
**During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below-**
  1. **Company has not filed MGT 10 under Section 93 of Companies Act, 2013 during the financial year.**
  2. **Company has not filed Form CHG 1 regarding creation of charge on motor vehicle under Section 77 of the Companies Act, 2013.**
  3. **Company has not submitted Report of Annual General Meeting under Clause 35 A of Listing Agreement with Stock Exchanges.**

We further report that

We rely on Statutory Auditor's Report in relation to the financial statements and accuracy of financial figures for Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under Financial Statements, Accounting Standard 18 and note on foreign currency transactions during our audit period.

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

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

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

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

We further report that during the Audit period the Company has no specific events / actions that having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard, etc.

**For M Maheshwari & Associates**  
**Company Secretaries**  
**MANISH MAHESHWARI**  
**FCS 5174C.P. No.3860**

Date : 12th August, 2015  
Place : Indore

To,

**The Members,**  
**Choksi Laboratories Limited,**  
CIN: L85195MP1993PLC007471  
6/3,Manorama Ganj,  
**Indore (MP)**

Our Secretarial Audit Report of even date is to be read along with this letter.

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

**For M. Maheshwari & Associates**  
**Company Secretaries**

**Manish Maheshwari**  
**FCS-5174**  
**CP-3860**

**Date: 12<sup>th</sup> August, 2015**  
**Place: Indore**

**Form No. AOC-2**

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

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

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

S. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship:	
b)	Nature of contracts/arrangements/transactions:	
c)	Duration of the contracts / arrangements/transactions:	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	<b>Not Applicable</b>
e)	Justification for entering into such contracts or arrangements or transactions:	
f)	Date(s) of approval by the Board:	
g)	Amount paid as advances, if any:	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	

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

S. No.	Particulars	Sunil Choksi	Stela Choksi	Vyangesh Choksi	D G Choksi HUF	Khyati Choksi	Neeta Shah
a)	Name(s) of the related party and nature of relationship:	Managing Director	Whole time Director	Whole time Director	Director's HUF	Spouse of Director	Sister of Director
b)	Nature of contracts/ arrangements/transactions:	Remuneration paid & Loan Recd.	Remuneration paid & Rent Paid & Loan Recd.	Remuneration paid & Loan Recd. & Repaid	Rent Paid	Salary Paid	Commission Paid
c)	Duration of the contracts / arrangements/transactions:	12 Mths.	12 Mths.	12 Mths.	12 Mths	12 Mths.	12 Mths.
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	25.75 Lakhs & 01.00 Lakhs	19.75 Lakhs & 03.00 & 24.00 Lakhs	14.40 Lakhs & 14.00 Lakhs	11.37 Lakhs	4.80 Lakhs	7.29 Lakhs
e)	Justification for entering into such contracts or arrangements or transactions:	Int. Free Loan from Director	Int. Free Loan from Director	Int. Free Loan from Director	Rent of Indore & VAPI	JOB at Indore	Franchisee Commission for Guj.
f)	Date(s) of approval by the Board:	30.05.2015					
g)	Amount paid as advances, if any:	No	No	No	No	No	No

**FOR AND ON BEHALF OF THE BOARD  
CHOKSI LABORATORIES LIMITED**

**STELA CHOKSI  
WHOLE-TIME DIRECTOR  
DIN: 00155043**

**SUNIL CHOKSI  
MANAGING DIRECTOR  
DIN: 00155078**

**DATE: 01.09.2015  
PLACE: INDORE**



Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31<sup>st</sup> March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: L85195MP1993PLC007471
- ii) Registration Date: 29/01/1993
- iii) Name of the Company: CHOKSI LABORATORIES LIMITED
- iv) Category / Sub-Category of the Company: Company Limited by Shares/ Indian Non-Government Company.
- v) Address of the Registered office and contact details: 6/3, Manorama Ganj, Indore, Madhya Pradesh.
- vi) Whether listed company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any :  
M/s. Link Intime India Private Limited  
C – 13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West), Mumbai - 400 078  
Tel No: 022-25963838 Ext. : 2293, 2289  
Fax No: 022 - 25946969  
Email : rnt.helpdesk@linkintime.co.in

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Testing Laboratories	93 Other Service Activities.	100%

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

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	Nil	Nil	Nil	Nil	Nil

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

*i) Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
g) Individual/ HUF	1891754	Nil	1891754	27.16	1891754	Nil	1891754	27.16	Nil
h) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
j) Bodies Corp.	Nil	300000	300000	4.31	300000	Nil	300000	4.31	Nil
k) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
l) AnyOther....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (1):-</b>	<b>1891754</b>	<b>300000</b>	<b>2191754</b>	<b>31.47</b>	<b>2191754</b>	<b>Nil</b>	<b>2191754</b>	<b>31.47</b>	<b>Nil</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (2):-</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total shareholding of Promoter (A) = (A)(1)+(A)( 2)</b>	<b>1891754</b>	<b>300000</b>	<b>2191754</b>	<b>31.47</b>	<b>2191754</b>	<b>Nil</b>	<b>2191754</b>	<b>31.47</b>	<b>Nil</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) StateGovt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others(specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (B)(1) :-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	731841	210000	941841	13.52	699708	210000	909708	13.06	-0.46
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual share-holders holding nominal share capital upto Rs. 1 lakh	1505069	776015	2281084	32.74	1437842	763615	2201457	31.61	1.13
ii) Individual share-holders holding nominal share capital in excess of Rs 1 lakh	1197588	307000	1504588	21.60	1412717	207000	1619717	23.25	-1.65
c) Others (specify)	45996	Nil	45996	0.67	42627	Nil	42627	0.61	-0.06
<b>Sub-total (B)(2):-</b>	<b>3480494</b>	<b>1293015</b>	<b>4773509</b>	<b>68.53</b>	<b>3592894</b>	<b>1180615</b>	<b>4773509</b>	<b>68.53</b>	<b>Nil</b>
<b>Total Public Shareholding (B) = (B)(1)+ (B)(2)</b>	<b>3480494</b>	<b>129301</b>	<b>4773509</b>	<b>68.53</b>	<b>3592894</b>	<b>1180615</b>	<b>4773509</b>	<b>68.53</b>	<b>Nil</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Grand Total (A+B+C)</b>	<b>5372248</b>	<b>1593015</b>	<b>6965263</b>	<b>100</b>	<b>5784648</b>	<b>1180615</b>	<b>6965263</b>	<b>100</b>	<b>Nil</b>

**(ii) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Sunil Choksi	523192	7.51	Nil	523192	7.51	Nil	Nil
2	Vyangesh Choksi	447099	6.42	Nil	447099	6.42	Nil	Nil
3	Dhansukbhai Gulabdas Choksi HUF	400000	5.74	Nil	400000	5.74	Nil	Nil
4	Khyati Choksi	301263	4.33	Nil	301263	4.33	Nil	Nil
5	Choksi Holding Company Private Limited	300000	4.31	Nil	300000	4.31	Nil	Nil
6	Stela Choksi	220200	3.16	Nil	220200	3.16	Nil	Nil
	<b>Total</b>	<b>2191754</b>	<b>31.47</b>	<b>Nil</b>	<b>2191754</b>	<b>31.47</b>	<b>Nil</b>	<b>Nil</b>

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

Sl No.	Name of Transferor	No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year : (01.04.2014-31.03.2015 No.of Shares	Cumulative Share holding during the year:% of total shares of the Company
1.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2014-31.03.2015)	
		No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Sita Shree Food Products Limited	500000	7.18	Nil	Nil	Nil	500000	7.18
2	Pratap Singh Hardia	252460	3.62		-2460	Transfer	250000	3.59
3	Quest Laboratories Pvt. Ltd.	142200	2.04	Nil	Nil	Nil	142200	2.04
4	Sakar Gupta	100000	1.44	Nil	Nil	Nil	100000	1.44
5	Harsh Nema	100000	1.44	Nil	Nil	Nil	100000	1.44
6	Lucky Fofriya	100000	1.44	Nil	Nil	Nil	100000	1.44
7	Purshottam Gupta	100000	1.44	Nil	Nil	Nil	100000	1.44
8	Alka Jain	78153	1.12		-3153	Transfer	75000	1.08
9	Sonia Gulati	76621	1.10		-400	Transfer	76221	1.09
10	Unique Powergen Consultants Pvt. Ltd.	67200	0.96	Nil	Nil	Nil	67200	0.96
	<b>Total</b>	<b>1516634</b>	<b>21.77</b>				<b>1510621</b>	<b>21.69</b>

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2014-31.03.2015)	
		No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Sunil Choksi	523192	7.51	Nil	Nil	Nil	523192	7.51
2	Vyangesh Choksi	447099	6.42	Nil	Nil	Nil	447099	6.42
3	Stela Choksi	220200	3.16	Nil	Nil	Nil	220200	3.16
4	Sudarshan Shastri	400	0.006	Nil	Nil	Nil	400	0.006
	<b>Total</b>	<b>1190891</b>	<b>17.096</b>				<b>1190891</b>	<b>17.096</b>

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	58288790	29024754	515000	87828544
ii) Interest due but not paid	389355	18937	Nil	408292
iii) Interest accrued but not due.	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>58678145</b>	<b>29043691</b>	<b>515000</b>	<b>88236836</b>
<b>Change in Indebtedness during the financial year?</b>				
• Addition	36245501	7838574	Nil	44084075
• Reduction	33030963	11452630	515000	44998593
<b>Net Change</b>				
Indebtedness at the end of the financial year				
i) Principal Amount	61503328	25410698	Nil	86914026
ii) Interest due but not paid	469450	Nil	Nil	469450
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>61972778</b>	<b>25410698</b>	<b>-</b>	<b>87383476</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.N.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Sunil Choksi	Stela Choksi	Vyangesh Choksi	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2575000	1975000	1440000	5990000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify				
	<b>Total (A)</b>	<b>2575000</b>	<b>1975000</b>	<b>1440000</b>	<b>5990000</b>
	Ceiling as per the Act	As per Schedule V.			



B. Remuneration to other directors:

S.N.	Particulars of Remuneration	Name of Directors				Total Amount
		Sudarshan Shastri	Satish chandra Joshi	Pradip Karmakar	N. K. Mani	
3.	Independent Directors					
	• Fee for attending board committee meetings	16000	4000	2000	12000	34000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	16000	4000	2000	12000	34000
4.	Other Non-Executive Directors					
	• Fee for attending board committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	16000	4000	2000	12000	<b>34000</b>
	<b>Total</b>					<b>6024000</b>
	<b>Managerial</b>					
	Overall Ceiling as per the Act	As per Schedule V.				

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD:

S.N.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Not Applicable	252491	0.00	252491
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Not Applicable	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Not Applicable	Nil	Nil	Nil
2.	Stock Option	Not Applicable	Nil	Nil	Nil
3.	Sweat Equity	Not Applicable	Nil	Nil	Nil
4.	Commission- as % of profit- others, specify...	Not Applicable	Nil	Nil	Nil
5.	Others, please specify	Not Applicable	Nil	Nil	Nil
	<b>Total</b>	<b>Not Applicable</b>	<b>252491</b>	<b>Nil</b>	<b>252491</b>

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil



## REPORT ON CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with BSE Limited (BSE), the Directors present the Company's Report on Corporate Governance.

### 1. Company Philosophy on Code of Corporate Governance.

Corporate governance is the acceptance by management of the inalienable rights of shareholders as the true owners of the corporation and of their own role as trustees on behalf of the shareholders. It is about commitment to values, about ethical business conduct and about making a distinction between personal and corporate funds in the management of a company.

The philosophy of Corporate Governance is to enhance the long term economic value of the company. Its stakeholders and the society at large by adopting practices in fair and transparent manner by aligning interests of the company with shareholders and other key stakeholders.

### 2. Best Corporate Governance Practices.

CHOKSI LABORATORIES LIMITED maintains the highest standards of Corporate governance. It is the company constant endeavor to adopt the best corporate governance practice keeping in view the international codes of Corporate Governance and practice of well-known global companies. Some of the best implemented global governance norms include the following:

- The Company has a designated Lead Independent Director with a defined role.
- All Securities related filing with Stock Exchanges and SEBI are reviewed every quarter by the Company's Stakeholders relationship Committee (previously Shareholders'/Investors' Grievance Committee of Directors).
- The Company also undergoes secretarial audit conducted by independent company secretary who is in whole time practice. Quarterly secretarial audit report are placed before the board and the annual secretarial audio report placed before the Board, is included in the Annual Report.

### 3. Role Of The Company Secretary On Overall Governance Process.

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are available to the directors, and senior management for effective decision making at the meetings. The Company Secretary is primarily responsible to assist and advice the Board in conduct of affairs of the Company to ensure compliance with applicable statutory retirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

### 4. Board of Directors .

#### Composition:

The Board of Directors of the Company consist of Eight members, out of which four members are executive and holding whole-time positions and four members are independent directors. The detailed statement on composition of the Board is as under:

S N	Name of the Director	Promoter, Executive, Non-Executive, Independent	No. of Directorship/ Committees membership of other Companies	No. of Board Meetings		Whether attended Last Annual General Meeting
				Held	Attended	
1.	Mr. Sunil Choksi	Promoter/Executive	1	8	2	Yes
2.	Mrs. Stela Choksi	Promoter/Executive	0	8	1	No
3.	*Mrs. Himika Choksi (Up to 01.09.2014)	Promoter/Executive	0	8	0	No
4.	Mr. Vyangesh Choksi	Executive	4	8	8	Yes
5.	Mr. Sudarshan Shastri	Non-Executive/ Independent	4	8	8	Yes
6.	Mr. Pradip Karmakar	Non-Executive/ Independent	0	8	3	No
7.	Mr. N.K. Mani	Non-Executive/ Independent	0	8	6	No
8.	Mr. Satish Chandra Joshi	Non-Executive/ Independent	0	8	3	No

**Note :** - Mr. Sunil choksi, Mrs. Stela Choksi, Mrs. Himika Choksi and Mr. Vyangesh Choksi are related to each other.

\*Resignation of Mrs. Himika Choksi has been accepted by Board from the office of Joint Managing Director w.e.f. 01<sup>st</sup> day of September, 2014.

**Particulars of the Directors seeking re-appointment:**

As required under the Listing Agreement, particulars of the directors seeking re-appointment at the ensuing Annual General Meeting have been given under the Annexure to Notice of this report.

**Number of Board Meetings held and the dates on which held**

During the year under review a total of 8 (Eight) Board Meetings were held. The details of the date(s) on which the meetings were held are as follows:

Sr.No.	Date	Day	Time
1.	30TH MAY, 2014	FRIDAY	11.30 A.M.
2.	16TH JUNE, 2014	MONDAY	3.30 P.M.
3.	19TH JUNE, 2014	THURSDAY	11.30 A.M.
4.	12TH AUGUST, 2014	TUESDAY	11.30 A.M.
5.	01ST SEPTEMBER, 2014	MONDAY	11.30 A.M.
6.	03RD SEPTEMBER, 2014	WEDNESDAY	4.30 P.M.
7.	14TH NOVEMBER, 2014	FRIDAY	11.30 A.M.
8.	14TH FEBRUARY, 2015	SATURDAY	11.30 A.M.

**Meetings of Independent Directors:**

During the year under review, the Independent Directors met on 16th June, 2014, inter alia, to discuss:

- (i) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- (ii) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- (iii) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

**5. Performance Evaluation.**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board.

The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

The Directors expressed their satisfaction with the evaluation process.

**6. Committees Of The Board.**

In Compliance with the requirements under the Listing Agreement and the applicable laws, the Board has constituted the following committees:

- 1. Audit Committee;
- 2. Nomination & Remuneration Committee;
- 3. Stakeholder Relationship Committee.
- 4. Disclosure Under The Sexual Harassment Of Women At Work Place (Prevention, Prohibition And Redressal) Act, 2013:

**Audit Committee.**

**Power of the Audit Committee**

- 1. To investigate any activity within its terms of reference.
- 2. To seek information from any employee.
- 3. To obtain outside legal or other professional advice.
- 4. To secure attendance of outsiders with relevant expertise, if it considers necessary.



**Terms of Reference and Role of Audit Committee**

The scope and function of the Audit Committee is to regularly review the internal control, systems and procedures, accounting policies and other matters that protect the interest of the stakeholders, ensure compliance with the laws, and monitor with a view to provide effective supervision of the management’s process, ensure accurate, timely and proper disclosures, transparency, integrity and quality of financial reporting. The composition, procedures, powers and role/functions of the Audit Committee constituted by the Company comply with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013. Role of Audit Committee includes the following:

1. Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of Statutory Auditors including Cost Auditors and fixation of audit fees.
3. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Changes, if any, in accounting policies and practices and reasons for the same.
  - b) Significant adjustments made in the financial statements arising out of audit findings.
  - c) Compliance with listing and other legal requirements relating to financial statements.
  - d) Disclosure of related party transactions.
  - e) Qualifications in draft audit report.
4. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
5. Reviewing with the management, the performance of Statutory Auditors and adequacy of internal control systems.
6. Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.

**COMPOSITION:**

The Audit Committee presently comprises of three Independent Non-Executive Directors:

1. Mr. Sudarshan Shastri, Chairman
2. Mr. Satish Chandra Joshi, Member
3. Mr. N.K. Mani, Member

**MEETINGS AND ATTENDANCE:**

During the financial year ended 31<sup>st</sup> March, 2015, 4 (four) meetings of the Audit Committee were held, as follows:

S.No.	Date	Day	Time
1.	30 <sup>TH</sup> MAY, 2014	FRIDAY	11.30 A.M.
2.	12 <sup>TH</sup> AUGUST, 2014	TUESDAY	11.30 A.M.
3.	14 <sup>TH</sup> NOVEMBER, 2014	FRIDAY	11.30 A.M.
4.	14 <sup>TH</sup> FEBRUARY, 2015	SATURDAY	11.30 A.M.

**1. Attendance of each Member at the Audit Committee meetings held during the year**

Name	Number of Meetings during the year 2014-15	
	Held	Attended
Mr. Sudarshan Shastri	4	4
Mr. Satish Chandra Joshi	4	3
Mr. N.K. Mani	4	4

**Nomination and Remuneration Committee.**

**Description and Role of the Nomination & Remuneration Committee:**

1. To determine the policy on specific remuneration packages for Executive/Whole- time Directors including pension rights and any compensation payments.
2. Recommends to the Board the remuneration of the Executive Directors in all its forms (i.e. salary, contribution to provident fund, superannuation fund, gratuity, bonus, stock option, compensation for loss of office, other amenities, perquisites etc.).

3. Takes into account the financial position of the Company, profitability, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc. and brings out objectivity in determining the remuneration package, while striking a balance between company's interest and that of the shareholders.

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

**COMPOSITION:**

The Remuneration Committee comprises of the following independent Non-Executive Directors:

1. Mr. Sudarshan Shastri, Chairman
2. Mr. Pradip Karmakar, Member
3. Mr. N.K. Mani, Member

**Remuneration paid to the Directors during 2014-15:**

Sr.	Name of the Director	Nature of Directorship	Salary, Perquisites and Sitting Fee (Rs.)
1	Mr. Sunil Choksi	Executive	*25,75,000/-
2	Mrs. Stela Choksi	Executive	*19,75,000/-
3	Mr. Vyangesh Choksi	Executive	*14,40,000/-
4	Mr. Sudarshan Shastri	Non-Executive	16,000/-
5	Mr. Pradip Karmakar	Non-Executive	2,000/-
6	Mr. N.K. Mani	Non-Executive	12,000/-
7	Mr. Satish Chandra Joshi	Non-Executive	4,000/-

**Notes**

1. The remuneration to the executive directors is being paid as per the approval of the shareholders at the general body meeting.
2. No service contract has been executed between the company and executive directors. The services of Executive Directors are subject to the personnel policy of the Company. No severance fees is payable to executive directors.
3. \*The remuneration to the executive directors is being paid as per the recommendation of Remuneration Committee and approval of the shareholders at the general body meeting.
4. \*Salary and perquisites includes provident Fund and Gratuity etc.
5. Presently, the Company does not have a scheme for grant of Stock Options either to the executive directors or employees.
6. Mr. Sunil Choksi, Mrs. Stela Choksi, Mrs. Himika Choksi and Mr. Vyangesh Choksi are related to each other. All other directors do not have any pecuniary relationship with the Company, other than receipt of sitting fee.
7. Non- executive Directors are entitled only for sitting fees for attending meetings of the Board and Committees and no remuneration is payable to them.
8. The company does not pay commission or performance linked incentives to any of the directors.

**Stakeholder Relationship Committee.**

**COMPOSITION:**

The Stakeholder Relationship Committee is headed by a Non-Executive Independent Director and comprises the following Directors:

1. Mr. Sudarshan Shastri, Chairman
2. Mr. Satish Chandra Joshi, Member
3. Mr. N.K. Mani, Member

Name, Designation & Address of Compliance Office:

Mr. Abhishek Sharma, Company Secretary

6/3, Manoramaganj, Indore - 452 001, Tel. : 4243888

Email at [compliance\\_officer@choksilab.com](mailto:compliance_officer@choksilab.com)

During the year the Company received 0 (Nil) complaints from its shareholders and as on 31.03.2015 no complaint is pending beyond 30 days.

**7. General Body Meetings.**

**i. Annual General Meetings:**

The location and time of the last three Annual General Meetings are as under:

Year	Date of Annual General Meeting	Time	Venue	No. of Special Resolutions Passed
2013-14	30 <sup>th</sup> Sept., 2014	10:30 A.M.	6/3, Manoramaganj, Indore	Six
2012-13	30 <sup>th</sup> Sept., 2013	11:00 A.M.	6/3, Manoramaganj, Indore	-
2011-12	27 <sup>th</sup> Sept., 2012	11:00 A.M.	6/3, Manoramaganj, Indore	One

Financial Calendar F.Y. 2015-16 (Tentative)

Board meeting for first three quarters ending on 30th June'15, 30th Sept.'2015 and 31st Dec.'2015	On or before 45th day from the end of Quarter
Board Meeting for Last quarter ending on 31st March 2016	On or before 30th May'2016
Annual General Meeting for FY 2015-16	On or before 30th Sept.'2016

**ii. Postal Ballot:**

- The Company has not passed any Special Resolution during last three years requiring voting through Postal Ballot.
- There is no proposal for passing any resolution through Postal Ballot at the ensuing Annual General Meeting scheduled to be held on 30th September, 2015.

**8. Disclosures.**

**i. Legal Compliances**

The Company has complied with all the requirement of regulatory authorities on the matters related to capital market hence no penalties or strictures have been imposed on the company by stock exchanges, SEBI or any other statutory authority during the last three years.

**ii. CEO/CFO Certification**

In terms of Clause 49 of the Listing Agreement, the certification by Chief Executive Officer and Chief Financial Officer on the financial statement and internal controls relating to financial reporting has been obtained.

**iii. Disclosure Regarding Materially Significant Related Party Transactions**

There are no materially significant related party transactions that may have potential conflict with the interests of company at large in the financial year 2014-15. Related party transactions have been disclosed in Note No.27 of Notes on Financial Statement part of the Annual Accounts for the year ended 31st March, 2015.

**iv. Whistle Blower Policy**

The Company has conveyed existence of Whistle Blower Policy to all its employees and it is hereby affirmed by the Board that no personnel has been denied access to the Audit Committee.

**v. Mandatory and Non-Mandatory Requirements**

The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement. Non-mandatory requirements are being complied with in a phased manner.

***The company has complied with the requirement of remuneration committee, whistle blower policy.***

**9. Means of Communication.**

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end –

**Financial Results:** The results are submitted to the Stock Exchanges in accordance with the Listing Agreement and simultaneously published in English edition of 'Free Press' and Hindi edition of 'Choutha Sansar'.

**Corporate Filing:** Announcements, Quarterly Results, Shareholding Pattern etc. of the Company regularly filed by the Company, are also available on the website of The Bombay Stock Exchange Limited– [www.bseindia.com](http://www.bseindia.com).

**Website:** The Company's website [www.choksilab.com](http://www.choksilab.com) contains a separate dedicated section "Investor Relations" where information for shareholders is available. The Quarterly/ Annual Financial Results, annual reports are posted on the website.

**10. Familiarisation Programmes for Board Members.**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

**11. Code of Conduct for prevention of Insider Trading.**

The Company has adopted a Code of Conduct for prevention of Insider Trading for its Management, Staff and Directors. The Code lays down guidelines and procedures to be followed and disclosures to be made by Directors, Top Level Executives and Staff whilst dealing in shares of the Company.

**12. Compliance Officer.**

Mr. Abhishek Sharma, Company Secretary and Compliance Officer, is the Compliance Officer for complying with requirements of Securities Laws and Listing Agreements with Stock Exchanges.

**13. SEBI Complaints Redress System (SCORES)**

The investor complaint(s) are processed in a centralized web based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**14. Payment of Listing Fees.**

Annual listing fee for the year 2015-2016 has been paid by the Company to BSE and NSE. Annual maintenance and listing agency fee for the calendar year 2015 has been paid by the Company to the Bombay Stock Exchange.

**15. Payment of Depository Fees.**

Annual Custody/Issuer fee for the year 2015-2016 will be paid by the Company to NSDL and CDSL on receipt of the invoices.

**16. General Shareholders' Information**

<b>i.</b>	<b>22<sup>nd</sup> Annual General Meeting</b>
<b>Date</b>	30 <sup>th</sup> September, 2015, Wednesday
<b>Time</b>	11.00 A.M.
<b>Venue</b>	6/3, Manoramaganj, Indore-452001
<b>ii.</b>	<b>Financial Year</b> 1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015
<b>iii. Date of Book Closure</b>	28 <sup>th</sup> day of September, 2015 to 30 <sup>th</sup> day of September, 2015 (both days inclusive)
<b>iv. Dividend Payment Date</b>	None, as no dividend has been recommended for the year.
<b>v. Listing on Stock Exchange(s)</b>	The Shares of the company are listed on Bombay Stock Exchange Limited (BSE)
<b>vi. Stock Code</b>	
<b>BSE</b>	
<b>Stock Code</b>	CHOKSILA
<b>Scrip Code</b>	526546
<b>ISIN</b>	INE493D01013 (NSDL & CDSL)
<b>CIN</b>	L85195MP1993PLC007471

**vii. Market Price Data**

The reported high and low closing prices during each month of the financial year ended on 31<sup>st</sup> March, 2015 on the Bombay Stock Exchange, where the Company's shares are being traded are given below:

Month	Quotations on BSE	
	High Price	Low Price
Apr, 2014	8.09	5.35
May, 2014	8.95	6.33
June, 2014	13.23	8.17
July, 2014	15.77	9.78
Aug, 2014	10.91	8.61
Sept, 2014	15.92	8.50
Oct, 2014	14.00	10.30
Nov, 2014	13.92	9.40
Dec, 2014	13.35	9.95
Jan, 2015	11.50	8.14
Feb, 2015	11.00	8.70
Mar, 2015	10.00	7.15

viii. Performance of Shares of the Company in comparison to BSE Index

Month	BSE Index		CHOKSI	
	High Price	Low Price	High Price	Low Price
Apr, 2014	22,939.31	22,197.51	8.09	5.35
May, 2014	25,375.63	22,277.04	8.95	6.33
June, 2014	25,725.12	24,270.20	13.23	8.17
July, 2014	26,300.17	24,892.00	15.77	9.78
Aug, 2014	26,674.38	25,232.82	10.91	8.61
Sept, 2014	27,354.99	26,220.49	15.92	8.50
Oct, 2014	27,894.32	25,910.77	14.00	10.30
Nov, 2014	28,822.37	27,739.56	13.92	9.40
Dec, 2014	28,809.64	26,469.42	13.35	9.95
Jan, 2015	29,844.16	26,776.12	11.50	8.14
Feb, 2015	29,560.32	28,044.49	11.00	8.70
Mar, 2015	30,024.74	27,248.45	10.00	7.15

ix. Registrar and Transfer Agent

The Company has appointed M/s. Link Intime India Private Limited as Registrar & Share Transfer Agents, details of whom are as under:

**M/s. Link Intime India Private Limited**

C – 13, Kantilal Maganlal Estate,  
Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai - 400 078

Tel No: 022-25963838

Fax No: 022 - 25946969

Email : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

x. Share Transfer System

To expedite the process of share transfer, transmission, split, consolidation, rematerialisation, dematerialization, payment of dividend and issue of duplicate dividend warrants and resolution of the shareholder's grievances, the Board of Directors has delegated the powers to M/s. Link Intime India Private Limited, Mumbai (Formerly known as Intime Spectrum Registry Limited). The shareholders are requested to approach M/s. Link Intime India Private Limited for resolution of all their issue

xi. Distribution of Shareholding

(a) Class-wise Distribution of Equity Shares as on 31st March, 2015

Slab of Shareholding	Shareholders		Shares	
	Number	% of total	Number	% of total
1-500	2987	75.4865	717165	10.2963
501-1000	501	12.6611	442281	6.3498
1001-2000	211	5.3323	335673	4.8192
2001-3000	79	1.9965	203221	2.9176
3001-4000	44	1.1120	157005	2.2541
4001-5000	30	0.7582	144186	2.0701
5001-10000	44	1.1120	321907	4.6216
10001-and above	61	1.5416	4643825	66.6712
<b>Total</b>	<b>3957</b>	<b>100.00</b>	<b>6965263</b>	<b>100.00</b>

(b) Shareholding Pattern as on 31st March, 2015

SR. NO. CATEGORY	NO. OF SHARES HELD	% OF SHARE-HOLDING
<b>A PROMOTER'S HOLDING</b>		
1. <u>Promoters</u>		
Indian	2191754	31.47%
Foreign	-	-
2. <u>Persons acting in Concert</u>	-	-
<b>Sub-Total</b>	2191754	31.47%
<b>B NON-PROMOTER'S HOLDING</b>		
3. <u>Institutional Investors</u>		
(a) Mutual funds and UTI	-	-
(b) Banks, Financial Institutions Central/State Govt. Institutions/ Non-government Institutions)	-	-
(c) Insurance Companies	-	-
(d) FII's	-	-
<b>Sub-Total</b>	<b>2191754</b>	<b>31.47%</b>
4. <u>Others</u>		
(a) Bodies Corporate	909708	13.06%
(b) Indian Public	3821174	54.86%
(c) NRIs/OCBs	22657	0.32%
(d) Any Other (Clearing Members, Trust, Directors)	19970	0.29%
<b>Sub-Total</b>	<b>4773509</b>	<b>68.53%</b>
<b>GRAND TOTAL (A+B)</b>	<b>6965263</b>	<b>100%</b>

xii. Dematerialization of shares

Trading in Company's share is permitted compulsorily in dematerialized form as per notification issued by SEBI. The break-up of shares in physical and demat form as on 31<sup>st</sup> March, 2015 is as follows:

Particulars of Equity Shares	Equity Shares of Rs.10/- each	
	Number	% of Total
NSDL	4147069	59.54
CDSL	1637579	23.51
<b>Sub-Total</b>	<b>5784648</b>	<b>83.05</b>
Physical	1180615	16.95
<b>Total</b>	<b>6965263</b>	<b>100.00</b>

Note: As on 31<sup>st</sup> March, 2015 paid up capital of the Company is Rs. 69,65,2630/-.

**Shareholders, who continue to hold their equity shares in physical form, are requested to dematerialize their shares at the earliest and avail various benefits of dealing in securities in electronic/dematerialized form.**

**xiii. Outstanding GDRs/ADRs/Warrants or any other convertible instruments and their impact on equity:**

The Company does not have any outstanding instruments GDRs/ADRs or any convertible instruments as on 31.03.2015.

<b>xiv. Laboratory Locations</b>		
<b>Sr.</b>	<b>Location</b>	<b>Address</b>
<b>1.</b>	Indore, Madhya Pradesh	Registered Corporate Office & Central Laboratory at 6/3 Manoramaganj, Indore – 452 001 M. P. - India
<b>2.</b>	Branch at Vadodara, Gujrat	At 829, GIDC, Makarpura Vadodara – 390 010 (GUJ.) – India
<b>3.</b>	Branch at Vapi, Gujrat	At IInd & IIIrd Floor, Gokul Complex, 101/8 GIDC – Char Rasta Vapi – 396 195 – (GUJ.) India
<b>4.</b>	Branch at Panchkula, Harayana	At Plot No. 362, Industrial Area, Phase – II Panchkula – 734 112 - (HARYANA) India
<b>5.</b>	Branch at Goa, Goa	C-18 & 20, Verna Industrial Estate Phase – 1A, Verna – 403 722 - (GOA) India
<b>6.</b>	Branch at Bangalore, Karnataka	Plot No. 8, 2nd Floor, Siddhivinayak Complex, Phase II, Near BDA Complex, 80, Feet Ring Road, Nagarbhavi, Bangalore – 560079, (Karnataka)

**xv. Address for Correspondence**

For all investor related issues, the address for correspondence shall be:

**Company**

“Company Secretary”  
Choksi Laboratories Limited, 6/3, Manoramaganj  
Indore (M.P.)-452 001  
E-mail: [Compliance\\_officer@choksilab.com](mailto:Compliance_officer@choksilab.com)

**Registrar and Share Transfer Agent**

Link Intime India Pvt. Ltd.  
C -13, Kantilal Maganlal Estate,  
Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West), Mumbai - 400 078  
Tel No: 022-25963838 Fax No : 022 - 25946969  
Email : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**Date : 01.09.2015**

**Place : Indore**

**FOR AND ON BEHALF OF THE BOARD**

**Sunil Choksi**  
**Managing Director**  
**DIN: 00155078**

**DECLARATION FROM MANAGING DIRECTOR**

A declaration signed by the Managing Director of the company on behalf of the members of the Board and Senior Management Personnel in terms of Clause 49(I)(D)(ii) of the Listing Agreement for the year ended on 31<sup>st</sup> March, 2015:

**Declaration**

I, Sunil Choksi, Managing Director of the Company do hereby affirm and declare on behalf of all the Directors and Senior Management Personnel in terms of Clause 49(I)(D)(ii) of the Listing Agreement that the Company has laid down and complied with the Code of Conduct have confirmed compliance with the code of conduct as adopted by the Company.

**DATE : 01.09.2015**

**PLACE : INDORE**

**Sunil Choksi**  
**Managing Director**  
**DIN: 00155078**





## INDEPENDENT AUDITORS' REPORT

To,  
The Members of CHOKSI LABORATORIES LIMITED

### Report on the Financial Statements :

We have audited the accompanying financial statements of **CHOKSI LABORATORIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements :

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

### Auditor's Responsibility :

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion :

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, its Profit and its Cash Flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements :

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, (hereinafter referred to as "the Order") 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 given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014
  - e) on the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Company does not have any pending litigation which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses..
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For PRATEEK JAIN & CO.**  
Chartered Accountants  
(Registration No. 009494C)

Place : Indore  
Date : 30-05-2015

**Prateek Jain**  
Proprietor  
M.No. 079214



PARTICULARS	Note	AS AT 31st March, 2015	AS AT 31st March, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share Capital	1	69,652,630	69,652,630
Reserves and Surplus	2	123,463,154	133,457,637
		193,115,784	203,110,267
<b>Non-Current Liabilities</b>			
Long-term borrowings	3	56,095,296	62,762,067
Deferred tax Liability (Net)	4	8,766,546	17,789,455
		64,861,842	80,551,522
<b>Current Liabilities</b>			
Short-term Borrowings	5	29,594,726	26,660,135
Trade Payables	6	26,773,004	16,515,105
Other Current Liabilities	7	40,311,518	41,850,650
Short-term Provisions	8	22,032,207	18,373,667
		118,711,455	103,399,557
<b>TOTAL</b>		<b>376,689,081</b>	<b>387,061,347</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets			
Tangible Assets	9	189522086	236,180,781
Intangible Assets	9a	3,303,670	3,614,214
Capital Work-in-progress	10	27,329,553	22,262,406
		220,155,309	262,057,401
Long-term Loans and Advances	11	-	-
Other Non-current Assets	12	10,055,356	10,206,316
Trade receivables	13	84,541,154	71,246,645
Cash and Cash Equivalents	14	8,156,029	6,072,568
Short-term Loans and advances	15	5,789,240	6,149,783
Other Current Assets	16	47,991,993	31,328,634
<b>TOTAL</b>		<b>376,689,081</b>	<b>387,061,347</b>
Significant Accounting Policies			
Notes on Financial Statements 1 to 32			

As per our report of even date

For and on behalf of the Board

**For PRATEEK JAIN & CO.**  
Chartered Accountants  
Registration No. 009494C

**Prateek Jain**  
Proprietor  
M.No.079214

**Sunil Choksi**  
Managing Director  
DIN-00155078

**Vyangesh Choksi**  
Whole Time Director & C.F.O.  
DIN-00154926

**Abhishek Sharma**  
Company Secretary  
M. No. 37215

Place : Indore  
Date : 30-05-2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Amount in ₹

PARTICULARS	Note	2014-15	2013-14
<b>INCOME</b>			
Revenue from operations	17	219,745,934	198,864,650
Other Income	18	6,415,264	952,249
<b>Total Revenue</b>		<b>226,161,198</b>	<b>199,816,899</b>
<b>EXPENDITURE :</b>			
Cost of materials Consumed	19	27,994,193	24,177,563
Employee Benefits Expenses	20	76,027,045	72,371,393
Finance Costs	21	15,674,969	11,900,897
Depreciation and Amortization Expenses	9	28,296,915	15,901,107
Other Expenses	22	64,383,647	59,186,111
<b>Total Expenses</b>		<b>212,376,768</b>	<b>183,537,071</b>
Profit before Tax		13,784,431	16,279,828
<b>Tax expenses</b>			
Income Tax earlier years		60,553	3,510,999
Current tax		5,525,340	3,257,227
Deferred tax		(613,187)	(1,134,535)
MAT Credit Entitlement		-	(1,005,302)
<b>Profit after tax</b>		<b>8,811,725</b>	<b>11,651,438</b>
<b>Net Profit for the year</b>		<b>8,811,725</b>	<b>11,651,438</b>
<b>Earnings per equity share of Face Value ₹ 10 each</b>			
Basic		1.27	1.67
Diluted		1.27	1.67
Significant Accounting Policies			
Notes on Financial Statements	1 to 32		

As per our report of even date

For and on behalf of the Board

For PRATEEK JAIN & CO.  
Chartered Accountants  
Registration No. 009494C

Prateek Jain  
Proprietor  
M.No.079214

Sunil Choksi  
Managing Director  
DIN-00155078

Vyngesh Choksi  
Whole Time Director & C.F.O.  
DIN-00154926

Abhishek Sharma  
Company Secretary  
M. No. 37215

Place : Indore  
Date : 30-05-2015

**CASH FLOW STATEMENT FOR THE FINANCIAL YEAR 2014-15**

(Amount in thousands)

	For the year ended 31-03-2015	For the year ended 31-03-2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before tax as per Profit and Loss Account</b>	13784	16280
Adjustments for :		
Depreciation and Amortisation Expense	28297	15901
Finance Costs	15675	11901
Interest Income	(1726)	(489)
Profit on Sale / Discard of Assets (Net)	(4639)	(463)
<b>Operating Profit before working capital changes</b>	<b>51391</b>	<b>43130</b>
Adjustments for :		
Trade and other receivables	(13294)	(8632)
Trade and other payables	5362	8773
Other current assets	(16434)	8027
Movement in Non Current Assets	151	865
<b>Cash generated from Operations</b>	27177	52163
Direct Taxes Paid (Net)	(4180)	(14421)
<b>Net Cash from Operating Activities</b>	<b>22996</b>	<b>37742</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(6641)	(40671)
Proceeds from sale of Fixed Assets	11534	521
Capital Work in Progress	(13878)	(21364)
Interest received	1726	489
<b>Net cash used in investing activities</b>	<b>(7259)</b>	<b>(61025)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Preferential allotment of Shares	0	3150
Proceeds from Long Term Borrowings	43506	56684
Repayment of Long Term Borrowings	(44420)	(26222)
Short Term Borrowings (Net)	2935	(8646)
Interest Paid	(15675)	(11901)
<b>Net cash (Used in)/generated from financing activities</b>	<b>(13655)</b>	<b>13065</b>
<b>Net Increase (Decrease) in cash and cash equivalents (A+B+C)</b>	<b>2083</b>	<b>(10218)</b>
<b>Opening Balance of Cash and cash Equivalents</b>	<b>6073</b>	<b>16291</b>
<b>Closing Balance of Cash and cash Equivalents (As per note 14)</b>	<b>8156</b>	<b>6073</b>

Notes:1. The above statement has been prepared under the "indirect method" as set out in Accounting Standard (AS) 3, Cash Flow Statements.

2. Previous year's figures have been regrouped/ reclassified wherever considered necessary to conform to the current year classification.

As per our report of even date

For and on behalf of the Board

**For PRATEEK JAIN & CO.**  
Chartered Accountants  
Registration No. 009494C

**Prateek Jain**  
Proprietor  
M.No.079214

**Sunil Choksi**  
Managing Director  
DIN-00155078

**Vyangesh Choksi**  
Whole Time Director & C.F.O.  
DIN-00154926

**Abhishek Sharma**  
Company Secretary  
M. No. 37215

Place : Indore  
Date : 30-05-2015

## Significant Accounting Policies & Notes to the accounts for the year ended March 31, 2015

### BACKGROUND:

Choksi Laboratories Limited ("the Company") was incorporated on 29/01/1993 under the Companies Act, 1956. The Company is engaged in the business of Testing & Analytical Services. The Company's equity shares are listed at BSE.

### SIGNIFICANT ACCOUNTING POLICIES:

#### **A) Basis of Preparation of Financial Statements:**

- i) The financial statements are prepared under the historical cost convention and are prepared on accrual basis in accordance with the generally accepted accounting principles in India (Indian GAAP), applicable provisions of the Companies Act, 2013, the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014. All incomes and expenditures, having a material bearing on the financial statements, are recognized on an accrual basis.

#### Use of Estimates

- ii) The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

#### **B) Fixed Assets :**

##### Tangible Assets

- i) Tangible Assets are stated at historical cost of acquisition / construction, net of cost less accumulated depreciation and impairment loss, if any. All costs including financial costs and revenue expenditure till commencement of services, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the tangible assets are capitalized.

Grants/ subsidies received, if any, from Government and others towards cost/ part of the cost fixed asset(s) are reduced from the cost of the respective asset(s) and the net cost incurred by the Company only is carried to the fixed assets block.

##### Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/ depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use .

- ii) Capital Work-in-Progress: Amounts spent on expansion project are carried at cost under the head Capital Works in Progress. As and when the assets are put to commercial use, cost of the respective asset is capitalized. Besides the direct cost, indirect costs relating to the acquisition and installation of assets incurred till the assets are put to use are capitalized in the proportionate value of assets.

##### Depreciation, Amortization and Depletion

- iii) Depreciation on tangible fixed assets is provided under straight line method (SLM) over the useful lives of assets estimated by the management in the manner prescribed in Schedule II to the Companies Act, 2013.
- iv) Amortisation of intangible assets is provided as per the useful lives of the same.
- v) Impairment of Assets : An asset is treated as impaired when the carrying cost exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in a prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### **C) Revenue Recognition :**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- i) Revenue from Testing and Analysis Services is recognized as the service is performed in accordance with the methods prescribed in AS - 9, Revenue Recognition.
- ii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### **D) Employee Benefits :**

- i) Short term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

#### **E) Prior Period Expenses/ Income :**

The Company follows the practice of making adjustments through "expenses/income under/over provided" in previous years in respect of material transactions pertaining to that period prior to the current accounting year.

**F) Foreign Currency Transactions :**

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expense in the year in which they arise.

**G) Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

**H) Earnings per Share :**

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduce earnings per share or increase loss per share are included.

**I) Provision for Current and Deferred Tax :**

Provision for Current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable income and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

**J) Provisions, Contingent Liabilities and Contingent Assets :**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**K) General :**

Accounting policies not specifically referred to above are consistent with the generally accepted accounting principles followed in India.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

		Amount in (₹)		
		AS AT 31st March, 2015	AS AT 31st March, 2014	
1	<b>SHARE CAPITAL</b>			
	<b>Authorised Share Capital</b>			
	150 Lacs Equity Shares of Rs.10/- each (Previous Year 100 Lacs Equity Shares of Rs. 10 each)	150,000,000		100,000,000
	<b>Issued</b>			
	6965263 Equity Shares of ₹ 10/- Each (Previous year 6965263 Equity shares)	69,652,630		69,652,630
	<b>Subscribed, Called up and Paid up</b>			
	6965263 Equity Shares of Rs. 10/- each (Previous year 6965263 Equity Shares of Rs.10/- each)	69,652,630		69,652,630
1.1	The details of shareholders holding more than 5% shares	AS AT 31st March, 2015	AS AT 31st March, 2014	
	Name of the Shareholder	No. of shares	% held	No. of shares
				% held
	Sunil Choksi	523,192	7.51%	523,192
	Sitashree Food Products Ltd.	500,000	7.18%	500,000
	Vyangesh Choksi	447,099	6.42%	447,099
	Dhansukhbhai Gulabdas Choksi HUF	400,000	5.74%	400,000
1.2	The reconciliation of the number of shares outstanding is set out below :	AS AT 31st March, 2015	AS AT 31st March, 2014	
		No. of shares	No. of shares	
	Equity shares at the beginning of the year	6,965,263		6,665,263
	Preferential Allotment of Equity Shares during the year	-		300,000
	Equity shares at the end of the year	6,965,263		6,965,263
1.3	The Company has only one class of shares i.e. equity shares with equal rights for dividend and repayment. Each holder of the shares is entitled to one vote per share.Dividend on equity shares whenever proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.			
2	<b>RESERVE AND SURPLUS</b>			
	<b>Capital Reserve</b>	AS AT 31st March, 2015	AS AT 31st March, 2014	
	As per last Balance Sheet	2,005,500	2,005,500	2,005,500
	<b>Securities Premium Reserve</b>			
	As per last Balance Sheet	13,510,478	13,360,478	
	Add: Premium received on issue of equity shares warrants	-	150,000	
		13,510,478	13,510,478	
	<b>Profit and Loss Account</b>			
	As per last Balance Sheet	117,941,659	106,290,221	
	Less : Fixed Assets W/o due to transitional provisions of the Act- Refer Note 9.1	(18,806,208)	-	
	Add : Profit for the year	8,811,725	11,651,438	
	<b>Total</b>	107,947,176	117,941,659	
		<b>123,463,154</b>	<b>133,457,637</b>	



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	AS AT 31st March, 2015	AS AT 31st March, 2014
<b>3 LONG-TERM BORROWINGS</b>		
<b>Secured</b>		
From Banks :		
Term Loan From Axis Bank	32,877,935	33,136,231
Term Loan From Bank of India	4,375,000	8,723,514
Vehicle Loans From HDFC Bank Ltd.	237,242	-
From Others :		
Vehicle Loan From BMW Financial Pvt Ltd.	437,070	1,419,728
<b>Unsecured</b>		
From Others :		
Loan From Magma Fincorp Ltd.	1,478,991	3,175,002
Loan From Religare Finvest Ltd.	1,564,860	521,682
Loan from Bajaj Finance Ltd.	1,124,198	-
Loan from Tata Capital Financial Services Ltd.	-	1,770,910
Loan from Viji Finance Ltd.	-	2,000,000
Loan from Sunil Choksi (Director)	11,600,000	11,500,000
Loan from Stela Choksi (Director)	2,400,000	-
Deposits :		
Deposit From Franchisees	-	515,000
	<b>56,095,296</b>	<b>62,762,067</b>

3.1 Maturity Profile of Term Loans :

Maturity Profile of Term Loans are set out below	Rate of Interest	upto 1 year	After a year	2-3 years	3-4 years
Secured : Term Loan from Axis Bank	Base rate + 3.75% p.a.	19,308,129	16,582,664	15,470,271	825,000
Secured : Term Loan from Bank of India	13.55% p.a.	4,942,264	4,375,000	-	-
Secured : Vehicle Loans from HDFC Bank	10.50% p.a.	92,631	102,843	114,180	20,219
Secured : Vehicle Loans from BMW Finance	9.35% p.a.	982,658	437,070	-	-
Unsecured: Loan from Magma Fincorp Ltd.	20.00% p.a.	1,696,011	1,478,991	-	-
Unsecured: Loan from Religare Finvest Ltd.	19.00% p.a.	1,245,140	877,851	687,009	-
Unsecured: Loan from Bajaj Finance Ltd.	19.50% p.a.	780,986	947,657	176,541	-
Unsecured: Loan from Tata Capital Financial Services Ltd.	19.80% p.a.	1,770,910	-	-	-
Unsecured: Loan from Director Sunil Choksi	-	-	11,600,000	-	-
Unsecured: Loan from Director Stela Choksi	-	-	2,400,000	-	-
<b>Total</b>		<b>30,818,730</b>	<b>38,802,076</b>	<b>16,448,001</b>	<b>845,219</b>

3.2 The Term Loans from Axis Bank is secured by hypothecation of Indore & Goa fixed assets. The above loans are also personally guaranteed by the directors Mr. Sunil Choksi & Mr. Vyangesh Choksi. Loan from Bank of India is secured by Freehold Land at Kumedi in Indore.

3.3 All unsecured Loans are also personally guaranteed by the director Mr. Vyangesh Choksi.

3.4 There are no defaults as on the Balance Sheet date in repayment of the above loans and interest thereon.

<b>4 DEFERRED TAX LIABILITY (Net)</b>	AS AT 31st March, 2015	AS AT 31st March, 2014
<b>Deferred Tax Liability</b>		
Related to fixed assets	11,803,101	22,871,799
<b>Less :</b>		
<b>Deferred Tax Assets</b>		
Disallowances under the Income Tax Act, 1961	3,036,555	2,846,502
Others	-	2,235,841
	<b>8,766,546</b>	<b>17,789,455</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	AS AT 31st March, 2015	AS AT 31st March, 2014
<b>5 SHORT-TERM BORROWINGS</b>		
<b>Working Capital Loans (From Banks)</b>		
<b>Rupee Loans</b>		
* Cash Credit From Axis Bank	29,594,726	26,660,135
	<u>29,594,726</u>	<u>26,660,135</u>
5.1 Working Capital Loans are secured by joint hypothecation of running stocks of consumable and all Book debts, both present and future alongwith Indore and Goa Fixed Assets.		
*The above loans are also personally guaranteed by the directors Mr. Sunil Choksi & Mr.Vyangesh Choksi.		
	<b>AS AT</b>	<b>AS AT</b>
	<b>31st March, 2015</b>	<b>31st March, 2014</b>
<b>6 TRADE PAYABLES</b>		
Micro, Small and Medium Enterprises	118,972	-
Others	26,654,032	16,515,105
	<u>26,773,004</u>	<u>16,515,105</u>
6.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:		
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
<b>7 OTHER CURRENT LIABILITIES</b>		
Advance payments from Customers	1,522,227	4,109,400
Tax Liabilities: Service Tax Payable & TDS Payable	7,886,578	12,356,408
Current maturities of Long Term Debt (Note 3.1)	30,818,730	25,066,477
Credit Balances of Staff & Others	83,984	318,365
	<u>40,311,518</u>	<u>41,850,650</u>
<b>8 SHORT-TERM PROVISIONS</b>		
Provision for employee benefits	14,001,407	13,085,331
Provision for Income Tax	4,520,038	3,257,227
Provision for Expenses	3,510,762	2,031,108
	<u>22,032,207</u>	<u>18,373,667</u>

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

**9 : TANGIBLE ASSETS For the Period of 01.04.2014 to 31.03.2015**

Name of the Assets	GROSS BLOCK			DEPRECIATION/AMORTISATION/DEPLETION			NET BLOCK	
	As at 01.04.2014	Additions/ Adjustments	Deductions/ Adjustments	As at 01.04.2014	For the Year	Deductions/ Adjustments	As at 31.03.2015	As on 31.03.2014
Land (Freehold)	35,721,217	1,325,396	7,778,085	-	-	-	-	35,721,217
Land (Leasehold)	5,330,200	-	5330200	-	-	-	-	5,330,200
Instruments	178,074,503	10,730,407	63,142,384	61,102,720	16684,673	37,899,069	39888324	116,971,783
Computers	7,113,374	472,250	2,648,669	3,705,180	1,376,513	2,583,303	2498390	3,408,194
Air Conditioners	2,139,739	882,111	261,805	385,958	364,882	(402,106)	1152946	1,753,781
Electrical Installation	10,159,316	798,371	2,398,147	4,631,290	1,276,942	1,494,813	4413419	5,528,026
Furniture & Fixtures	33,854,746	250,949	4,735,003	10,813,958	3,975,945	3,662,789	11127114	23,040,788
Buildings	45,111,342	1,430,474	-	11,304,501	1,692,120	-	12996621	33,806,841
Office Equipment	3,812,983	408,590	2,022,108	1,272,947	625,392	1,065,471	832868	2,540,036
Motor Car	11,205,020	635,738	272,330	3,553,762	996,702	432,270	4118194	7,651,258
Motor Cycle	941,369	53,237	326,695	512,713	61,071	257,640	316144	428,656
<b>Sub Total (A)</b>	<b>333,463,809</b>	<b>16,987,523</b>	<b>83,585,226</b>	<b>97,283,028</b>	<b>27,054,240</b>	<b>46,993,249</b>	<b>77,344,020</b>	<b>236,180,781</b>
<b>9a : INTANGIBLE ASSETS</b>								
Softwares	7,276,436	932,132	-	3,662,222	1,242,675	-	4904897	3,614,214
<b>Sub Total (B)</b>	<b>7,276,436</b>	<b>932,132</b>	<b>-</b>	<b>3,662,222</b>	<b>1,242,675</b>	<b>-</b>	<b>4,904,897</b>	<b>3,614,214</b>
<b>Grand Total (A+B)</b>	<b>340,740,245</b>	<b>17,919,655</b>	<b>83,585,226</b>	<b>100,945,250</b>	<b>28,296,915</b>	<b>46,993,249</b>	<b>82,248,917</b>	<b>239,794,995</b>
<b>Previous Year</b>	284,998,901	59095782	3,354,438	88,340,743	15,901,107	3,296,599	100,945,251	196,658,163

9.1 Pursuant to the enactment of Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II. Accordingly, the unamortised carrying value is being depreciated/ amortised over the revised/ remaining useful lives. The Carrying Value of fixed assets whose lives have expired as at 1st April, 2014 have been adjusted net of tax, in the opening balance of Profit & Loss Account amounting to ₹ 18806208.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	AS AT 31st March, 2015	AS AT 31st March, 2014
<b>10 CAPITAL WORK IN PROGRESS (AT COST)</b>		
Building	1,211,619	625,692
Furniture & Fixtures	6,616,052	3,660,530
Instruments	19,019,598	17,976,184
Air Conditioner	482,284	-
	<u>27,329,553</u>	<u>22,262,406</u>
<b>11 LONG-TERM LOANS &amp; ADVANCES</b>		
( Unsecured considered good )		
Recoverable in cash or in kind or for value to be received		
(a) Capital Advances	-	-
(b) Other Loans and Advances	-	-
Note: Due by Directors either severally or jointly with any other persons or due by Firms/ private Companies in which any of the Director is a Partner or a Member: NIL		
<b>12 OTHER NON CURRENT ASSETS</b>		
Long Term Trade Receivables	-	-
<i>Others:</i>		
Prepayments & Others	4,137,291	4,639,005
Deposits	5,918,065	5,567,311
	<u>10,055,356</u>	<u>10,206,316</u>
<b>13 TRADE RECEIVABLES</b>		
(Unsecured Considered Good)		
: Outstanding for a period exceeding six months	18,627,246	16,116,352
: Others	65,913,908	55,130,293
Note: Due by Directors either severally or jointly with any other persons or ue by Firms/ private Companies in which any of the Director is a Partner or a Member: NIL		
	<u>84,541,154</u>	<u>71,246,645</u>
<b>14 CASH &amp; CASH EQUIVALENTS</b>		
i) a) Balances with Banks	4,708,750	4,239,317
b) Cheques, Drafts on hand	898,075	268,821
c) Cash on hand	1,440,354	610,028
ii) Balances with bank to the extent held as margin money or security against the borrowings, guarantees, other commitments		
* Bank deposits with less than 12 months maturity	114,502	53,661
* Bank deposits with more than 12 months maturity	994,348	900,741
	<u>8,156,029</u>	<u>6,072,568</u>
<b>15 SHORT TERM LOANS &amp; ADVANCES</b>		
(Unsecured Considered Good)		
Misc advances	5,380,700	4,929,706
Service Tax Credit Unutilised	408,540	1,220,077
Note: Due by Directors either severally or jointly with any other persons or ue by Firms/ private Companies in which any of the Director is a Partner or a Member: NIL		
	<u>5,789,240</u>	<u>6,149,783</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	AS AT 31st March, 2015		AS AT 31st March, 2014	
<b>16 OTHER CURRENT ASSETS</b>				
Income Tax Refundable		12,782,030		14,874,872
Minimum Alternative Tax Credit Entitlement		-		1,005,302
Tax Deducted at Source		14,423,721		11,456,276
Prepayments & Others		2,676,724		2,351,728
Advance to staff		43,000		123,339
Advance to suppliers		1,173,860		1,517,117
Advance for Capital Goods		16,892,658		-
		<u>47,991,993</u>		<u>31,328,634</u>
<b>17 REVENUE FROM OPERATIONS</b>				
a) Sale of Services	244,758,913		221,615,320	
Less: Service Tax	<u>25,277,776</u>	219,481,137	<u>23,294,698</u>	198,320,622
b) Other Operating Revenues:				
Net gain on foreign currency transactions	134,961		294,482	
Miscellaneous Income	<u>129,836</u>	264,797	<u>249,546</u>	544,028
		<u>219,745,934</u>		<u>198,864,650</u>
<b>18 OTHER INCOME</b>				
Interest on FDR		87,033		464,883
Interest on IT Refund		1,615,263		-
Interest Received from Others		24,052		24,205
Profit on sale of Fixed Assets		4,688,916		463,161
		<u>6,415,264</u>		<u>952,249</u>
<b>19 COST OF MATERIALS CONSUMED</b>				
	% of consumption		% of consumption	
* Imported	-		-	-
* Indigenous	100%	27,994,193	100%	24,177,563
		<u>100%</u>		<u>24,177,563</u>
<b>19.1 PARTICULARS OF MATERIALS CONSUMED</b>				
Glassware		1,213,552		1,152,478
Chemicals		16,327,958		14,766,661
Consumable		10,452,683		8,258,424
		<u>27,994,193</u>		<u>24,177,563</u>
<b>20 EMPLOYEE BENEFITS EXPENSES</b>				
* Salaries and allowances to staff		60,487,484		57,833,380
Contribution to provident fund		3,756,428		3,104,577
Contribution to ESIC		998,495		1,121,241
Bonus & Exgratia to Staff		2,691,000		2,536,749
Group Gratuity Premium of LIC		1,527,035		1,919,909
EDLI Premium to LIC		49,360		80,000
Staff Welfare		527,243		460,537
Directors Remuneration		5,990,000		5,315,000
		<u>76,027,045</u>		<u>72,371,393</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	AS AT 31st March, 2015	AS AT 31st March, 2014
<b>20.1</b> As per Accounting Standard 15 "Employee benefits", the disclosure as defined in the Accounting Standard are given below:		
<b>1) Defined Contribution Plans</b>	<b>As at 31/03/2015</b>	<b>As at 31/03/2014</b>
Contribution to Defined Contribution Plans, recognised as expense for the year is as under:		
Employer's Contribution to Provident Fund	4,754,923	4,225,818
<b>2) Defined Benefit Plan</b>		
The employees' gratuity Fund Scheme managed by a Trust (Life Insurance Corporation of India) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		
i) Assumption As on	<b>31/03/2015</b>	<b>31/03/2014</b>
* Discount Rate	8.00%	8.00%
Salary Escalation	7.00%	7.00%
ii) Reconciliation of opening and closing balances of Defined Benefit Obligation	As at 31/03/2015	As at 31/03/2014
Present value of obligations as at beginning of year	7,024,988	5,122,180
Interest cost	574,327	409,774
Current Service Cost	1,298,529	862,264
Benefits Paid	(784,664)	(60,636)
Actuarial (gain)/ loss on obligations	(137,967)	691,406
Present value of obligations as at end of year	7,975,213	7,024,988
iii) Reconciliation of opening and closing balances of fair value of Plan Assets		
Fair value of plan assets at beginning of year	1,871,626	1,203,154
Expected return on plan assets	180,338	129,108
Contributions	1,114,748	600,000
Benefits Paid	(784,664)	(60,636)
Actuarial gain/(loss) on Plan assets	NIL	NIL
Fair value of plan assets at the end of year	2,382,048	1,871,626
iv) Table showing fair value of plan assets		
Fair value of plan assets at beginning of year	1,871,626	1,203,154
Actual return on plan assets	180,338	129,108
Contributions	1,114,748	600,000
Benefits Paid	(784,664)	(60,636)
Fair value of plan assets at the end of year	2,382,048	1,871,626
Funded status	(5,593,165)	(5,153,362)
Excess of Actual over estimated return on plan assets	NIL	NIL
(Actual rate of return = Estimated rate of return as ARD falls on 31st March)		

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

	AS AT 31st March, 2015	AS AT 31st March, 2014
v) Actuarial Gain/Loss recognized		
Actuarial (gain)/ loss on obligations	137,967	(691,406)
Actuarial (gain)/ loss for the year - plan assets	-	-
Actuarial (gain)/ loss on obligations	(137,967)	691,406
Actuarial (gain)/ loss recognized in the year	(137,967)	691,406
vi) The amounts to be recognized in the balance sheet and statement of profit and loss		
Present value of obligations as at the end of year	7,975,213	7,024,988
Fair value of plan assets as at the end of the year	2,382,048	1,871,626
Funded status	5,593,165	5,153,362
Net asset/(liability) recognized in the balance sheet	5,593,165	5,153,362
vii) Expenses Recognised in statement of profit and loss		
Current Service cost	1,144,431	862,264
Interest Cost	574,327	409,774
Expected return on plan assets	(180,338)	(129,108)
Net Actuarial (gain)/ loss recognized in the year	(137,967)	691,406
Expenses recognised in statement of Profit and loss	1,400,453	1,834,336
<b>21 FINANCE COSTS</b>		
Interest to Bank		
* (a) on Term Loans	6,555,236	5,714,825
* (b) on Working Capital Loans	3,632,192	3,654,810
Interest to Others	3,953,238	1,750,291
Bank charges	1,534,303	780,971
	<u>15,674,969</u>	<u>11,900,897</u>
<b>22 OTHER EXPENSES</b>		
<b>22.1 Direct Expenses</b>		
Laboratory Expenses	8,099,713	7,036,410
Power & Fuel Charges	6,918,531	6,676,043
Insurance: Instruments & Building	144,802	136,658
Freight / Transportation Charges	108,824	136,261
Testing Charges	1,760,563	1,558,779
NABL/BIS/NPL - Asstt. Charges	258,696	319,586
Repair & Maintenance – Instruments	7,932,991	6,964,453
Repair & Maintenance – Building	1,485,276	1,031,271
Training & Certification Charges	251,892	547,251
	<u>26,961,288</u>	24,406,712
<b>22.2 Selling and Distribution Expenses</b>		
Advertisement Expenses	676,578	766,169
Business Promotion Expenses	2,673,394	2,174,563
Commission & Brokerages	2,814,794	2,563,748
Discount Allowed	474,358	604,408
Bad Debts Written Off	535,440	676,882
	<u>7,174,565</u>	6,785,770

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	AS AT 31st March, 2015	AS AT 31st March, 2014
<b>22.3 Establishment Expenses</b>		
Security Service Charges	1,139,666	1,114,132
Housekeeping Charges	694,410	825,180
Telephone & Mobile Expenses	788,220	772,346
Internet Expenses	1,047,198	1,033,234
Postage & Courier Charges	997,594	1,130,283
Conveyance Expenses	640,699	503,574
Vehicle Running & Maintenance	1,438,761	1,228,630
Computer Expenses	3,035,638	2,667,461
Guest House Expenses	156,484	115,551
Printing & Stationery Expenses	3,110,005	2,857,546
Books & Periodicals	108,525	203,375
Directors' Sitting Fees	34,000	24,000
Rent Charges	5,445,955	5,319,137
Insurance on Vehicle	114,314	137,757
Insurance on Others	374,167	433,828
Garden Maintenance Charges	42,112	67,233
Office Expenses / Maintenance charges	604,584	628,968
Repair & Maintenance Charges	353,693	223,474
Membership Fees & Subscriptions	150,622	98,176
Placement Expenses	188,250	119,000
Legal Expenses	149,257	215,388
Professional Charges	3,201,197	2,760,915
Auditor's Remuneration	175,000	175,000
Rates & Taxes	273,895	554,982
Registration / Filing / Licence Renewal Fees	593,120	92,868
Listing Fees	259,671	145,000
Penalty Charges	58,006	93,626
Donation	30,000	48,000
Travelling Expenses	4,992,483	4,404,965
Loss on Sale of Fixed Assets	50,269	-
	30,247,794	27,993,629
Total	64,383,647	59,186,111
<b>23.1 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF</b>		
Capital Goods	7,606,265	4,178,277
Spare Parts	345,062	966,140
	7,951,327	5,144,417
<b>23.2 PAYMENT TO AUDITORS AS:</b>		
Statutory Audit Fees	175,000	175,000
Certification & Taxation Matters	40,000	32,500
	215,000	207,500



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	AS AT 31st March, 2015	AS AT 31st March, 2014
<b>23.3 EXPENDITURE IN FOREIGN CURRENCY</b>		
Travelling Expenses	632,130	611,690
Membership Fees	-	59,840
	632,130	671,530
<b>24 EARNINGS IN FOREIGN EXCHANGE</b>		
FOB Value of Exports	921,930	3,773,177
	921,930	3,773,177
<b>25 EARNINGS PER SHARE (EPS)</b>		
i) Net Profit for the year attributable to equity shareholders	8,811,725	11,651,438
ii) Weighted Average number of Equity Shares for Basic EPS	6,965,263	6,965,263
iii) Weighted Average number of Equity Shares for Diluted EPS	6,965,263	6,965,263
iv) Face Value per equity share	Amount in (Rs.) 10	10
v) Earnings per Share (Basic)	1.27	1.67
vi) Earnings per Share (Diluted)	1.27	1.67

**26. Segmental Reporting :**

The Company is engaged in the sole segment of Analysis and Testing. There are, therefore, no separate segments within the Company as defined by AS-17 (Segmental Reporting) issued by the ICAI.

**27. Related Party Disclosures :**

Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

1. Related Parties

(a) Individual having control & Key Management Personnel

Mr. Sunil Choksi	Managing Director
Mrs. Himika Varma	Jt. Managing Director (up to 01/09/2014)
Mrs. Stela Choksi	Whole Time Director
Mr. Vyangesh Choksi	Whole Time Director & CFO

(b) Relatives of KMP

Mrs. Neeta Shah
D. G Choksi HUF
Mrs. Khyati Choksi

2. Disclosure of transactions between the Company and Related Parties and the Status of outstanding balances as at March 31, 2015:

Nature of Transactions	Individual having Control and KMP	Relatives of KMP	Outstanding balance as on 31-03-2015
Remuneration	5990000	Nil	368786
Commission	Nil	729200	60414
Salary	Nil	480000	37340
Rent	300000	1136820	Nil
Deposit Given	Nil	Op.Bal. 20 Lacs	2000000
Loan Taken	3900000	Nil	14000000
Loan Repaid	1400000	Nil	Nil

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

28. Operating Leases :

i)	Obligation on Non-cancelable operating leases :	
	a) not later than one year	759265
	b) later than one year and not later than five years	158920
	c) later than five years	715140
ii)	Total of minimum sub-lease payments expected	NIL
iii)	Lease payments recognized in the statement of Profit & Loss for the Period	54,45,955
iv)	Sub lease payments received or receivable recognized in P&L A/c during the period	NIL
v)	General description of significant leasing arrangements	
	a) Description of the assets taken on operating lease	Various Properties for Commercial use
	b) Basis on which contingent rent payments are determined	Basis taken as per the lease agreements with the lessor
	c) Terms of renewal or purchase options and escalation clauses of lease arrangements	All lease agreements are general and can be renewed after expiry of the lease period. No purchase options specifically mentioned in the agreement.
	d) Restrictions imposed by lease agreements, if any	Not to sub-lease

29. Contingent liabilities not provided for in respect of :

- a) Guarantees issued by Bank on behalf of the Company Rs.1478612/-(Previous year Rs.1,34,264).
- b) An amount of Rs.32,04,212/- has been shown as recoverable from Commissioner of Customs (EPCG) under current assets. This amount was forfeited by the said authority during FY 2012-13 . The Company has timely fulfilled all export obligations & is under the process of recovering the same from the said authority.

30. Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances) Rs. Nil (Previous year Rs. Nil).

31. Disclosure in terms of Accounting Standard "Impairment Losses":

i)	Amount of impairment Losses recognized in the Profit & Loss A/c	Nil	Nil
ii)	Amount of reversal of impairment losses recognized in the Profit & Loss A/c	Nil	Nil
iii)	Amount of impairment losses recognized directly against revaluation surplus	Nil	Nil
iv)	Amount of reversals of impairment losses recognized directly in revaluation surplus	Nil	Nil

32. The previous year figures have been regrouped/ reclassified, wherever necessary to confirm to current year presentation.

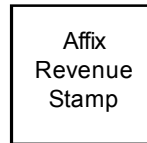


as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22<sup>nd</sup> Annual General Meeting of the Company, to be held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 11.00 a.m. at 6/3, Manoramaganj, Indore and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

- 1. ....
- 2. ....
- 3. ....
- 4. ....

**Affix Revenue Stamp Signed this.....day of .....2015.**



**Signature of shareholder(s)**

**Signature of Proxy holder(s) Note:**

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

**Notes:**

- 1. Proxy to be deposited at the Registered Office of the Company at 6/3, Manoramaganj, Indore-452001 (M.P.), not later than FORTY-EIGHT hours before the meeting.
- 2. All alterations made in the Form of Proxy should be initialed.
- 3. Please affix appropriate Revenue Stamp before putting signature.
- 4. A proxy need not be a shareholder of the company.



# Choksi Laboratories Limited

Regd. Office : 6/3, Manoramaganj, INDORE - 452 001

**CIN : L85195MP1993PLC007471**

## **ATTENDANCE SLIP**

22<sup>nd</sup> ANNUAL GENERAL MEETING held on 30<sup>th</sup> Sepetmber, 2015

DP ID		Name & Address of Registered shareholder
Client ID		
No. of shares(s) held		

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company convened at 11.00 a.m. on Wednesday, September 30, 2015 at 6/3, Manoramaganj, Indore (M.P.)-452001.

.....  
Member's / Proxy's Signature

Note: Please complete this and hand it over at the entrance of the hall.

To,

*If undelivered, Please return to :*  
**Choksi Laboratories Limited**  
6/3, Manoramaganj, INDORE - 452 001 (M. P.)