



# CHOKSI IMAGING LIMITED

**Regd. Off.:** 163/164, Choksi Bhuvan, Nehru Road, Vile Parle (E), Mumbai –400057  
Tel: 9821669911 Email: [imaging@choksiworld.com](mailto:imaging@choksiworld.com) Website: [www.choksiworld.com](http://www.choksiworld.com)  
CIN: L24294MH1992PLC388063.

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June 4, 2024

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

Dear Sir/ Madam,

**Ref: Code No.530427**

**Sub: Notice of the Meeting of the Equity Shareholders of Choksi Imaging Limited convened pursuant to the directions of the Hon'ble National Company Law Tribunal – Mumbai Bench ('Hon'ble NCLT') in the matter of Scheme of Amalgamation of Choksi Asia Private Limited (Transferor Company) with Choksi Imaging Limited (Transferee Company) and their respective shareholders and creditors, if any ('Scheme').**

Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') by order in C.A. (CAA) 264/MB/2023 dated April 19, 2024 and CA 155/2024 dated May 17, 2024, has directed a meeting to be convened and held of the equity shareholders of Choksi Imaging Limited, for the purpose of considering, and if thought fit, approving with or without modification, the Scheme pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

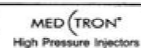
In this regard, a meeting of the Equity Shareholders of the Company is convened on Friday, July 5, 2024 at 11:00 A.M. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM").

In this connection, please find enclosed herewith the copy of the Notice dated May 19, 2024, convening the Meeting along with the Explanatory Statement and other Annexures for your information and records. The Notice is being sent through electronic means only, to the Equity Shareholders of the Company whose email ids are registered with the Company/Depositories/RTA i.e., Adroit Corporate Services Private Limited.

As per the directions of the NCLT and in terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and MCA Circulars, the Company is pleased to provide the facility of "e-voting" to its equity shareholders, to enable them to cast their votes on the resolution proposed to be passed during the Meeting, by electronic means.

The Company has engaged the services of Central Depository Services Limited, as authorized agency to provide e-voting (i.e. remote e-voting and e-voting during the Meeting) facility as well as to enable the equity shareholders (or its authorized

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representatives, as the case may be) of the Company to attend and participate in the Meeting through VC/ OAVM.

The voting period for remote e-voting shall commence on Tuesday, July 2, 2024 at 09:00 A.M. (IST) and ends on Thursday, July 4, 2024 at 05:00 P.M. (IST). The voting rights of Equity Shareholders shall be in proportion to their share in the paid-up share capital as on Friday, June 28, 2024, being the Cut-off Date. The detailed instructions for joining the Meeting through VC/ OAVM, manner of casting vote through e-voting are provided in the enclosed Notice.

In terms of Regulation 30 read with Para A, Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Notice convening said Meeting along with its Annexures. The Notice is also available on the website of the Company at [www.choksiworld.com](http://www.choksiworld.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

You are requested to take note of the same and oblige.

For Choksi Imaging Limited

Rishi Dave  
Company Secretary & Compliance Officer  
Membership No. A36389  
**Encl:** As above



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### FORM NO. CAA-2

[Pursuant to Sections 230(3) of the Companies Act, 2013 and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF CHOKSI IMAGING LIMITED, PURSUANT TO ORDER IN C.A.(CAA) 264/ MB/ 2023 DATED APRIL 19, 2024 AND CA 155/2024 DATED MAY 17, 2024 (“ORDER”) OF THE HON’BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH - VI

Meeting Details	
Day	Friday
Date	July 5, 2024
Time	11.00 am IST
Mode of Meeting	Video-Conference (VC) or other audio-visual means.
Cut-off date for e-Voting	Friday, June 28, 2024
Remote e-Voting start date and time	Tuesday, July 2, 2024 at 9.00 a.m.
Remote e-Voting end date and time	Thursday, July 4, 2024 at 5.00 p.m.
Additional e-Voting	For 30 minutes on Friday, July 5, 2024 immediately after the conclusion of the meeting of the Equity Shareholders of Choksi Imaging Limited.
Host Venue	<b>Deemed Venue</b> would be Registered Office of the Company.

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1.	Notice of Meeting of Equity Shareholders of Choksi Imaging Limited (“Notice”) under the provisions of Section 230 to 232 read with Section 66 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (‘CAA Rules’) convened by Mumbai Bench – VI of Hon’ble National Company Law Tribunal.	4-18
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<b>Annexures</b>		
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4.	<b>Annexure II</b> Audited Standalone Financial Statements for the year ended March 31, 2023 and Audited Financial Results as on March 31, 2024 of the Transferee Company.	79-135
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6.	<b>Annexure IV</b> a. Report of the Board of Directors of Transferee Company dated May 19, 2024 as required pursuant to Section 232(2)(c) of the Act. b. Report of the Audit Committee of the Transferee Company dated March 22, 2023, as required under the SEBI Scheme Circulars. c. Report of the Committee of Independent Directors of the Transferee Company dated March 22, 2023, as required under the SEBI Scheme Circulars.	199-214
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10.	<b>Annexure VIII</b> Information pertaining to the Transferor Company in the format specified for abridged prospectus as provided in SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 and Master Circular bearing No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, read with Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with certificate issued by M/s. Expert Global Consultants Private Limited, an Independent SEBI Registered Merchant Banker.	249-264
11.	<b>Annexure IX</b> Observation Letter dated October 4, 2023 issued by BSE Limited.	265-267
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	Complaint Report submitted by the Transferee Company to BSE Limited.	268
13.	<b>Annexure XI</b> Auditors Certificate on conformity of Accounting Treatment in the Scheme, with Accounting Standards under Section 133 of the Companies Act, 2013 and other Generally Accepted Accounting Principles in India.	269
<b>Part of Notice</b>		
14.	Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Company, its promoters and directors.	37-39
15.	Shareholding pattern of the Transferee Company and Transferor Company (Pre & Post Scheme as applicable).	31-32

**The Notice of the Meeting, Statement under Sections 102, 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rule 6 of the CAA Rules, 2016, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable SEBI Circulars and Annexure I to Annexure XI constitute a single and complete set of documents and should be read in conjunction with each other, as they form an integral part of this document.**

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**FORM NO. CAA. 2**

**[Pursuant to Section 230(3) of the Companies Act, 2013 and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]**

IN THE NATIONAL COMPANY LAW TRIBUNAL,  
BENCH, AT MUMBAI  
C.A.(CAA) 264/ MB/ 2023

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230 - 232 read with Sections 66 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

Scheme of Amalgamation under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 of Choksi Asia Private Limited ("Transferor Company") and Choksi Imaging Limited ("Transferee Company") and their respective shareholders and Creditors (If any).

CHOKSI IMAGING LIMITED, a company incorporated under provisions of the Companies Act, 1956, having Corporate Identity Number L24294MH1992PLC388063 and its registered office at 163/164, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai – 400057, Maharashtra, India.

...First Applicant Company/ Transferee Company

CHOKSI ASIA PRIVATE LIMITED, a private limited company incorporated under provisions of the Companies Act, 1956, having Corporate Identity Number U93090MH2007PTC168500 and its registered office Ground Floor, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai – 400057, Maharashtra – India

...Second Applicant Company/ Transferor Company

...Collectively known as the Applicant Companies



## NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF CHOKSI IMAGING LIMITED

To,

The Equity Shareholders of Choksi Imaging Limited (First Applicant Co/Transferee Company)

1. NOTICE is hereby given that, in accordance with the Order in C.A.(CAA) 264/ MB/ 2023 dated April 19, 2024 and CA 155/2024 dated May 17, 2024, in the above-mentioned Company Application, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("Tribunal") ("Tribunal Order"), a Meeting of the Equity Shareholders of the Company, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation between Choksi Asia Private Limited ("The Transferor Company") and Choksi Imaging Limited ("The Transferee Company") and their respective shareholders and creditors, if any ("Scheme") on Friday, July 5, 2024 at 11.00 A.M. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

2. Pursuant to the said Tribunal Order and as directed therein, the Meeting of the Equity Shareholders of the Company ("Meeting") will be held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), in compliance with the applicable provisions of the Companies Act, 2013 ("Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), General Circular No. 11/2022 of dated December 28, 2022 SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (SEBI Master Circular), issued by the Ministry of Corporate Affairs(MCA Circular), and Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India ('SS-2') to consider, and if thought fit, to pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended:

**"RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, read with SEBI Master Circular No. SEBI/HO/CFD/POD- 2/P/CIR/2023/93 dated 20<sup>th</sup> June 2023 and other applicable SEBI Circulars, the Observation Letter issued by the Stock Exchange viz. BSE Limited, in this regard (including any statutory modification(s) or re-enactment(s) and circulars issued thereof, for the time being in force) and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to mean and include one or more Committee(s) constituted/ to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Amalgamation between Choksi Asia Private Limited and Choksi Imaging Limited and their respective shareholders and Creditors ('Scheme' or 'Scheme of Arrangement'), be and is hereby approved;



**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper, without being required to seek any further approval of the Shareholders and the Shareholders shall be deemed to have given their approval thereto expressly by authority under this Resolution.”

3. **TAKE FURTHER NOTICE** that the Equity Shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes: (a) by remote electronic voting during the period as stated below (“remote e-Voting”); or (b) through e-Voting system available at the Meeting to be held virtually (“e-Voting at the Meeting”):

<b>REMOTE E-VOTING PERIOD</b>	
Commencement of voting	Tuesday, July 2, 2024 at 9.00 a.m.
End of voting	Thursday, July 4, 2024 at 5.00 p.m.

<b>ADDITIONAL E-VOTING PERIOD</b>	
Voting Period	For 30 minutes on July 5, 2024 immediately after the conclusion of the meeting of the Equity Shareholders of Choksi Imaging Limited.

4. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the RTA / Depositories as on the cut-off date, i.e., Friday, June 28, 2024 only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an Equity Shareholder as on the cut-off date, should treat the Notice for information purpose only.

5. A copy of the said Scheme, statement under Sections 230 to 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules along with mandatory annexures to such statement are appended. A copy of this Notice and the accompanying documents are also placed on the website of the Company and can be accessed at [www.choksiworld.com](http://www.choksiworld.com); the website of Central Depository Services (India) Limited viz. (“CDSL”) viz. [www.evotingindia.com](http://www.evotingindia.com), being the agency appointed by the Company to provide the e-Voting and other facilities for convening of the Meeting and the website of the Stock Exchange i.e., BSE Limited (“BSE”) viz. [www.bseindia.com](http://www.bseindia.com).

6. The Tribunal has appointed Dr. Deepti Mukesh to be the Chairperson for the Meeting and Ms. Rachna Shanbhag, to be the Scrutinizer for the Meeting.



7. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Sd/-  
Deepti Mukesh  
Chairperson appointed by the Tribunal for the Meeting

Place: Mumbai  
Date: May 19, 2024

Registered Office:  
Choksi Imaging Limited  
CIN: L24294MH1992PLC388063  
163/164, Choksi Bhuvan, Nehru Road,  
Vile Parle (E), Mumbai –400057  
Tel: 9821669911 Email: [imaging@choksiworld.com](mailto:imaging@choksiworld.com)  
Website: [www.choksiworld.com](http://www.choksiworld.com)



## Notes:

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench ("Tribunal") vide its Order in C.A.(CAA) 264/ MB/ 2023 dated April 19, 2024 and CA 155/2024 dated May 17, 2024 (Collectively called "Tribunal Order") and in compliance with the applicable provisions of the Companies Act and Relevant Circulars, the Meeting of the Equity Shareholders of the Company is being conducted through video conferencing ("VC") / other audio-visual means ("OAVM") facility to transact the business set out in the Notice convening this Meeting. The deemed venue for the Meeting shall be the Registered Office of the Company situated at 163/164, Choksi Bhuvan, Nehru Road, Vile Parle (E), Mumbai-400057.
2. The Explanatory Statement pursuant to Sections 230 to 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("Act") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.
3. Since, the Meeting is being held pursuant to Tribunal Order and Relevant Circulars through VC/ OAVM, physical attendance of the equity shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the shareholders will not be available for the Meeting, and hence the Proxy Form, Attendance Slip and Route Map are not annexed hereto.
4. Pursuant to the directions of the Tribunal given under the said Tribunal Order and Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, Regulation 44 of the SEBI Listing Regulations read with SEBI Master Circular, the Company is providing to the Shareholders, the facility to exercise their right to vote at the Meeting by electronic means, i.e., remote e-Voting and e-Voting at the Meeting (hereinafter referred to as "e-Voting"). For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency.
5. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the RTA / Depositories as on the Cut-off Date, i.e., Friday, June 28, 2024 only shall be eligible for participation in remote e-Voting (e-Voting from a place other than venue of the meeting) and voting at the Meeting. Please note that Members can opt for only one mode of voting i.e., either by voting at the Meeting or remote e-Voting. If Members opt for remote e-Voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-Voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting but shall not be entitled to cast their vote again. A person who is not a shareholder as on the Cut-off Date, should treat the Notice for information purpose only.
6. In case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.
7. Institutional /corporate members (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned certified copy of the Board Resolution/ Power of Attorney/ Authority Letter etc., authorizing their representative to attend the Meeting through VC/OAVM on their behalf and to vote, pursuant to Section 113 of the Companies Act, 2013. The said resolution shall be sent to the Company at [compliance.officer@choksiworld.com](mailto:compliance.officer@choksiworld.com). Institutional members can also upload



their Board Resolution/ Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

8. The attendance of the Members attending the Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 and as per the terms of the Order of the Hon'ble Tribunal. Further, the Order also directs that in case the required quorum for the Meeting as per the Order of the Hon'ble Tribunal, is not present at the commencement of the Meeting, the Meeting shall be adjourned by 30 minutes and thereafter, the persons present shall be deemed to constitute the quorum.

9. The Notice is being sent to the Equity Shareholders whose names appear on the Register of Members/List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, May 24, 2024 (By electronic mode only). Members may note that the Notice will also be available on the Company's website [www.choksiworld.com](http://www.choksiworld.com), websites of the Stock Exchange at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL (agency for providing the remote e-voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

If so desired, shareholders may obtain a physical copy of these documents free of charge from the registered office of the Company on any day (except Saturday, Sunday and public holiday) up to the date of the meeting. Alternatively, a written request for obtaining physical / soft copy of these documents may be made by writing an e-mail in this regard to the Company Secretary at [compliance.officer@choksiworld.com](mailto:compliance.officer@choksiworld.com) along with details such as demat account no./ Folio no., name, address, Permanent Account Number (PAN), mobile number and email address.

10. The Notice convening the Meeting will be published through advertisement in (i) Business Standard (English daily Mumbai) in English language and (ii) Marathi translation thereof in NavShakti (Marathi daily - Mumbai) and having wide circulation in Mumbai.

11. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [compliance.officer@choksiworld.com](mailto:compliance.officer@choksiworld.com). The shareholders who do not wish to speak during the Meeting but have queries may send their queries in advance seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [compliance.officer@choksiworld.com](mailto:compliance.officer@choksiworld.com). These queries will be replied to by the company suitably by email.

Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

12. The Tribunal has appointed Dr. Deepti Mukesh to be the Chairperson for the Meeting and Ms. Rachna Shanbhag, Practicing Company Secretary, (ICSI No.F8227 and COP No.9297) as the scrutinizer to scrutinize the e-voting during the Meeting and remote e-voting process in a fair and transparent manner.

13. The Scrutinizer will, after the conclusion of e-Voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-Voting, make a consolidated Scrutinizer's Report and submit the same to the Chairperson of the Meeting or to the person so authorized by Chairperson. The result of e-Voting will be declared within 2 (two) working days from of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will





be placed on the website of the Company: [www.choksiworld.com](http://www.choksiworld.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com). The result will simultaneously be communicated to the Stock Exchange. The result will also be displayed at the registered office of the Company.

14. All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID [compliance.officer@choksiworld.com](mailto:compliance.officer@choksiworld.com) till the date of the Meeting.

15. In accordance with the provisions of Sections 230-232 of the Companies Act, the Schemes shall be acted upon only if a majority in persons representing three fourths in value of the equity shareholders, of the Applicant Company, voting in person through VC/ OAVM or remote e-voting, approve the Scheme.

In accordance with, the SEBI Circular, the Scheme of amalgamation shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

16. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

17. Shareholders are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting and manner of casting vote through electronic means.

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## EVOTING INSTRUCTION

### **CDSL e-Voting System – For e-voting and Joining Virtual meetings.**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM/Meeting will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM/Meeting through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM/Meeting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM/Meeting will be provided by CDSL.

3. The Members can join the EGM/AGM/Meeting in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM/Meeting through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM/Meeting without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM/EGM/Meeting through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM/meeting. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM/Meeting through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling this meeting has been uploaded on the website of the Company at [www.choksiworld.com](http://www.choksiworld.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). This Notice shall also be disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the meeting) i.e. [www.evotingindia.com](http://www.evotingindia.com).

7. This Meeting has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.



## THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Tuesday, July 2, 2024 at 9.00 a.m. IST and ends on Thursday, July 4, 2024 5.00 p.m. IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, June 28, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"><li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li><li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li><li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li><li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li></ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"><li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services</li></ol>



	<p>and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**



Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) 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 e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li></ul>





Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li></ul>
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- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Choksi Imaging Limited> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.





- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Company at the email address viz; [compliance.officer@choksiworld.com](mailto:compliance.officer@choksiworld.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM/MEETING THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM/MEETING is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM/MEETING.
3. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at ([compliance.officer@choksiworld.com](mailto:compliance.officer@choksiworld.com)). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. Only those shareholders, who are present in the AGM/EGM/MEETING through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM/MEETING.



9. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM/MEETING and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [compliance.officer@choksiworld.com](mailto:compliance.officer@choksiworld.com) / [info@adroitcorporate.com](mailto:info@adroitcorporate.com)
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM/Meeting & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

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# CHOKSI IMAGING LIMITED

IN THE NATIONAL COMPANY LAW TRIBUNAL,  
BENCH -VI, AT MUMBAI  
C.A.(CAA)/264/ MB/ 2023

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230 - 232 read with Sections 66 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

And

Scheme of Amalgamation under Sections 230 To 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 of Choksi Asia Private Limited ("Transferor Company") and Choksi Imaging Limited ("Transferee Company") and their respective shareholders and Creditors (If any).

CHOKSI IMAGING LIMITED, a company incorporated under provisions of the Companies Act, 1956, having Corporate Identity Number L24294MH1992PLC388063 and its registered office at 163/164, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai – 400057, Maharashtra, India.

...First Applicant Company/ Transferee Company

CHOKSI ASIA PRIVATE LIMITED, a private limited company incorporated under provisions of the Companies Act, 1956, having Corporate Identity Number U93090MH2007PTC168500 and its registered office Ground Floor, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai – 400057, Maharashtra – India

...Second Applicant Company/ Transferor Company

...Collectively known as the Applicant Companies

**EXPLANATORY STATEMENT PURSUANT TO SECTIONS 230 TO 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (“ACT”) AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 (“CAA RULES”) TO THE NOTICE OF THE MEETING OF EQUITY SHAREHOLDERS OF CHOKSI IMAGING LIMITED CONVENED PURSUANT TO ORDER OF THE HON’BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH VI (“TRIBUNAL”) IN C.A. (CAA) / 264 / MB / 2023 DATED APRIL 19, 2024 AND CA / 155 / 2024 DATED MAY 17, 2024 (“COLLECTIVELY CALLED AS TRIBUNAL ORDER”)**



## **I. MEETING FOR THE SCHEME**

This is an explanatory statement accompanying the Notice convening the Meeting of Equity Shareholders of Choksi Imaging Limited (“Company”), for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation between Choksi Asia Private Limited (“the Transferor Company”) and Choksi Imaging Limited (“Company” or “the Transferee Company”) and their respective shareholders and Creditors (if any) (“Scheme”). The Scheme inter-alia provides for amalgamation of Choksi Asia Private Limited into Choksi Imaging Limited. The salient features of the Scheme are given in Paragraph V of this Statement. The detailed terms of the amalgamation may be referred to in the Scheme, appended as ‘Annexure I’. Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

## **II. DATE, TIME AND MODE OF MEETING**

Pursuant to an order dated April 19, 2024, passed by the Hon’ble Tribunal in Company Application (CAA) No. 264/2023 read with order in CA 155/20024 dated May 17, 2024, the Meeting of the Equity Shareholders of the Company, will be held for the purpose of their considering and, if thought fit approving, with or without modification(s), the said Scheme through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) on Friday, July 5, 2024 at 11.00 (IST). The Company is providing the facility to vote at the Meeting by electronic means, i.e., remote e-Voting and e-Voting at the Meeting.

## **III. RATIONALE AND BENEFITS OF THE SCHEME/ SYNERGIES OF THE BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME/ COST BENEFIT ANALYSIS OF THE SCHEME.**

With the proposed amalgamation of the Transferor Company into the Transferee Company, the Transferee Company shall undertake processing as well as selling of X-Ray films, Lead Screens, Chemicals, Radiation Shielding Materials, X-Ray Generator, Radiography Camera, Radioactive Sources, trading of other related accessories and further propose to deal in other healthcare and nuclear products leading to optimum utilization of Silvassa factory and cost savings through larger operating leverage. The consolidation of operations of the Transferor Company and the Transferee Company by way of amalgamation will lead to a more efficient utilization of capital, administrative and operational rationalization and promote organizational efficiencies. It will prevent cost duplication that could have an effect of eroding financial efficiencies of the operations. The proposed amalgamation will be more cost-efficient with the achievement of greater economies of scale, reduction in overheads, improvement in various other operating parameters and increase in overall turnover and profitability of the Transferee Company. The amalgamation will have beneficial results for the Transferee Company, their stakeholders and all concerned parties. The combined financial strength post amalgamation will result in maximizing overall stakeholder’s value, and will improve the competitive position of the combined entity. It will further enhance the organizational capability and leadership, arising from the pooling of human resources who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry. The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits:

- (a) Amalgamation to be value accretive to the shareholders of the Transferee Company as the shareholders would have direct access to the core profitable business of the Transferor Company;



- (b) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value;
- (c) Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value;
- (d) The proposed amalgamation will improve organizational capability arising from the pooling of human capital that has diverse skills, talent, vast experience and goodwill.;
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, the elimination of duplication and rationalization of administrative expenses;
- (f) Reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by the Transferor Company and the Transferee Company;
- (g) To optimally leverage the larger assets base and cash flow of the amalgamated entity; and
- (h) Amalgamation will result in the Transferee Company directly controlling and managing the business of the Transferor Company which would lead to simplification of the shareholding structure and reduction of shareholding tiers.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Companies Act, 2013.

#### **IV BACKGROUND OF THE COMPANIES:**

##### **A. Particulars of the Transferee Company/ Company (Choksi Imaging Limited)**

(i) Choksi Imaging Limited is a public limited company incorporated on October 1, 1992 under the provisions of the erstwhile Companies Act, 1956. The registered office of the Company is situated at 163/164, Choksi Bhuvan, Nehru Road, Vile Parle (E), Mumbai –400057, India. The Company is accordingly registered with the Registrar of Companies, Mumbai, having Corporate Identity Number (CIN) L24294MH1992PLC388063. Its Permanent Account Number with the Income Tax Department is AABCS5708D. The email address of the Company is [compliance.officer@choksiworld.com](mailto:compliance.officer@choksiworld.com) and the website is [www.choksiworld.com](http://www.choksiworld.com). During the last five years, there has been no change in the Name of the Company. The equity shares of the Company are listed on the BSE Limited (“BSE”). The Registered Office of the Company has changed two times during last 5 years and as per details given below;

a) Registered office of the Company shifted from Union Territory of Dadra and Nagar Haveli to the State of Maharashtra vide passing special resolution of Members through postal ballot on 30th June, 2021.



b) Registered office of the Company shifted within local Limit of the City of Mumbai on February 3, 2023.

(ii) There has been no change in object clause of the Company during last 5 years. The main objects of the Company are stated as under:

*(a) To carry on the Business as manufacturers, dealers, producers, processors, assemblers, buyers, seller, distributors, importers, exporters, and cutting-slitting-rewinding-spooling and repacking into smaller rolls and photographic colour paper and films X-Ray films (Medical & Industrial films) graphic art films, polyester films, Chemical for X ray Films Graphic Art films, Photographic Colour Paper and Colour films and allied products.*

*(b) To carry on the business of providing consultancy services, networking, to develop, operate, protect, to at as agent, distributor, contractor, supplier in the field of Medical Equipment, Medical Software-hardware, medicine and pharmaceutical preparation and to carry on business of radiology networking solutions and system, cardiology networking solutions and system, computer radiology system and solutions, mammography system and allied activities.*

*(c) To carry on business of manufacturers, processors, designers, buyers, seller, exporters, importers and /or otherwise, dealers in all kind of card board packing, corrugated packing, pillow packing, plastic packing, polythene packing, gunny bags, containers, bottles, hollows wares etc. whether made of plastic or any man-made fibre, leather or of other material including high and low density polythene, polypropylene, plastic, P.V.C. chemicals and other man made fibrous material, used in manufactures of card board, corrugated packing, pillow packing, plastic packing, polythene packing, gunny bags, containers, bottles, hollows wares etc. and to manufacture, process, buy, sell, import, export or otherwise deal in all or any or such products, the raw material, stores, stores packing materials products and allied commodities.*

(iii) During the last five years, there has been no change in the main object clause of the Company.

(iv) Pursuant to its incorporation, the Company commenced its business and is presently engaged in business of processing of Jumbo Rolls of X-Ray films by slitting and cutting it into various sizes of X-Ray Films as per requirement of the customers on a job work basis.

(v) The share capital of the Company as on March 31, 2024 was as follows:

Particulars	Amount in Rs.
<b>Authorised Capital</b>	
1,50,00,000 Equity Shares of Rs.10 each	15,00,00,000
<b>Total</b>	<b>15,00,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
39,00,000 Equity shares of Rs.10 each	3,90,00,000
<b>Total</b>	<b>3,90,00,000</b>

(vi) The audited standalone financial statements of the Company for the financial year ended March 31, 2023 and Audited Financial Results as on March 31, 2024 (Subject to adoption by Shareholders of the Company), is annexed as Annexure II to this Notice. Th same is also available on the Transferee Company's website at [www.choksiworld.com](http://www.choksiworld.com). and are available for inspection at the Registered Office of the Transferee Company.





(vii) The details of Promoters and Directors of the Company as on March 31, 2024 along with their addresses are mentioned herein below:

Promoter / promoter group details		
Name	Category	Address
Samir Kanubhai Choksi	Promoter	Mukti, Jaihind Society, N.S. Road No. 12, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Anil Vadilal Choksi	Promoter*	Sunil 3, Jaihind Society, N.S. Road No.12, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Naimish Choksi	Promoter*	23, First Avenue, Shastri Nagar, Chennai 600 020.
Gaurav Suresh Choksi	Promoter*	Sharda, 25 Nutan Laxmi Socieity, N.S.Road No.9, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Tushar Kanubhai Choksi	Promoter Group	Mukti 13, Jaihind Society, N.S. Road No. 12, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Choksi Asia Private Limited	Promoter Group	Choksi Bhuvan, Nehru Road & Nariman Road, Vile Parle East, Mumbai -400057.
Varsha Prashant Shah	Promoter Group	Mukti, Jaihind Society, N.S. Road No. 12, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Kokila Lagali	Promoter Group*	C/O.Choksi Brothers Pvt. Ltd., 9 A Mahal Industrial Estate, Mahakali Caves Road, Andheri (E) Mumbai - 400093
Yamini Choksi	Promoter Group	C/O. Sharda, 25 Nutan Laxmi Socieity, N.S.Road No.9, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Nainesh Bengali	Promoter Group*	Flat No – 1701, Dhaval Giri, August Kranti Marg, Nana Chowk, Grant Road (West), Mumbai – 400036.
Sharavati Choksi	Promoter Group*	23, First Avenue, Shastri Nagar, Chennai 600 020
Ratna Gaurav Choksi	Promoter Group*	Sharda, 25 Nutan Laxmi Socieity, N.S.Road No.9, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Minaxi Suresh Choksi	Promoter Group*	Sharda, 25 Nutan Laxmi Socieity, N.S.Road No.9, JVPD





		Scheme, Vile Parle (W), Mumbai 400 049.
Sunil Anil Choksi	Promoter Group*	Sunil 3, Jaihind Society, N.S. Road No.12, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Bharti Anil Choksi	Promoter Group*	Sunil 3, Jaihind Society, N.S. Road No.12, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Deepa Sunil Choksi	Promoter Group*	Sunil 3, Jaihind Society, N.S. Road No.12, JVPD Scheme, Vile Parle (W), Mumbai 400 049.

Note: \* The Company has filed application with BSE on June 27, 2023 for reclassification of following promoter/promoter group of the Company. The approval of the same is pending.

Name	Category
Anil Vadilal Choksi	Promoter
Naimish Choksi	Promoter
Gaurav Suresh Choksi	Promoter
Varsha Prashant Shah	Promoter Group
Nainesh Bengali	Promoter Group
Sharavati Choksi	Promoter Group
Ratna Gaurav Choksi	Promoter Group
Minaxi Suresh Choksi	Promoter Group
Sunil Anil Choksi	Promoter Group
Bharti Anil Choksi	Promoter Group
Deepa Sunil Choksi	Promoter Group

Details of Directors as March 31, 2024		
Name	Category	Address
Himanshu Kishnadwala (DIN: 00006822)	Independent Director	501, New P.K. Niwas, S.V. Road, Vile Parle (West), Mumbai - 400 056.
Tushar Parikh (DIN: 00049287)	Independent Director	5, Vireshwar Dhara, Bajaj Road, Vile Parle (W), Mumbai 400 056.
Brijal Desai (DIN: 09839898)	Independent Director	302B Juhu Trishul, Gulmohar Cross Road no.6, Near Echole Mondial School, JVPD Juhu, Mumbai – 400049.
Samir Kanubhai Choksi (DIN: 00049416)	Managing Director	Mukti, Jaihind Society, N.S. Road No. 12, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Jay Choksi (DIN: 07151509)	Whole time Director and CFO	Mukti, Jaihind Society, N.S. Road No. 12, JVPD Scheme,



		Vile Parle (W), Mumbai 400 049.
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## B. Particulars of the Transferor Company (Choksi Asia Private Limited)

(i) Choksi Asia Private Limited is a Private Limited Company incorporated on March 8, 2007 under the provisions of the erstwhile Companies Act, 1956. The registered office of the Transferor Company is situated at Ground Floor, Choksi Bhuvan, Nehru Road & Nariman Road, Vile Parle East, Mumbai - 400057, India. The Transferor Company is accordingly registered with the Registrar of Companies, Mumbai, having Corporate Identity Number (CIN) U93090MH2007PTC168500. Its Permanent Account Number with the Income Tax Department is AABCH8336A. The email address of the Transferor Company is [choksindt.samir@gmail.com](mailto:choksindt.samir@gmail.com). During the last five years, the name of the Transferor Company was change from Hi-Tech Imaging Private Limited to Choksi Asia Private Limited. The Registered Office of the Company has changed once during last 5 years, within local limit of City of Mumbai on June 16, 2020.

(ii) The main objects of the Transferor Company are stated as under:

*To carry on the business as manufacturers, dealers, producers, processors, assemblers, buyers, sellers, distributors, importers, exporters, and cutting slitting-rewinding-spooling and repacking into smaller rolls and photographic colour paper and films. X-Ray films (Medical & Industrial Films) graphic art films, photographic colour paper and colour films.*

(iii) During the last five years, there has been no change in the main object clause of the Transferor Company.

(iv) The Transferor Company is presently engaged in the business of import of Jumbo Rolls of X-Ray films and sale of X-Ray films and trading of other related products (such as Radiography Camera, Radiation Shielding Materials, X-Ray Generator, Lead Screens, Radioactive Sources, photosensitize chemicals, etc.)

(v) The share capital of the Company as on March 31, 2024 was as follows:

Particulars	Amount in Rs.
<b>Authorised Capital</b>	
10,000 Equity Shares of Rs.10 each	1,00,000
<b>Total</b>	<b>1,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
10,000 Equity shares of Rs.10 each	1,00,000
<b>Total</b>	<b>1,00,000</b>

(vi) The Audited Standalone Financial Statements for the year ended March 31, 2023 and March 31, 2024 (Subject to adoption by Shareholders of the Company) of the Transferor Company are appended as 'Annexure III'.

(vii) The details of Promoters and Directors of the Transferor Company as on March 31, 2024 along with their addresses are mentioned herein below:



Promoter details		
Name	Category	Address
Samir Kanubhai Choksi	Promoter	Mukti, Jaihind Society, N.S. Road No. 12, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Bindu Samir Choksi	Promoter	
Jay Samir Choksi	Promoter	
Priyam Jay Choksi	Promoter	
Raj Samir Choksi	Promoter	
Kruti Raj Choksi	Promoter	
Samir Kanubhai Choksi HUF	Promoter	SRV. NO. - 113/2/1, Gala No. 30, Tirupati Industrial Estate, 66 KV Road, Aml, Silvassa (MCI) - 396230

Details of Directors		
Name	Category	Address
Samir Kanubhai Choksi (DIN: 00049416)	Director	Mukti, Jaihind Society, N.S. Road No. 12, JVPD Scheme, Vile Parle (W), Mumbai 400 049.
Jay Samie Choksi (DIN: 07151509)	Director	
Bindu Samir Choksi (DIN: 00286875)	Director	

## V. SALIENT FEATURES OF THE SCHEME

The salient features of the Scheme are, inter-alia, as stated below. The capitalized terms used herein shall have the same meaning as ascribed to them in Part I of the Scheme:

A. The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company.

B. The 'Appointed Date' of the Scheme means April 1, 2023 or such other date as may be approved by the National Company Law Tribunal or any other competent authority for the purposes of amalgamation of Choksi Asia Private Limited with Choksi Imaging Limited.

C. The Scheme, as may be approved or imposed or directed by the Tribunal shall become effective from the Appointed Date but shall be operative from the Effective Date. The Effective Date shall mean the last of the dates on which the certified or authenticated copies of the orders of the Hon'ble National Company Law Tribunal sanctioning the Scheme are filed with the respective Registrar of Company by the Transferor Company and by the Transferee Company.

D. Consideration/ share exchange ratio for amalgamation of the Transferor Company with the Transferee Company:

Upon the Scheme coming into effect and in consideration of amalgamation of the Transferor Company with the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act or deed, issue and allot shares on proportionate basis, credited as fully paid up, to the extent indicated below, to the shareholders of the Transferor Company holding fully paid up equity shares in the Transferee Company and whose names appear in the register of member and / or records of the depository as shareholder of the Transferor Company on the Amalgamation Record Date(s), or to such of their respective heirs,



executors, administrators or other legal representatives or other successors in title, as the case may be, in the following manner viz-

*27,51,000 equity shares of Rs. 10/- (Rupees Ten) each fully paid-up of the Transferee Company will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs. 10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company;*

*And (9,97,545) of fully paid up, Non-Convertible and Non-Cumulative Redeemable Preference Shares of par value of Rs. 54(Rupees Fifty-four) each will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs. 10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company;*

## **DETAILS WITH RESPECT TO LOCK-IN PERIOD AND VOTING RIGHTS OF NCRPS TO BE ISSUED PURSUANT TO THE SCHEME:**

The NCRPS will not have voting rights even in case of non-payment of dividend for any number of years and will have Lock-in-Period for 5 Years.

### **E. Dissolution of the Transferor Company.**

On the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without being wound-up in accordance with the provisions of Section 230-232 of the Companies Act, 2013.

On and from the Effective Date, name of the Transferor Company shall be removed from the records of the Registrar of Companies and records relating to the Transferor Company shall be transferred and merged with the records of the Transferee Company.

### **F. Change of name of amalgamated company.**

Upon NCLT sanctioning this Scheme pursuant to its final order, the name of the Transferee Company shall be deemed to have been changed from "Choksi Imaging Limited" to "Choksi Asia Limited" or such other name as may be approved by the Registrar of Companies, Mumbai in accordance with all relevant provisions of the Act and directions, if any passed by the Hon'ble NCLT in this regard.

## **VI. RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME**

The Transferor Company holds 24.36% of the issued, subscribed and paid-up equity share capital of the Transferee Company. The Transferee Company is an Associate Company of the Transferor Company. Besides this, Mr. Samir Choksi is Promoter and Director in both Companies and Mr. Jay Choksi is Director in both Companies.

## **VII. BOARD APPROVALS**

A. The Board of Directors of the Transferee Company at its Board Meeting held on March 22, 2023, by resolution passed unanimously approved the Scheme, as detailed below;



Name of Director	Voted in favor/against/did not participate or vote
Himanshu Kishnadwala	Favour
Tushar Parikh	Favour
Brijal Desai	Favour
Samir Kanubhai Choksi	Favour
Jay Samir Choksi	Favour

B. The Board of Directors of the Transferor Company at its Board Meeting held on March 22, 2023 by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favor/against/did not participate or vote
Samir Kanubhai Choksi	Favour
Bindu Samir Choksi	Favour
Jay Choksi	Favour

## VIII. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMPs) AND THEIR RELATIVES

A. None of the Directors, KMPs of the Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Company has not issued any debentures and hence, does not have Debenture Trustee.

B. None of the Directors, KMPs of the Transferor Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Transferor Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Transferor Company has not issued any debentures and hence, does not have Debenture Trustee.

## IX. EFFECT OF THE SCHEME ON STAKEHOLDERS

The effect of the Scheme on various stakeholders is summarized below:

### A. Shareholders (Promoter and Non-Promoter) and Key Managerial Personnel

The effect of the Scheme on the shareholders (promoter and non-promoter) and key managerial personnel of the Company and the Transferor Company are appended in the attached reports i.e., 'Annexure IV and Annexure V', respectively, adopted by the respective Board of Directors of the Company and the Transferor Company, respectively, at their meeting held on May 19, 2024, pursuant to the provisions of Section 232(2)(c) of the Act.

### B. Directors

(i) No change in the Board of Directors of the Company is envisaged pursuant to the Scheme. Pursuant to the Scheme, the Transferor Company will be dissolved without winding up.



Therefore, the existing directors of the Transferor Company shall cease to be the directors of Transferor Company upon the Scheme becoming effective.

(ii) It is clarified that the composition of the Board of Directors of the companies may change by appointments, retirements or resignations or to ensure compliance of the provisions of the Act, SEBI Listing Regulations and Memorandum and Articles of Association of such companies but the Scheme itself does not affect the office of Directors of such companies.

## C. Employees

Pursuant to the Scheme, all employees of the Transferor Company shall become employees of the Transferee Company, without any interruption in service, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company.

## D. Creditors

Pursuant to the Scheme, all creditors of the Transferor Company will become creditors of the Transferee Company.

The rights of the respective creditors of the Company and Transferor Company shall not be impacted pursuant to the Scheme and there will be no reduction in their claims on account of the Scheme. The creditors of the Company and Transferor Company would not be prejudiced in any manner as a result of the Scheme being sanctioned.

## E. Debenture holders and Debenture Trustees

The Company and the Transferor Company have not issued any debentures and accordingly have not appointed any debenture trustee(s).

## F. Depositors and Deposit Trustees

The Company and the Transferor Company have not taken any deposits within the meaning of the Act and Rules framed thereunder and accordingly have not appointed any deposit trustee(s).

## **X. NO INVESTIGATION PROCEEDINGS**

There are no inquiry, inspection or investigation proceedings pending under Sections 210 to 227 and other relevant provisions of the Act against the Transferee Company and the Transferor Company.

There are no winding up proceedings or any petitions admitted under the Insolvency and Bankruptcy Code, 2016 against the Transferor Company or the Transferee Company as of date.

## **XI. AMOUNTS DUE TO UNSECURED CREDITORS**

The amount due to unsecured creditors by the Transferee Company is Rs.11,29,154/- on June 30, 2023 and Rs.4,13,595 on September 30,2023.

The amount due to unsecured creditors by the Transferor Company was Rs.57,41,279/- as on June 30, 2023 and Rs.21,36,943/- on September 30, 2023.



Both Companies do not have any Secured Creditors as on June 30, 2023, September 30, 2023 and as on March 31, 2024.

## **XII. DETAILS OF SHARE CAPITAL/ DEBT RESTRUCTURING, IF ANY**

A. Upon this Scheme becoming effective and upon amalgamation of the Transferor Company into the Transferee Company in terms of this Scheme, the Transferee Company shall issue 27,51,000 fully paid-up equity share of Rs.10 each to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company and 9,97,545 of fully paid up, Non-Convertible and Non-Cumulative Redeemable Preference Shares of par value of Rs. 54 (Rupees Fifty-four) each will be issued and allotted to the shareholders holding in the proportion of their shareholding in the Transferor Company;

B. On the Scheme becoming effective, the equity shares of the Transferee Company held by the Transferor Company shall stand cancelled. Accordingly, the share capital of the Transferee Company shall stand reduced to the extent of face value of shares held by the Transferor Company in the Transferee Company.

C. On the Scheme becoming effective, the authorized share capital of the Transferor Company comprising of equity shares of face value of Rs.10 (Rupees Ten) each be reclassified as equity share of face value of Rs.10 (Rupee Ten) each and get combined with the authorized share capital of the Transferee Company without any further act or deed on the part of the Transferee Company, including payment of Stamp Duty and Registrar of Companies fees, by the authorized share capital of the Transferor Company.

D. The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.

## **XIII. VALUATION REPORT AND FAIRNESS OPINION**

### **Background**

A. The Share Exchange Ratio for the Scheme of Amalgamation has been fixed on the basis of the Joint Valuation Report dated March 22, 2023 issued by Rashmi Shah and Nitish Chaturvedi, Registered Valuers. The valuation has been done in accordance with internationally accepted valuation, methodologies, valuation standards and generally accepted practices.

B. The Transferor Company holds 9,49,896 equity shares of Rs.10 each fully paid up, representing about 24.36% of the total paid up share capital of the Transferee Company. The equity shares held by the Transferor Company in the Transferee Company will be cancelled and extinguished pursuant to the Scheme becoming effective and 27,51,000 equity shares of Rs.10 each and 9,97,545 fully paid up, Non-Convertible and Non-Cumulative Redeemable Preference Shares of par value of Rs. 54 (Rupees Fifty-four) each will be issued and allotted to the shareholders holding in the proportion of their shareholding in the Transferor Company with same terms and rights attached thereto in the Transferee Company.

C. For the purposes of valuation, the following weights to the valuation methodologies have been provided:





Valuation Approach	Choksi Imaging Limited		Choksi Asia Private Limited	
	Vale per Share (INR)	Weight (%)	Vale per Share (INR)	Weight (%)
Asset Approach - NAV method	62.32	50.00%	11,638.12	0.00%
Income Approach – DCF method	NA	0.00%	20,239.67	100.00%
Market Approach – ICDR Pricing guidelines	45.66	50.00%	NA	0.00%
Market Approach - CCM method	NA	0.00%	NA	0.00%
Relative Value per share	53.99		20,239.67	
<b>Share Exchange Ratio – Rounded off</b>	<b>375</b>			

D. A copy of the Joint Valuation Report dated March 22, 2023 issued by issued by Rashmi Shah and Nitish Chaturvedi, Registered Valuers, (IBBI Registration No. IBBI/RV/06/2018/10240) and (IBBI Registration No. IBBI/RV/03/2020/12916) recommending the Share Exchange Ratio (“Valuation Report”), in connection with the Scheme is appended as ‘Annexure VI’.

E. A copy of the fairness opinion report dated March 22, 2023 issued by M/s. Navigant Corporate Advisors Ltd, an Independent SEBI Registered Merchant Banker (SEBI Registration No. INM000012243), confirming that the Share Exchange Ratio is fair and proper is appended as ‘Annexure VII’.

#### **XIV. INFORMATION PERTAINING TO UNLISTED COMPANIES INVOLVED IN THE SCHEME IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS**

Information pertaining to the unlisted companies involved in the Scheme, i.e. the Transferor Company in the format specified for abridged prospectus as provided in SEBI Circular No. SEBI/HO/CFD/ SSEP/CIR/P/2022/14 dated February 4, 2022 and Master Circular bearing No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, read with Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with certificates issued by M/s. Expert Global Consultants Private Limited, an Independent SEBI Registered Merchant Banker certifying the adequacy of disclosures are appended as ‘Annexure VIII’.

#### **XV. SHAREHOLDING PATTERN AND CAPITAL STRUCTURE.**

##### **A. The pre/ post-scheme shareholding pattern of the parties to the Scheme:**

(i) The pre & post scheme shareholding pattern of the Transferee Company is as follows:

Shareholding pattern – Equity Shares	Pre		Post	
	No of Shares	% of Shareholding	No. of Shares*	% of Shareholding
<b>Promoter</b>	<b>24,74,134</b>	<b>63.44%</b>	<b>42,75,238</b>	<b>74.99%</b>
<b>Public</b>	<b>14,25,866</b>	<b>36.56%</b>	<b>14,25,866</b>	<b>25.01%</b>
<b>Custodian</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>
<b>Total</b>	<b>39,00,000</b>	<b>100.00%</b>	<b>57,01,104</b>	<b>100.00%</b>



\*The holding of public shareholders may vary post amalgamation subject to approval of Re-classification application of the Company.

Shareholding pattern – Preference Shares	Pre		Post	
	No of Shares	% of Shareholding	No. of Shares	% of Shareholding
Promoter	0	0.00%	9,97,545	100.00%
Public	0	0.00%	0	0.00%
Custodian	0	0.00%	0	0.00%
<b>Total</b>	<b>0</b>	<b>0.00%</b>	<b>9,97,545</b>	<b>100.00%</b>

(ii) The pre & post scheme shareholding pattern of the Transferor Company is as follows:

Shareholding pattern – Equity Shares	Pre		Post	
	No of Shares	% of Shareholding	No. of Shares	% of Shareholding
Promoter	10,000	100.00%	Amalgamated into Transferee Company – cease to exist	
Public	0	0.00%		
Custodian	0	0.00%		
<b>Total</b>	<b>10,000</b>	<b>100.00%</b>		

## B. Pre/ post Scheme capital structure of the Transferee Company and the Transferor Company.

(i) Pre/ post Scheme capital structure of the Transferee Company.

The pre-scheme capital structure of the Company is given in Paragraph IV(A)(v) above. The post scheme indicative capital structure of the Company will be as follows:

Particulars	Amount in Rs.
<b>Authorised Capital</b>	
1,50,10,000 Equity Shares of Rs.10 each	15,01,00,000
<b>Total</b>	<b>15,01,00,000</b>
<b>Issued, Subscribed and Fully Paid-up Capital</b>	
<b>Equity:</b>	
57,01,104 Equity shares of Rs.10 each	5,70,11,040
<b>Preference Share</b>	
9,97,545 Non-Cumulative Redeemable Preference Shares of Rs.54 each	5,38,67,430
<b>Total</b>	<b>11,08,78,470</b>

(ii) The pre-scheme capital structure of the Transferor Company is given in Paragraph IV (B)(v) above. Post-scheme capital structure of the Transferor Company is not applicable as the Transferor Company will be dissolved without winding up pursuant to the Scheme.

## XVI. AUDITORS CERTIFICATE ON CONFORMITY OF ACCOUNTING TREATMENT IN THE SCHEME WITH ACCOUNTING STANDARDS

The Statutory Auditors of the Transferee Company have confirmed that the accounting treatment in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013 and other Generally Accepted Accounting Principles in India.



## XVII. DETAILS OF ASSETS AND LIABILITIES OF THE TRANSFEROR COMPANY WHICH WOULD BE TRANSFERRED TO THE TRANSFEREE COMPANY

The details of the assets and liabilities of the Transferor Company which would be transferred to the Transferee Company as on the appointed date viz. April 1, 2023 are provided below (Proforma).

Particulars	As at 31 March, 2023 (Rs. in Lakhs)	As at 31 March, 2022 (Rs. in Lakhs)
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
(a) Share capital	1.00	1.00
(b) Reserves and surplus	1,094.87	912.49
	1,095.87	913.49
<b>Non-current liabilities</b>		
(a) Long-term borrowings	160.65	518.63
(b) Deferred tax liabilities (net)	0	-
	160.65	518.63
<b>Current liabilities</b>		
(a) Trade Payables		
Total outstanding dues of micro enterprises and Small enterprises	-	-
Total outstanding dues of creditors other than Micro enterprises and small enterprises	35.13	125.22
(b) Other current liabilities	41.46	22.68
(c) Short Term Provisions	110.32	97.05
	186.91	244.95
<b>TOTAL</b>	<b>1,443.43</b>	<b>1,677.07</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, Plant & Equipment & Intangible Assets		
Property, Plant & Equipment	4.81	21.03
(b) Non-current investments	356.38	356.38
(c) Deferred Tax Assets	-	0.08
(c) Long-term loans and advances	295.54	346.24
(d) Other non-current assets	0.26	0.26
	656.99	723.99
<b>Current assets</b>		
(a) Inventories	279.43	542.74
(b) Trade receivables	344.27	190.31
(c) Cash and cash equivalents	162.03	158.19
(d) Short-term loans and advances	0.7	57.51
(e) Other current assets	0.01	4.33
	786.44	953.08
<b>TOTAL</b>	<b>1,443.43</b>	<b>1,677.06</b>

## XVIII. DETAILS OF ASSETS AND LIABILITIES OF TRANSFEREE COMPANY PRE AND POST AMALGAMATION PRE BALANCE-SHEET AS ON MARCH 31, 2023



Particulars	As at 31st March, 2023 Ind AS	As at 31st March, 2022 Ind AS
<b>Assets</b>		
<b>Non-current assets</b>		
Property, Plant & Equipment	577.90	594.62
Intangible Assets	1.24	0.77
	579.14	595.39
<b>Other Non-Current Assets</b>		
Advances	182.08	199.27
<b>Deferred Tax Assets(net)</b>	-	-
<b>Total Non-Current Assets</b>	<b>761.22</b>	<b>794.66</b>
<b>Current Assets</b>		
Inventories	270.48	34.45
<b>Financial Assets</b>		
Investments	-	335.02
Trade Receivables	38.13	59.99
Cash and cash equivalents	408.74	319.06
Bank Balances other than cash and cash equivalents	5.37	11.71
Other Current Assets	320.99	286.66
<b>Total Current Assets</b>	<b>1043.71</b>	<b>1046.88</b>
<b>Total</b>	<b>1804.93</b>	<b>1841.54</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	390.00	390.00
<b>Other Equity</b>		
Reserves and Surplus	1161.66	1209.23
<b>Total Equity</b>	<b>1551.66</b>	<b>1599.23</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Deferred Tax Liabilities	121.07	117.96
<b>Total Non-Current Liabilities</b>	<b>121.07</b>	<b>117.96</b>
<b>Current Liabilities</b>		
Financial Liabilities	-	-
<b>Trade Payable</b>		
Total Outstanding dues of micro enterprises and small enterprises	12.45	12.59
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
<b>Other current liabilities</b>	27.84	18.70
<b>Provision</b>	91.90	93.06
<b>Total Current Liabilities</b>	<b>132.19</b>	<b>124.35</b>
<b>Total Liabilities</b>	<b>253.27</b>	<b>242.31</b>
<b>Total Equity &amp; Liabilities</b>	<b>1804.93</b>	<b>1841.54</b>



## POST BALANCE SHEET AS ON MARCH 31, 2023

Particulars	Rs.in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
	Ind AS	Ind AS
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant & Equipment	582.71	594.62
Intangible Assets	1.24	0.77
	583.95	595.39
<b>Other Non-current Assets</b>		
Advances	477.87	199.27
<b>Deferred Tax Assets(net)</b>	-	-
<b>Total Non-Current Assets</b>	<b>1,061.82</b>	<b>794.66</b>
<b>Current Assets</b>		
Inventories	549.89	34.45
<b>Financial Assets</b>		
Investments	-	335.02
Trade Receivables	382.40	59.99
Cash and cash equivalents	570.77	319.06
Bank Balances other than cash and cash equivalents	5.37	11.71
Other Current Assets	321.74	286.66
<b>Total Current Assets</b>	<b>1,830.16</b>	<b>1,046.88</b>
<b>TOTAL</b>	<b>2891.98</b>	<b>1841.54</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	570.11	390.00
<b>Other Equity</b>		
Reserves & Surplus	1182.37	1209.23
<b>Total Equity</b>	<b>1,752.48</b>	<b>1599.23</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
<b>NCRPS</b>	538.67	-
<b>Long term borrowing</b>	160.65	-
Deferred tax liabilities(net)	121.14	117.96
<b>Total Non-Current Liabilities</b>	<b>820.46</b>	<b>117.96</b>
<b>Current Liabilities</b>		



Financial Liabilities		
Trade Payables	-	-
Total outstanding dues of micro enterprises and small enterprises	-	12.59
Total outstanding dues of creditors other than micro enterprises and small enterprises	47.59	-
Other current liabilities	69.29	18.70
Provisions	202.16	93.06
<b>Total Current Liabilities</b>	<b>319.04</b>	<b>124.35</b>
<b>Total Liabilities</b>	<b>1139.50</b>	<b>242.31</b>
<b>Total Equity &amp; Liabilities</b>	<b>2891.98</b>	<b>1841.54</b>

## **XIX. IMPACT OF AMALGAMATION ON REVENUE GENERATING CAPACITY OF TRANSFEREE COMPANY**

The Transferor Company is presently engaged in the business of import of Jumbo Rolls of X-Ray films and sale of X-Ray films and trading of other related products (such as Radiography Camera, Radiation Shielding Materials, X-Ray Generator, Lead Screens, Radioactive Sources, photosensitize chemicals, etc.

With the proposed amalgamation of the Transferor Company into the Transferee Company, the Transferee Company shall undertake processing as well as selling of X-Ray films, Lead Screens, Chemicals, Radiation Shielding Materials, X-Ray Generator, Radiography Camera, Radioactive Sources, trading of other related accessories and further propose to deal in other healthcare and nuclear products leading to optimum utilization of Silvassa factory and cost savings through larger operating leverage. The consolidation of operations of the Transferor Company and the Transferee Company by way of amalgamation will lead to a more efficient utilization of capital, administrative and operational rationalization and promote organizational efficiencies. It will prevent cost duplication that could have an effect of eroding financial efficiencies of the operations. The proposed amalgamation will be more cost-efficient with the achievement of greater economies of scale, reduction in overheads, improvement in various other operating parameters and increase in overall turnover and profitability of the Transferee Company.

## **XX. APPROVALS AND INTIMATIONS IN RELATION TO THE SCHEME**

A. In terms of Regulation 37 of the SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Master Circular"), BSE by its Observation Letter dated October 4, 2023, has conveyed "no adverse observations/ no-objection" on the Scheme. Copies of the said letter issued by BSE 'Annexure IX'.

Further, in terms of the said SEBI Master Circular, the Company has not received any complaint relating to the Scheme and "NIL" complaints reports were filed by the Company with BSE, copy of which is appended hereto as 'Annexure X'.





As per the requirements of above Observation Letters, details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Company, its promoters and directors are disclosed below.

Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against Choksi Imaging Limited (“Company”), its promoters and directors (Status as on May 19, 2024)

Sr. No .	Court / Tribunal / Authority	Parties	Brief summary of case	Current status	Against (Company/ Promoter / Director)	Remarks
1.	Customs, Excise and Service Tax Appellate Tribunal	Union of India & others (Development Commissioner, SEEPZ SEZ) (Commissioner of Customs, Export, JNCH) (The Specified officer, Arshiya international Ltd, F.T.W.Z.) (Senior Intelligence Officer, DGCEI Zonal Mumbai) VS. Choksi Imaging Limited	The Company had obtained exemption from payment of Custom duty on import of product, on ground of Circular issued by the Authority. The Office of The Commissioner of Customs, in the year 2015, had ordered the Company to pay the said Duty. The validity and interpretation of said circular is sub judice. The Amount of Duty and Penalty is Rs.15.74 Crore.	The Company had filed appeal against the order of The Office of The Commissioner of Customs.	Company	The date of hearing is awaited.
2.	Customs, Excise and Service Tax Appellate Tribunal	Union of India & others (Development Commissioner, SEEPZ SEZ) (Commissioner of Customs, Export, JNCH)	The Company had obtained exemption from payment of Custom duty on import of product, on ground of	The Company had filed appeal against the order of The Office of The	Ex-Director and current Promoter	The date of hearing is awaited.



		(The Specified officer, Arshiya international Ltd, F.T.W.Z.) (Senior Intelligence Officer, DGCEI Zonal Mumbai) VS. Choksi Imaging Limited	Circular issued by the Authority. The Office of The Commissioner of Customs, in the year 2015, had ordered the Company to pay the said Duty. The validity and interpretation of said circular is sub judice. The Amount of Penalty on Ex-Director and Promoter is Rs.75 Lakh.	Commissioner of Customs.		
3.	Custom Excise and Service Tax Appellate Tribunal, West Zonal Bench, Mumbai	The show cause notice has been issued by the Authority to the Company.	The demand of duty on import of goods by utilizing alleged void DEPB license of third party. The contingent liability is Rs. 5,57,941/- .	The date of hearing is awaited.	Company	NA
4.	Office of Commissioner of Customs NS -II -JNCH	The show cause notice has been issued by the Authority to the Company.	The demand of duty on import of goods by utilizing alleged void DEPB license of third party. The contingent liability is Rs. 13,02,115/- .	The date of hearing is awaited.	Company	NA
5.	Goods and Service Tax Ghaziabad	GST Ghaziabad & Choksi Imaging Limited	GST Department Ghaziabad has raised a query for difference in GST turnover as per GST returns filed and Form	Details are being prepared and the company will be filing an appeal	Company	NA



			26AS. The contingent liability on the Company is Rs.2,54,768/-	against the order.		
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B. The notice of the Meeting along with the copy of the Scheme in the prescribed form, will be served on all concerned authorities in terms of the Tribunal Order.

C. The Company and the Transferor Company will obtain such approvals / sanctions / no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, as may be required.

## XXI. INSPECTION OF DOCUMENTS

In addition to the documents appended hereto, the electronic copy of following documents will be available for inspection in the investors section of the website of the Company at [www.choksiworld.com](http://www.choksiworld.com).

A. Audited Standalone financial statements of the Transferee Company for the year ended March 31, 2023 and Audited Financial Results as on March 31, 2024;

B. Audited Standalone financial statements of the Transferor Company for the year ended March 31, 2023 and March 31, 2024;

C. Copy of the Tribunal Order;

D. Copy of the Scheme of Amalgamation

E. Certificate of the Statutory Auditor of the Company, confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and other Generally Accepted Accounting Principles in India;

F. Memorandum and Articles of Association of the Transferee Company and the Transferor Company;

G. Joint Valuation Report issued by Rashmi Shah and Nitish Chaturvedi, Registered Valuers;

H. Fairness opinion issued by M/s. Navigant Corporate Advisors Ltd, an Independent SEBI Registered Merchant Banker;

I. Observation letter dated October 4, 2023 issued by BSE Limited;

J. Report of the Board of Directors of the Company and the Transferor Company pursuant to Section 232(2)(c) of the Act;

K. Report of the Audit Committee and Committee of Independent Directors of the Company recommending the Scheme;

L. Complaint report submitted by the Company to BSE Limited;



M. All other documents displayed on the Company's website i.e., [www.choksiworld.com](http://www.choksiworld.com). in terms of the SEBI Circular;

N. All other documents referred to or mentioned in the Statement to this Notice. Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the Equity Shareholders.

Sd/-  
Dr. Deepti Mukesh  
Chairperson appointed by the Tribunal for the Meeting

Place: Mumbai  
Date: May 19, 2024

Registered Office:  
Choksi Imaging Limited  
CIN: L24294MH1992PLC388063  
163/164, Choksi Bhuvan, Nehru Road,  
Vile Parle (E), Mumbai -400057  
Tel: 9821669911 Email: [imaging@choksiworld.com](mailto:imaging@choksiworld.com)  
Website: [www.choksiworld.com](http://www.choksiworld.com)

# Annexure I

**SCHEME OF AMALGAMATION UNDER SECTIONS 230 TO 232 READ WITH  
SECTION 66  
AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013  
OF  
CHOKSI ASIA PRIVATE LIMITED ("TRANSFEROR COMPANY")  
AND  
CHOKSI IMAGING LIMITED ("TRANSFeree COMPANY")  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (IF ANY)**

## GENERAL

### A. Description of Company and Background:

- I. **Choksi Asia Private Limited** (formerly known as Hi-Tech Imaging Private Limited) is a private limited company registered under Companies Act, 1956 with Registrar of Companies, Mumbai and having its registered office at Ground Floor, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai – 400057 (hereinafter referred to as the “**Transferor Company**”). The Transferor Company is carrying on the business of import of Jumbo Rolls of X-Ray films and sale of X-Ray films and trading of other related products (such as Radiography Camera, Radiation Shielding Materials, X-Ray Generator, Lead Screens, Radioactive Sources, photosensitize chemicals, etc.) since its incorporation in year 2007. The Corporate Identification Number of the Transferor Company is U93090MH2007PTC168500.
  
- II. **Choksi Imaging Limited** is a public listed company and the equity shares are listed on the Bombay Stock Exchange and is registered under Companies Act, 1956 with Registrar of Companies, Mumbai and having its registered office at 163/164, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai – 400057 (hereinafter referred to as the “**Transferee Company**”). The Transferee Company is currently carrying on the business of processing of Jumbo Rolls of X-Ray films by slitting and cutting it into various sizes of X-Ray Films as per requirement of the customers on a job work basis. The Corporate Identification Number of the Company is L24294MH1992PLC388063.

- III. This Scheme of Amalgamation provides for the amalgamation of the Transferor Company with the Transferee Company and other consequential matters pursuant to Sections 230 to 232 read with Section 66 and other relevant provisions of the Companies Act, 2013.

**B. Rationale for the Scheme**

With the proposed amalgamation of the Transferor Company into the Transferee Company, the Transferee Company shall undertake processing as well as selling of X-Ray films, Lead Screens, Chemicals, Radiation Shielding Materials, X-Ray Generator, Radiography Camera, Radioactive Sources, trading of other related accessories and further propose to deal in other healthcare and nuclear products leading to optimum utilization of Silvassa factory and cost savings through larger operating leverage. The consolidation of operations of the Transferor Company and the Transferee Company by way of amalgamation will lead to a more efficient utilization of capital, administrative and operational rationalization and promote organizational efficiencies. It will prevent cost duplication that could have an effect of eroding financial efficiencies of the operations. The proposed amalgamation will be more cost-efficient with the achievement of greater economies of scale, reduction in overheads, improvement in various other operating parameters and increase in overall turnover and profitability of the Transferee Company. The amalgamation will have beneficial results for the Transferee Company, their stakeholders and all concerned parties. The combined financial strength post amalgamation will result in maximizing overall stakeholder's value, and will improve the competitive position of the combined entity. It will further enhance the organizational capability and leadership, arising from the pooling of human resources who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry. The amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

- (a) Amalgamation to be value accretive to the shareholders of the Transferee Company as the shareholders would have direct access to the core profitable business of the Transferor Company;



- (b) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value;
- (c) Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value;
- (d) The proposed amalgamation will improve organizational capability arising from the pooling of human capital that has diverse skills, talent, vast experience and goodwill.;
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, the elimination of duplication and rationalization of administrative expenses;
- (f) Reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by the Transferor Company and the Transferee Company;
- (g) To optimally leverage the larger assets base and cash flow of the amalgamated entity; and
- (h) Amalgamation will result in the Transferee Company directly controlling and managing the business of the Transferor Company which would lead to simplification of the shareholding structure and reduction of shareholding tiers.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to

the provisions of Section 230 to Section 232 and other relevant provisions of the Companies Act, 2013.

- C. Under the Scheme, there is no arrangement with the creditors, either secured or unsecured of the Transferor and/or the Transferee Company. No compromise is offered under the Scheme to any of the creditors of the Transferor Company and/or the Transferee Company. The liability of the creditors of the Transferor Company and/or the Transferee Company, under the Scheme, is neither being reduced nor being extinguished.

**D. Parts of the Scheme:**

This Scheme of Amalgamation is divided into the following parts:

- (a) **Part I** deals with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Company and the Transferee Company;
- (b) **Part II** deals with the transfer and vesting of the Undertaking i.e. entire business (as hereinafter defined) of the Transferor Company to and in the Transferee Company;
- (c) **Part III** deals with the issue of new equity and reduction of shares by the Transferee Company to the eligible shareholders of the Transferor Company, as applicable;
- (d) **Part IV** deals with the accounting treatment for the amalgamation in the books of the Transferee Company and dividends; and
- (e) **Part V** deals with the dissolution of the Transferor Company and the general terms and conditions applicable to this Scheme of Amalgamation and other matters consequential and integrally connected thereto.

**PART I**  
**DEFINITIONS AND SHARE CAPITAL**

**1. DEFINITIONS**

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1 "**Act**" means the Companies Act, 1956, Companies Act, 2013, the rules and regulations made thereunder and will include any statutory re-enactment or amendment(s) thereto, from time to time;
- 1.2 "**Accounting Standards**" means the Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013, as amended from time to time, issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India;
- 1.3 "**Applicable Laws**" means any statute, law, regulation, ordinance, rule, regulation, judgment, order, decree, clearance, approval, terms of any approval, permit or no-objection of any Governmental Authority, directive, guideline, policy, requirement, listing agreement or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any Governmental Authority, in each case as in effect from time to time;
- 1.4 "**Appointed Date**" for the purpose of this Scheme and for the IT Act, means the opening of business hours on 1 April 2023;
- 1.5 "**Board of Directors**" or "**Board**" means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof or any person authorised by the Board or such committee;
- 1.6 "**BSE**" means BSE Limited;
- 1.7 "**Effective Date**" means the last of the dates on which the certified or authenticated copies of the orders of the Hon'ble National Company Law Tribunal sanctioning the

Scheme are filed with the respective Registrar of Company by the Transferor Company and by the Transferee Company.

Any references in this Scheme to the date of "**coming into effect of this Scheme**" or "**effectiveness of this Scheme**" or "**Scheme taking effect**" shall mean the Effective Date;

- 1.8 "**Governmental Authority**" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India including but not limited to Securities and Exchange Board of India, Stock Exchange, Registrar of Company, Regional Director, Official Liquidator, NCLT;
- 1.9 "**IT Act**" means the Income Tax Act, 1961 of India, including any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.10 "**NCLT**" means the National Company Law Tribunal, Bench at Mumbai, having jurisdiction in relation to the Transferee Company and the Transferor Company;
- 1.11 "**Registrar of Companies**" means the Registrar of Companies, Maharashtra at Mumbai;
- 1.12 "**Regional Director**" means Regional Director, Western Region, Mumbai having jurisdiction in relation to the transferor companies and transferee company and/or the regional director ("**RD**") as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under section 230-232 of the Companies Act, 2013 and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purpose of Sections 230-232 of the Companies Act, 2013 as may be applicable;
- 1.13 "**Record Date**" means the date to be fixed by the Board of Directors of the Transferee Company in consultation with the Board of Directors of the Transferor Company which shall either be the Effective Date or a date after the Effective Date for the issue,

allotment or cancellation of fully paid up equity shares; and issue of redeemable preference shares of the Transferee Company to the shareholders of the Transferor Company pursuant to the Scheme upon amalgamation of the Transferor Company into the Transferee Company;

- 1.14 **"Scheme"** means this Scheme of Amalgamation between the Transferor Company and the Transferee Company and their respective shareholders pursuant to Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 in its present form, and/or as submitted to the NCLT together with any modification(s) approved as directed by the NCLT;
- 1.15 **"SEBI"** means Securities and Exchange Board of India established through the SEBI Act, 1992;
- 1.16 **"Stock Exchange"** means BSE Limited where the shares of the Transferee Company are listed;
- 1.17 **"Transferor Company"** means Choksi Asia Private Limited (CIN: U93090MH2007PTC168500), a company incorporated under the Companies Act, 1956 having its registered office at Ground Floor, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai - 400057;
- 1.18 **"Tax(s)"** means the advance tax, the tax deducted at source, deferred tax payment, the income tax under IT Act and any such direct or indirect taxes, including GST as may be applicable to the Transferor and Transferee Company;
- 1.19 **"Transferee Company"** means Choksi Imaging Limited (CIN: L24294MH1992PLC388063), company incorporated under the Companies Act, 1956 and having its registered office at 163/164, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai – 400057;
- 1.20 **"Undertaking"** means the whole of the undertaking and entire business of the Transferor Company as a going concern, including (without limitation):
- (I) All the assets and properties (whether movable or immovable, tangible or

intangible, real or personal, corporeal or incorporeal, present, future or contingent, awards received, memberships) of the Transferor Company, including but not limited to land (freehold/leasehold), plant and machinery, equipment, buildings and structures, offices, residential and other premises, furniture, fixtures, office equipment, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), and interests, cash balances or deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, insurance claims, insurance policies, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, goodwill, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, subsidiaries, joint ventures, associates, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits), easements, privileges, liberties, mortgages, hypothecations, pledges or other security interest so created in favour of the Transferor Company and advantages of whatsoever nature and wheresoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

(II) All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor



Company, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;

- (III) All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company;
- (IV) All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Company;
- (V) All permanent employees engaged by the Transferor Company as on the Effective Date.
- (VI) All quotas, rights, entitlements, export/import incentives and benefits including advance licenses, all kinds of duty drawbacks, bids, tenders (at any stage as it may be), letters of intent, expressions of interest, development rights (whatever vested or potential and whether under agreements or otherwise), subsidies, tenancies in relation to office, benefit of any deposits / privileges, all other rights, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements, including technological licensing agreements, and benefits including but not limiting to all other interests in connection with or relating thereto;
- (VII) All brand names, trademarks, trade names, patents and domain names, the intellectual property, filings, dossiers, copyrights, industrial designs, trade secrets, know-how; ongoing research projects, data, formulations, technology, methodology, manufacturing procedures and techniques, awards, memberships, test procedures, product registrations, applications and authorizations, and other intellectual property (in India or outside India) and all other interests exclusively relating to the goods or services being dealt with by the Transferor Company;
- (VIII) All intellectual property rights created, developed or invented by employees concentrated on the research, development or marketing of products (including process development or enhancement) in connection with the Transferor

Company;

1.21. All capitalized terms not defined but used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as described to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations and byelaws, as the case may be, or any statutory amendment(s) or re-enactment thereof, for the time being in force.

## 2. SHARE CAPITAL

### 2.1 Transferor Company:

The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company as on March 31, 2022 was as under:

Particulars	Amount (INR)
Authorised Share Capital	
10,000 Equity Shares of INR 10 /- each	1,00,000/-
Total	1,00,000/-
Issued, Subscribed and Paid Up Share Capital	
10,000 Equity Shares of INR 10/- each	1,00,000/-
Total	1,00,000/-

Subsequent to March 31, 2022 there is no change in the capital structure of the Transferor Company.

### 2.2 Transferee Company:

The Authorised, Issued, Subscribed and Paid-up share capital of the Transferee Company as on March 31, 2022 was as under:

Particulars	Amount (INR)
Authorised Share Capital	
1,50,00,000 Equity Shares of INR 10 /- each	15,00,00,000/-
Total	15,00,00,000/-
Issued, Subscribed and Paid Up Share Capital	
39,00,000 Equity Shares of INR 10/- each	3,90,00,000/-
Total	3,90,00,000/-

The equity shares of the Transferee Company are listed on the BSE Limited at present. Subsequent to March 31, 2022 there is no change in the capital structure of the Transferee Company. The equity shares of Transferee Company are, at present, listed on the BSE Limited.

As on the date of the Scheme being approved by the Board of Directors, the Transferee Company is an associate company of the Transferor Company. The Transferor Company holds 24.36 percent of equity shares in the Transferee Company.

### **3. DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modifications approved or imposed or directed by NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date.

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## **PART II**

### **TRANSFER AND VESTING OF UNDERTAKING**

#### **4. TRANSFER OF UNDERTAKING**

4.1 Upon the Scheme becoming operative with effect from the Appointed Date, the entire business and Undertaking, including all the properties, pursuant to the sanction of this Scheme by NCLT under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, shall stand transferred to and be vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

4.2 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and Undertaking of the Transferor Company, including all the debts, liabilities, losses, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Company of every description and also including, without limitation, all the movable and immovable

properties and assets, Tangible or Intangible assets (whether or not recorded in the books of account of the Transferor Company) of the Transferor Company comprising, amongst others, all freehold land including a freehold land, all leasehold land including leasehold land, buildings, plants and machineries, motor vehicles, manufacturing facilities, laboratories, furniture and fixtures, computers, computer software and its licenses, office equipments, electrical installations, generators, containers, telephones, telex, facsimile and other communication facilities, receivables, actionable claims, insurance claims, business licenses, licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals, ISO 9001:2015 and any other certificates relating to the product, factory facilities and registrations granted by the Department Atomic Energy to the in-house research and development units established, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, licenses, marketing authorisations and other intellectual property rights, proprietary rights, title, interest, contracts, no objection certificates, deeds, bonds, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages and benefits, approvals, filings, dossiers, copyrights, industrial designs, trade secrets, know-how, ongoing research projects, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, brand names, trade names and domain names, and all other interests in connection with or relating to and product registrations, applications and authorisations for product registrations and all other interests exclusively relating to the SGST, CGST and IGST, shall, under the provisions of Sections 230 to 232 of the Act, and pursuant to the order of the NCLT, sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business, certificates and Undertaking of the Transferee Company.

#### **4.3 Transfer of Assets:**

4.3.1 Without prejudice to the generality of Clause 4.1 and 4.2 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

4.3.1.1 All the assets and properties comprised in the Undertaking(s) of whatsoever

nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company. The assets of Transferor Company, including immovable properties, shall transfer to Transferee Company without any further act or deed.

4.3.1.2 Without prejudice to the provisions of Clause 4.3.1.1 above, in respect of such of the assets and properties of the Undertakings as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertakings, without requiring any separate deed or instrument or conveyance for the same.

4.3.1.3 In respect of movables other than those dealt with in Clause 4.3.1.2 above including sundry debts, receivables, insurance claims, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.

4.3.1.4 All interests of the Transferor Company in their respective subsidiaries, if any, as on the Appointed Date will become the interests and subsidiaries of the Transferee Company.

4.3.1.5 All the licenses, permits, quotas, approvals, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of

Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

- 4.3.1.6 Upon NCLT sanctioning this Scheme pursuant to its final order, the name of the Transferee Company shall be deemed to have been changed from “*Choksi Imaging Limited*” to “*Choksi Asia Limited*” or such other name as may be approved by the Registrar of Companies, Mumbai in accordance with all relevant provisions of the Act and directions, if any passed by NCLT in this regard.
- 4.3.2 The Transferor Company shall, if so required, also give notice in such form as it may deem fit and proper to the debtors/vendors, that pursuant to the sanction of this Scheme by NCLT, under and in accordance with Sections 230 and 232 and all other applicable provisions, if any, of the Act, the said debtors/vendors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover or realize the same stands extinguished.
- 4.3.3 All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme. Provided however that no onerous assets shall have been acquired by the Transferor



Company after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

#### **4.4 Transfer of Liabilities:**

- 4.4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities relating to and comprised in the Undertakings including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities(including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "**Liabilities**"), shall, pursuant to the sanction of this Scheme by the NCLT under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and, further, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.
- 4.4.2 All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the Transferor Company, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertakings on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme. On and from the date of sanction of this Scheme by the respective Board of Directors of the Transferor and the Transferee Companies, the Transferor Company shall not borrow monies for the purpose of incurring capital expenditure without prior approval of the Board of Directors of the Transferee Company.

4.4.3 Where any such debts, loans raised, liabilities, duties and obligations of the Undertakings as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

4.4.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

#### **4.5 Encumbrances**

4.5.1 The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clauses 4.1, 4.2 and 4.3 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.

4.5.2 All the existing securities, mortgages, charges, encumbrances or liens (the "**Encumbrances**"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the all the assets of the Undertaking (in this case entire business) or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no Encumbrances shall have been created by the Transferor Company over its assets after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

- 4.5.3 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Undertaking transferred to and vested in the Transferee Company by virtue of this Scheme.
- 4.5.4 Any reference in any security documents or arrangements (to which the Transferor Company is a party) of the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Company to give formal effect to the above provisions, if required.
- 4.5.5 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities of Transferor Company, which have been transferred to it in terms of the Scheme.
- 4.5.6 It is expressly provided that, no other term or condition of the Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 4.5.7 The provisions of this Clause 4.5 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

**4.6 Inter - se Transactions:**

Without prejudice to the provisions of Clauses 4.1 to 4.5, with effect from the Appointed Date, all inter-se transactions between the Transferor Company and the Transferee Company shall be considered as intra-se transactions for all purposes.

Further, it is clarified that any taxes in the form of income-tax, goods and service tax, service tax, works contract tax, value added tax, GST, etc. paid on account of such transactions, shall be deemed to have been paid by or on behalf of the Transferee Company and on its own account and therefore, the Transferee Company will be eligible to claim the credit / refund of the same and is also entitled to revise its return to give effect to the same.

## **5. CONTRACTS, DEEDS, ETC.**

- 5.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.
- 5.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company from the Appointed Date and upto the Effective Date and, thereafter, for such period as may be decided by the Board of the Transferee Company to give effect to the Scheme.
- 5.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions,

licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall without any further act or deed, stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

## **6. LEGAL PROCEEDINGS**

On and from the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. On and from the Effective Date, the Transferee Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Undertaking, in the same manner and to the same extent as would or might have been initiated by the Transferor Company as the case may be, had the Scheme not been made. If any suit, appeal or other proceedings relating to the Undertakings, of whatever nature by or against the Transferor Company be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Undertaking or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

## **7. CONDUCT OF BUSINESS**

7.1 With effect from the Appointed Date and up to and including the Effective Date:

7.1.1 The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be

deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company.

7.1.2 All the profits or income accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company.

7.1.3 Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking (i.e. entire business) that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

7.2 With effect from the date of approval of this Scheme by the Board of the respective companies and up to and including the Effective Date:

7.2.1 The Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group Company or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertakings or any part thereof save and except in each case in the following circumstances:

- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or
- (b) if the same is permitted by this Scheme; or
- (c) if consent of the Board of Directors of the Transferee Company has been obtained.

7.2.2 The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations other than decisions

already taken prior to approval of the Scheme by the Board of Directors of the Transferor Company (ii) any agreement or transaction; and (iii) any new business, or discontinue any existing business or change the capacity of facilities; (iv) such other matters as the Transferee Company may notify from time to time save and except in each case in the following circumstances:

- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or
- (b) if the same is permitted by this Scheme; or
- (c) if consent of the Board of Directors of the Transferee Company has been obtained.

7.2.3 During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company shall not modify or amend its existing capital structure or issue any new shares, whether equity or preference.

## **8. STAFF WORKMEN AND EMPLOYEES**

Upon the coming into effect of this Scheme:

- 8.1 All employees of the Transferor Company who are in its employment as on the Effective Date shall become the employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Company. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company, unless otherwise determined by the Board of Directors of the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company).
- 8.2 The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Company or any other special funds created or existing for the benefit of the concerned permanent employees of the Transferor Company (collectively referred to as the "Funds") and the investments



made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute thereto, until such time as the Transferee Company creates its own funds at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to such funds of the Transferee Company.

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### **PART III**

#### **9. INCREASE IN AUTHORIZED SHARE CAPITAL OF TRANSFEE COMPANY**

- 9.1 Upon the Scheme coming into effect, the authorised share capital of the Transferor Company (i.e. INR 1,00,000/- (Rupees One Lakh)) shall be added to that of the Transferee Company and in the Memorandum of Association and Articles of Association Transferee Company, it shall be automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Company and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under sections 13, 14, 61 and 64 of the Companies Act, 2013 or any other applicable provisions of the Companies Act 2013, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on the authorised share capital shall be utilized and applied to the increased share capital of the Transferee Company and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly,

the Transferee Company shall not be required to pay any fees / stamp duty on the authorised share capital so increased.

- 9.2 The capital clause being Clause V of the Memorandum of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows:

*"The Authorised Share Capital of the Company is Rs. 15,01,00,000/- (Rupees Fifteen Crores One Lacs Only) divided into 1,50,10,000 (One Crore Fifty Lakhs Ten Thousand) Equity Shares of Re. 10/- (Rupees Ten) each with power to increase or decrease the capital and divide the shares in capital for the time being into several classes and to attach thereto respectively such ordinary, preferential shares, qualified or special rights or privileges and conditions in such manner as may for the time being, provided by the regulations of the Company and as permissible under the statutory provisions in force."*

## **10. ISSUANCE OF SHARES BY THE TRANSFEE COMPANY AND CANCELLATION OF SHARES OF TRANSFEROR COMPANY AND CONSIDERATION**

- 10.1 Upon the Scheme coming into effect and in consideration of amalgamation of the Transferor Company with the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act or deed, issue and allot shares on proportionate basis, credited as fully paid up, to the extent indicated below, to the shareholders of the Transferor Company holding fully paid up equity shares in the Transferee Company and whose names appear in the register of member and / or records of the depository as shareholder of the Transferor Company on the Amalgamation Record Date(s), or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title, as the case may be, in the following manner viz-

10.1.1 27,51,000 equity shares of Rs. 10/- (Rupees Ten) each fully paid-up of the Transferee Company will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs. 10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company;

10.1.2 Notwithstanding the above, the issue of new equity shares shall be made in

compliance with the provisions of the minimum public shareholding prescribed under 4A the Securities Contracts (Regulation) Act, 1956 and the Securities Contract (Regulation) Rules made thereunder (hereinafter collectively referred to as "SCRA") such that for any entitlement to new equity shares of the Promoters of Transferor Company over and above the maximum permissible promoter group shareholding of 75% (seventy five percentage) or any other specified percentage as may be permissible under SCRA, the Promoters of Transferor Company, for such excess shareholding, shall be proportionately issued such number **(9,97,545)** of fully paid up, Non-Convertible and Non-Cumulative Redeemable Preference Shares of par value of Rs. 54(Rupees Fifty-four) each. It is hereby clarified that the entitlement of the Promoters of Transferor Company to Non-Convertible and Non-Cumulative Redeemable Preference Shares shall be in the proportion of their shareholding in the Transferor Company;

10.1.3 The detailed terms and conditions of Non-Convertible and Non-Cumulative Redeemable Preference Shares, which will not be listed, are specified in Annexure 1.

10.1.4 The new equity shares shall be credited in the dematerialised account of the members of the Transferor Company.

10.1.5 The Transferee Company in respect of the fractional entitlement arising in terms above shall not be required to issue any fractional new equity shares or Non-Convertible and Non-Cumulative Redeemable Preference Shares.

10.1.6 The new equity Shares (including the Non-Convertible and Non-Cumulative Redeemable Preference Shares) to be issued in terms hereof shall be subject to the Memorandum and Articles of Association of the Transferee Company, and to the extent required, the Transferee Company shall amend its Articles of Association.

10.2 All the new equity shares so issued and allotted by the Transferee Company shall be listed and / or admitted to trading on the Stock Exchange. The Stock Exchange shall list the said new equity shares, the issuance of which shall be considered as due compliance of the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the extent applicable and other applicable provisions of law. The Transferee will cater into such arrangements and give such confirmations and / or undertaking and

/ or file such necessary applications, as may be necessary in accordance with applicable laws or regulations for complying with formalities of the said Stock Exchange / SEBI. The new equity shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing/trading are provided by the Stock Exchange.

- 10.3 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferor Company and the Transferee Company shall subject to the provisions of the Scheme and without any further application, act or deed, cancel the issued and paid-up capital of the Transferor Company held by the Transferee Company.
- 10.4 The Share Certificates in relation to the shares held by the Equity Shareholders of the Transferor Company whose names are recorded in the Register of Members of the Transferor Company on the Record Date, fixed by the Board of Directors of the Transferee Company, shall be deemed to have been automatically cancelled and be of no effect on and from such Record Date, without any further act, instrument or deed. All shares issued by the Transferor Company are physical in nature.
- 10.5 Upon the Scheme becoming finally effective 9,49,896 Equity share of Rs. 10/- each held by the Transferor Company into the Transferee Company shall stand cancelled. Upon the Scheme becoming effective, the Equity shares held by Transferor Company into Transferee Company, shall stand cancelled without any further act, instrument or deed on part of the Transferee Company / Transferor Company. Upon the Scheme becoming finally effective, none of the shares of the Transferor Company shall remain in abeyance. Further, there are no share transfer applications which are pending as on the date of application of this Scheme.
- 10.6 Reduction and the consequent cancellation of the Equity Share Capital of the Transferee Company as hereinabove, shall be effected as an integral part of the scheme as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and it shall also be deemed to be in compliance with the provisions of Sections 66 and other applicable provisions of the Act and rules and regulations made there under upon the Scheme

becoming effective. The provisions of section 66 of the Act will be not applicable and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction.

10.7 All corporate actions that are required to be taken by the Transferor Company and the Transferee Company to give final and complete effect to this Scheme, after approval of this scheme by the Hon'ble NCLT, shall be respectively taken by the Transferor Company and the Transferee Company.

**11. CANCELLATION OF EQUITY SHARES OF THE TRANSFEREE COMPANY HELD BY THE TRANSFEROR COMPANY**

11.1 On the Scheme becoming effective, the equity shares of the Transferee Company held by the Transferor Company shall stand cancelled. Accordingly, the share capital of the Transferee Company shall stand reduced to the extent of face value of shares held by the Transferor Company in the Transferee Company.

11.2 Such reduction of share capital of the Transferee Company as provided in Clause 11.1 above shall be effected as an integral part of the Scheme and the orders of the NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction and no separate sanction under Section 66 of the Act will be necessary. The Transferee Company shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.

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**PART IV**  
**ACCOUNTING TREATMENT**

**12. ACCOUNTING TREATMENT IN THE BOOKS OF ACCOUNT OF TRANSFEREE COMPANY**

The Transferee Company shall account for amalgamation in accordance with Indian Accounting Standard ("IND AS") 103 - "Business Combinations" prescribed under Section 133 of the Act and other generally accepted accounting principles in India.

The Transferee Company shall account for the transfer and vesting of the Assets and Liabilities of the Undertakings of Transferor Company in its books of accounts as per the "Pooling of Interest" method prescribed under Appendix C to Indian Accounting Standard - 103 - "Business Combinations" prescribed under Section 133 of the Act read with the relevant rules issued there under and other generally accepted accounting principles in India as under:

- The Transferee Company shall, record all the assets and liabilities of the Undertakings vested in it pursuant to this Scheme at the respective carrying amounts. The financial information in the financial statements of the Transferee Company, to be prepared after the amalgamation, in respect of prior periods will be restated to include the financial information of the Transferor Company as if the business combination had occurred from the beginning of the preceding period in the financial statements.
- The identity of the reserves standing in the books of account of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form, as they appeared in the financial statements of the Transferor Company.
- The balance of the retained earnings in the books of account of the Transferor Company shall be aggregated with the corresponding balance of retained earnings of the Transferee Company.
- The equity shares of the Transferee Company held by the Transferor Company shall stand cancelled in accordance with Clause 10 and Clause 11 of the Scheme and the book value of investments held by the Transferor Company in the Transferee Company recorded as per Clause 10 and Clause 11 above shall stand cancelled.
- The Transferee Company shall issue new equity shares and Non-Convertible and Non-Cumulative Redeemable Preference Shares as stated above and credit the aggregate face value of the new equity shares and Non-Convertible and Non-Cumulative Redeemable Preference Shares issued to Share Capital Account of the

Transferee Company.

- The difference of the value of the assets over the aggregate value of the liabilities, and reserves of the Transferor Company vested in the Transferee Company pursuant to this Scheme and recorded in the books of account of the Transferee Company as per above and after giving effect to sub-clauses above shall be adjusted in the books of the Transferee Company against reserves.
- The difference, if any, of the value of assets over the value of liabilities and reserves transferred to the Transferee Company as stated above and the face value of New Equity Shares issued by the Transferee Company, after providing for adjustments as stated above shall be adjusted in the Capital Reserve of the Transferee Company.
- The inter-company deposits, loans & advances and other balances if any, in the books of the account of the Transferee Company and the Transferor Company shall stand discharged and come to an end and the same shall be eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.
- In case there is any difference in the accounting policies adopted by the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference will be quantified and adjusted in accordance with the Indian Accounting Standards.
- In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with this Scheme to comply with any of the applicable Indian Accounting Standards and other generally accepted accounting principles in India.

### **13. TAX BENEFITS AND OBLIGATIONS**

- 13.1 The amalgamation of the Transferor Company with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Sections 2(1B), 47, 72A and 79 and any other application provisions of the IT Act.



- 13.2 Upon the Scheme becoming effective, all Taxes payable by, or refundable to, the Transferor Company, including any refunds, claims or credits (including credits for Income Tax, withholding Tax, Advance Tax, Self-Assessment Tax, Minimum Alternate Tax, CENVAT credit, Goods And Services Tax credits, GST credits, other Indirect Tax credits and other Tax receivables) shall be treated as the Tax liability, refunds, claims, or credits, as the case may be, of the Transferee Company, and any Tax incentives, benefits (including claims for unabsorbed Tax losses and unabsorbed Tax depreciation), advantages, privileges, exemptions, credits, tax holidays, remissions or reductions, which would have been available to the Transferor Company, shall be available to the Transferee Company, and following the Effective Date, the Transferee Company shall be entitled to initiate, raise, add or modify any claims in relation to such Taxes on behalf of the Transferor Company.
- 13.3 The provisions of this Scheme as they relate to the amalgamation of the Transferor Company into and with the Transferee Company have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the IT Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the IT Act, shall prevail and the provisions of this Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act. Such modification will, however, not affect the other parts of the Scheme.
- 13.4 Any tax liabilities under the IT Act, Wealth Tax Act, 1957, Customs Act, 1962, Goods and Services Tax Act, 2017, any other Tax laws, service tax, luxury tax, entry tax or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.
- 13.5 All taxes (including income tax, wealth tax, sales tax, customs duty, SGST, CGST and IGST, entry tax, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be

on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, customs duty, SGST, CGST and IGST, entry tax, luxury tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

- 13.6 Any refund under the Tax Laws due to the Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 13.7 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, entry tax law, customs duty, service tax, luxury tax, VAT, SGST, CGST and IGST, etc., to which the Transferor Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

#### **14. DECLARATION OF DIVIDEND**

- 14.1 During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company shall not declare any dividend.
- 14.2 The Transferor Company and Transferee Company shall be entitled to declare and pay dividends only out of distributable profits or any other manner as permitted under the Act, earned by respective companies during the relevant financial year and shall not transfer any amount from the reserves for the purposes of payment of dividend. The dividend shall be declared by the companies only by mutual agreement between the Board of Directors of the Company.
- 14.3 The holders of shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective article of association including the right to receive dividends from the respective companies, of which they are members till the date, this Scheme finally takes effect i.e. the Effective Date.

14.4 It is clarified, however that the aforesaid provisions in respect of declarations of dividend are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company or Transferee Company to demand or claim or be entitled to any dividend which subject to the provisions of the said Act, shall be entirely on the discretion of the Board of Directors and the approval of the shareholders of the respective companies.

## **15. POWER TO GIVE EFFECT TO THIS PART**

15.1 The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

15.2 Upon coming into effect of the Scheme, the Transferee Company and/or the Transferor Company shall, with reasonable dispatch / time lines apply for transition of all licenses and statutory registrations of the Transferor Company including but not limited to product registrations (including applications and authorizations for product registrations), manufacturing licenses, insurance policies, product permissions, certificates, market authorizations, regulatory agencies approvals, filings, dossiers (including experience and prequalification submissions), industrial licences, municipal permissions, approvals, consent, permits, quotas, incentives, subsidies and recognitions. The period between the Effective Date and the last date on which the transfer of all such aforementioned licenses and statutory registrations have occurred is hereinafter referred to as "**Transitory Period**". During the Transition Period the Transferee Company, may procure or use or manufacture or sell, all materials and products under the respective country registrations including the packing material, art work, label, goods, cartons, stickers, wrappers, labels, containers, point of sale material, signboard, samples, closures, publicity materials in the name and form/format of the Transferor Company under any license and/or statutory registration, if any, while

conducting the business of the Undertakings, with a view to avoid any disruption of business, to ensure continuity of operations and uninterrupted supply of the registered products for domestic and export purposes.

- 15.3 Even after the Scheme becomes operative, the Transferee Company shall be entitled to operate all Bank Accounts and use all bank guarantees and letter of credit of the Transferor Company, relating to the Undertakings and release all monies and complete and enforce all subsisting contracts and transactions in respect of the Transferor Company in the name of Transferor Company in so far as may be necessary, till the transfer of rights and obligations of the Transferor Company to the Transferee Company until this Scheme is formally accepted by the all the parties concerned.

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## **PART V**

### **DISSOLUTION OF TRANSFEROR COMPANY AND GENERAL TERMS AND CONDITIONS**

#### **16. DISSOLUTION OF TRANSFEROR COMPANIES**

On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up, and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

#### **17. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

#### **18. MODIFICATION OF SCHEME**

- 18.1 Subject to approval of NCLT, the Transferor Company and the Transferee Company by their respective Board of Directors or any director/executives or any committee

authorised in that behalf (herein after referred to as the "**Delegate**") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which NCLT or any authorities under law may deem fit to approve of or may impose and which the Board of Directors of the Transferor Company and the Transferee Company may in their discretion accept, or such modification(s) or addition(s) as the Board of Directors of the Transferor Company and the Transferee Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme.

18.2 The Transferor Company and the Transferee Company by their respective Boards of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme. In the event that any conditions are imposed by NCLT or any Governmental Authorities, which the Board of Directors of the Transferor Company or the Transferee Company find unacceptable for any reason, then the Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme.

18.3 For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates (acting jointly) of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection ,with any deceased or insolvent shareholders or depositors, if any of the Transferor Company) or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. For the avoidance of doubt, it is clarified that where this Scheme requires the approval of the Board of Directors of the Transferor Company or the Transferee Company to be

obtained for any matter, the same may be given through their Delegates.

## **19. FILING OF APPLICATIONS**

The Transferor Company and the Transferee Company shall use their best efforts to make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act, before the respective NCLT having jurisdiction for sanction of this Scheme under the provisions of law and shall apply for such approvals as may be required under law.

## **20. APPROVALS**

The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertakings and to carry on the business of the Transferor Company.

## **21. SCHEME CONDITIONAL UPON SANCTIONS, ETC.**

This Scheme is conditional upon and subject to:

- 21.1 The Scheme being approved by the requisite majority of the respective classes of shareholders and/or creditors, as applicable, of the Transferor Company and of the Transferee Company as required under the Act applicable, and the requisite order of being obtained or dispensation having been received from the NCLT in relation to obtaining such consent from the shareholders and/or creditors, as applicable;
- 21.2 The Scheme being approved by the “public” shareholders of the Transferee Company by way of e-voting in terms of Para (I)(A)(10)(a) of Annexure I of SEBI Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021; provided that the same shall be acted upon only if the votes cast by the “public” shareholders in favor of the proposal are more than the number of votes cast by the “public” shareholders against it;
- 21.3 Such other approvals and sanctions including sanction of any statutory authority, as may be required by law or contract in respect of the Scheme;
- 21.4 The NCLT having accorded sanction to the Scheme and if any modifications have been

prescribed the same being acceptable to the Transferor Company and the Transferee Company; and

- 21.5 Such certified / authenticated copy of the order of the NCLT being filed with the Registrar of Company.

## **22. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS**

- 22.1 In case the Scheme is not approved by the NCLT or any of the approvals or conditions enumerated in the Scheme have not been obtained or complied with, or for any other reason, if this Scheme cannot be implemented, then the Board of directors of the Transferor Company and the Transferee Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and each party shall bear their respective costs, charges and expenses in connection with this Scheme.

- 22.2 If any part of this Scheme hereof is invalid, held illegal by any court and/or tribunal and/or statutory authority of competent jurisdiction, or unenforceable under any present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case, the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

## **23. PROCEDURAL FORMALITIES POST SANCTION OF THE SCHEME - BUSINESS CONTINUITY**

- 23.1 The amalgamated/Transferee Company shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so, required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, in order to give formal effect to the above provisions. The amalgamated/ Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized as a constituted attorney to execute any such deeds, writings, documents, receipts and discharges on behalf of the Transferor Company and



to carry out or perform all such formalities or compliances referred to in this Scheme on the part of and for and behalf of the Transferor Company as if the Transferor Company has not been dissolved without being wound-up.

- 23.2 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Transferor Company and/or the amalgamated/Transferee Company shall, if required, simultaneously with the amendment in the register of charges and file particulars of the modified charge with the concerned Registrar of Company. Any documentation subsequently entered into with the term lenders or the working capital lenders of the Transferor Company and the amalgamated/Transferee Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Transferor Company.
- 23.3 Upon the Scheme becoming effective, all statutory permissions, licenses, approvals, consents, privileges, benefits and benefits of filings and all other incorporeal rights emanating from such licenses (together the "**Licenses**", for the purpose of this Clause) relating to the Transferor Company, shall stand transferred to and vested in the amalgamated/Transferee Company without any further act, instrument or deed, as more particularly provided hereinabove. Notwithstanding such transfer /vesting of the Licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the amalgamated/Transferee Company shall facilitate the statutory authorities by filing such applications, which shall be granted /approved in favour of the amalgamated/Transferee Company based on the sanction order of the Scheme by the NCLT.
- 23.4 Upon the Scheme becoming effective, the Transferee Company is expressly entitled and authorized under the Scheme by the Transferor Company to revise its direct or indirect tax returns and related withholding certificates and shall be entitled to claim refund, advance tax credits pertaining to the Transferor Company, if any.
- 23.5 From the Effective Date, all bank accounts of the Transferor Company shall be

permitted to be continued with the same balances as of the Effective Date in the name of the amalgamated /Transferee Company and for statistical record the amalgamated/Transferee Company shall be permitted to file names and particulars of the new authorised signatories for withdrawals and/ or deposits/ credits in such bank accounts and the relevant bank accounts shall be reconstituted accordingly.

23.6 The powers and authorization granted to and to be exercised by the amalgamated/Transferee Company in terms of Clauses 23.1 to 23.5 herein are with the aim and intent that the business and operations relating to the Undertaking transferred herein of the Transferor Company even after the Effective Date are transitioned and continue on a "Going Concern Basis" without any interruption or break in continuity.

#### **24. SAVING OF CONCLUDED TRANSACTIONS**

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

#### **25. COSTS, CHARGES AND EXPENSES**

All costs, charges and expenses of or payable by each of the Transferor Company and the Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company and the Transferee Company in pursuance of this Scheme on the Order of the NCLT, if any, shall be borne and paid by the Transferor Company and Transferee Company equally till the Effective Date; and borne and paid by the Transferee Company after the Effective Date.

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### **Annexure 1**

#### **Terms and Conditions of NCRPS**

1	Number of preference shares to be issued and nominal value of each shares.	The NCRPS issued pursuant to clause 10 of Part III of the Scheme shall have a face value of Rs.54/- per NCRPS.
2	Nature of Preference shares.	Non-Cumulative, Non-Participating, Non-Convertible Redeemable preference share.
3	Dividend	NCRPS will be entitled to dividend at the rate of 7% per annum per share, payable annually subject to deduction of taxes at source, if applicable.
4	Accumulation of Dividend	The NCRPS shall be non-cumulative, non-convertible and non-participating in nature.
5	Voting Rights	No voting rights even in case of non-payment of dividend for any number of years.
6	Tenure	15 years from the date of allotment.
7	Redemption	The transferee Company shall have option to redeem the NCRPS either wholly or partly by giving not less than one month notice to NCRPS holders any time after one year from the date of issue until the Tenure.
8	Winding Up	RPS holders shall have a right to receive repayment of the capital paid-up, up to the commencement of winding up, in priority to any payment of capital on the equity shares out of the surplus of Resulting Company but shall not have any further right to participate in the profits or assets of the Resulting Company.
9	Listing	RPS will not be listed on any of the stock exchanges.



### Independent Auditor’s Report

To the Members of Choksi Imaging Limited

Report on the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of M/s CHOKSI IMAGING LIMITED which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as “the standalone financial statements)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ( the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS ) specified under section 133 of the Act, of the state of affairs of the Company as at March 31, 2023, and loss, (changes in equity) and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How our audit addressed the key audit matter
Litigation Matter- Claims against company not acknowledged as Debt	Our procedures included, but were not limited to the following:
Refer note accompanying the financial statements	Obtained an understanding of management’s stance on the said matter based on the

<p>As at 31<sup>st</sup> March 2023, the contingent liability reported in notes accompanying financial statements is on account of order passed by Commissioner of Customs for the levy of SAD &amp; penalty thereon amounting to Rs 15.74 crores and further penalty on executives/director of the company amounting to Rs 75 lacs.</p> <p>The Company has filed an appeal before the Honorable Tribunal of Customs against the said order and management is expecting a favorable order based on the legal advisory's opinion.</p> <p>Considering the materiality of the amount involved this matter has been identified as a key audit matter.</p>	<p>provisions of the law prevailing at that period of time.</p> <p>Assessed the professional competence and capabilities of the legal adviser engaged by the management.</p> <p>Based on our procedures, we also considered the adequacy of disclosures in respect of the said litigation as a contingent liability in the notes to the standalone financial statements.</p>
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### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors' is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibility of Management for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) 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 Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our Auditors' Report to the related disclosures in the standalone financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period

and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A; statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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.

- a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.]
- b. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. With respect to the adequacy of the internal financial controls over financial reporting (ICFR) of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".<sup>i</sup>
- 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note accompanying the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2023.
- iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- v. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
  - a. directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - b. provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries
- vi. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under above clause (iv) and (v) contain any material mis-statement.
- vii. The Company has not paid or declared any dividend during the year, Hence the clause of compliance with Section 123 of the Act is not applicable.
- viii. With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Karia & Shah**  
**Chartered Accountants**  
**Firm Regn No 112203W**  
**Sd/-**  
**Partner: Siddharth Vora**  
**M. No. 170375**  
**UDIN: 23170375BGXILZ4703**

**Place: Mumbai**  
**Date: 29/05/2023**



## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure A referred to in the paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the members of Choksi Imaging Limited ('the Company') on the standalone financial statements for the year ended 31 March 2023, we report the following:

- i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.  
The Company has maintained proper records showing full particulars of Intangible assets.
  - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of two years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
  - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
  - e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) In respect of Inventory and Working Capital
  - a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. The discrepancies noticed on verification between the physical stock and the book records were not material.
  - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in



excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Accordingly, clause 3(ii)(b) of the Order is not applicable.

- iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, clause 3(iii) of the Order is not applicable.
- iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any investments, given any loans, guarantees, or security which attracts compliance of section 185 and section 186 of Companies act. Accordingly, Clause 3(iv) of the Order is not applicable to the Company.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- vii) In respect of statutory dues:
  - a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Service Tax ('GST').

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Incometax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:



Name of the Statute	Nature of the Dues	Amount (Rs. in lakhs)	Period which amount relates (FY)	Forum where dispute is pending
The Customs Act, 1962	Custom Duty	1574.64	2011-12, 2012-13, 2013-14	Customs Excise and Service Tax Appellate Tribunal
The Customs Act, 1962	Custom Duty – Executive Offence	75.00	2011-12 to 2013-14	Customs Excise and Service Tax Appellate Tribunal

Of the above Rs. 64.66 Lakhs is paid under protest

- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix) In respect of default in repayment of borrowings:
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.
  - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
  - According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
  - According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
  - According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- x) In respect to funds raised and utilisation.
- The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
  - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi) In respect to fraud and whistle-blower complaints.
- Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in



- Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b) According to the information and explanations given to us, no report under subsection (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standard.
- xiv) In respect of Internal Audit System
- a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
  - b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) In respect of Registration under section 45-IA of RBI Act, 1934.
- a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
  - b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
  - c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable
  - d) According to the information and explanations provided to us during the course of audit, the Company does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii) The Company has incurred a cash loss of Rs. 31.23 lakhs in current financial year and cash loss of Rs. 25.70 lakhs in immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other



information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) In our opinion and according to the information and explanations given to us and on the basis of our examination of the books of accounts and records the Company is not liable to spend amount as specified under section 135 of the Companies Act, 2013 in pursuance of Corporate Social Responsibility policy.

**For KARIA & SHAH**  
**Chartered Accountants**  
(FRN: 112203W)

**Sd/-**  
**Partner: Siddharth Vora**  
**M. No. 170375**  
**Place: Mumbai**  
**Date: 29/05/2023**  
**UDIN: 23170375BGXILZ4703**

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## Annexure - B to the Auditors' Report

**Annexure B to the Independent Auditor's Report of even date on financial statement of M/s CHOKSI IMAGING LIMITED on the standalone financial statements for the year ended on 31 MARCH, 2023**

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

We have audited the internal financial controls over financial reporting of **Choksi Imaging Limited** ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes a jointly controlled operation.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the



maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For KARIA & SHAH**

**Chartered Accountants**

(FRN: 112203W)

Sd/-

**Partner: Siddharth Vora**

**M. No. 170375**

**Place: Mumbai**

**Date: 29/05/2023**

**UDIN: 23170375BGXILZ4703**

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CHOKSI IMAGING LIMITED

Standalone Audited Balance Sheet as at March 31, 2023

Particulars	Note No.	As at 31st March, 2023 Ind AS	As at 31st March, 2022 Ind AS
<b>Assets</b>			
❖ <b>Non-current assets</b>			
Property, Plant & Equipment	2	577.90	594.62
Intangible Assets	2.1	1.24	0.77
		579.14	595.39
• <b>Other Non-Current Assets</b>			
Advances	3	182.08	199.27
• <b>Deferred Tax Assets(net)</b>		-	-
<b>Total Non-Current Assets</b>		<b>761.22</b>	<b>794.66</b>
❖ <b>Current Assets</b>			
Inventories	4	270.48	34.45
• <b>Financial Assets</b>			
Investments	5	-	335.02
Trade Receivables	9	38.13	59.99
Cash and cash equivalents	10	408.74	319.06
Bank Balances other than cash and cash equivalents	11	5.37	11.71
Other Current Assets	12	320.99	286.66
<b>Total Current Assets</b>		<b>1043.71</b>	<b>1046.88</b>
<b>Total</b>		<b>1804.93</b>	<b>1841.54</b>
<b>EQUITY AND LIABILITIES</b>			
❖ <b>EQUITY</b>			
• Equity Share Capital	13	390.00	390.00
• <b>Other Equity</b>			
Reserves and Surplus	14	1161.66	1209.23
<b>Total Equity</b>		<b>1551.66</b>	<b>1599.23</b>
❖ <b>LIABILITIES</b>			
• <b>Non-Current Liabilities</b>			
Deferred Tax Liabilities	15	121.07	117.96
<b>Total Non-Current Liabilities</b>		<b>121.07</b>	<b>117.96</b>
• <b>Current Liabilities</b>			
Financial Liabilities		-	-
• <b>Trade Payable</b>	16		
Total Outstanding dues of micro enterprises and small enterprises		12.45	12.59
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
• <b>Other current liabilities</b>	17	27.84	18.70
• <b>Provision</b>	18	91.90	93.06
<b>Total Current Liabilities</b>		<b>132.19</b>	<b>124.35</b>
<b>Total Liabilities</b>		<b>253.27</b>	<b>242.31</b>
<b>Total Equity &amp; Liabilities</b>		<b>1804.93</b>	<b>1841.54</b>
<b>Significant accounting policy</b>	<b>1</b>		

The notes referred to above form an integral part of the standalone financial statements

In terms of our report attached.

For KARIA & SHAH

Chartered Accountants

Firm Regn.no.112203W

Sd/-

( Siddharth Vora )

Partner

(Membership No.170375)

Place: Mumbai

Date: May 29, 2023

For and on behalf of Board of Directors of Choksi

Imaging Limited

CIN: L24294MH1992PTC388063

Sd/-

Samir Choksi

DIN-00049416

Managing Director

Sd/-

Rishi Dave

Company Secretary

M. No.: A36389

Sd/-

Jay Choksi

DIN-07151509

Whole Time Director/CFO

Place: Mumbai

Date: May 29, 2023

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



**CHOKSI IMAGING LIMITED**

**Standalone Statement of Profit and Loss for the year ended March 31, 2023**

Particulars	Note No.	As at March 31, 2023 Ind AS	As at March 31, 2022 Ind AS
<b>❖ Continuing Operations</b>			
<b>1. Revenue from operations</b>	19	76.92	246.42
Manufacturing Sales		76.92	65.41
Trading Sales		-	136.76
Other Revenue		-	44.25
<b>2. Other income</b>	19	115.96	114.46
<b>Total Revenue</b>		<b>192.88</b>	<b>360.88</b>
<b>3. Expenses</b>			
(a).Cost of material consumed	20	82.76	24.57
(b).Purchases of stock-in-trade	21	25.85	94.21
(c).Changes in inventories of finished goods work-in-progress and stock-in-trade	22	(59.32)	54.50
(d).Employee benefits and expenses	23	30.61	93.52
(e).Depreciation and amortization expense	2 & 2.1	16.33	16.60
(f).Other expenses	24	141.07	125.58
<b>Total Expenses</b>		<b>237.32</b>	<b>408.99</b>
<b>4. Profit/(Loss) before exceptional items and tax (1+2-3)</b>		<b>(44.44)</b>	<b>(48.10)</b>
<b>5. Profit /(Loss) before tax from continuing operations</b>		(44.44)	(48.10)
<b>6. Income Tax expenses:</b>	25		
(a) Current Tax Expense for Current Year		-	-
(b) MAT Credit Entitlement		-	-
(c) Current Tax Expense relating to Prior Years		-	0.03
(d) Deferred Tax		3.11	(5.83)
<b>Total Tax Expenses</b>		<b>3.11</b>	<b>(5.80)</b>
<b>7. Profit/(Loss)from continuing operations (5+6)</b>		(47.54)	(42.30)
<b>8. Profit/(Loss) for the year</b>		(47.54)	(42.30)
<b>Other Comprehensive Income</b>			
A. Items that will not be reclassified to statement of Profit & Loss			
(a). (i) Re-measurement benefit of the defined benefit plans		(0.02)	(2.97)
(ii) Equity Instrument through other comprehensive income		-	-
(iii) Deferred Tax relating to the above items		(0.01)	(0.89)
(b). Net fair value loss on investment in equity instruments through OCI		-	-
<b>Total Other Comprehensive Income/(Loss)</b>		(0.02)	(3.86)
<b>Total Comprehensive Income</b>		<b>(47.57)</b>	<b>(46.16)</b>
<b>Earnings per share-Basic &amp; diluted</b>	29	(1.22)	(1.08)
<b>Significant accounting policy</b>	<b>1</b>		

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date  
For KARIA & SHAH  
Chartered Accountants  
Firm Regn.no.112203W  
Sd/-  
(Siddharth Vora)  
Partner  
(Membership No.170375)

Place: Mumbai  
Date: May 29, 2023

For and on behalf of Board of Directors of Choksi  
Imaging Limited  
CIN: L24294MH1992PTC388063

Sd/-  
Samir Choksi  
DIN-00049416  
Managing Director

Sd/-  
Jay Choksi  
DIN-07151509  
Whole Time Director/CFO

Sd/-  
Rishi Dave  
Company Secretary  
M. No.: A36389

Place: Mumbai  
Date: May 29, 2023

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



**CHOKSI IMAGING LIMITED**

**Cash Flow Statement for the year ended on March 31, 2023**

Particulars	For the year ended on March 31, 2023		For the year ended on March 31, 2022	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		(47.54)		(46.16)
Adjustments for:				
Depreciation and amortisation	16.33		16.60	
Provision for impairment of fixed assets and intangibles	-		-	
Amortisation of share issue expenses and discount on shares	-		-	
(Profit) / loss on sale	-		(0.06)	
Write off Asset	-		-	
Provision for ECL	-		3.03	
Unrealised Income (gain) / loss on investment	-		(8.14)	
Provision for Deferred tax Liability/(Asset)	3.11		(4.94)	
Provision for Tax	-		0.03	
		19.44		6.52
Operating profit / (loss) before working capital changes	-	(28.11)	-	(39.64)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
<b>Current Assets</b>				
Inventories	(236.03)		55.76	
<b>Financial Assets</b>	-		-	
Trade receivables	21.87		36.80	
Loans and advances	17.19		27.10	
Other Non-Current Assets	(34.34)		15.18	
Other Financial Assets	-		-	
		(231.32)		134.84
Adjustments for increase / (decrease) in operating liabilities:				
<b>Current Liabilities</b>				
Trade payables	(0.14)		(104.22)	
Other current liabilities	9.14		(0.35)	
Provisions	(1.16)		(26.72)	
	-	7.83	-	(131.29)
		(251.61)		(36.09)
Cash flow from extraordinary items	-		-	
Cash generated from operations	-	(251.61)	-	(36.09)
Net income tax (paid) / refunds	-		-	(20.00)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(251.61)</b>		<b>(56.09)</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(0.60)		0.00	
Sale of capital Asset	0.55		0.34	
(Investment)/Redemption of Mutual Fund	335.02		(248.85)	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>334.97</b>		<b>(248.51)</b>
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings	-		-	
Net increase / (decrease) in working capital borrowings	-		-	
Proceeds from other short-term borrowings	-		-	
Dividends paid	-		(97.50)	
Tax on dividend	-		-	
				(97.50)
<b>Net cash flow from / (used in) financing activities (C)</b>				<b>(97.50)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>83.36</b>		<b>(402.10)</b>
Cash and cash equivalents at the beginning of the year	-	330.77	-	732.87
<b>Cash and cash equivalents at the end of the year</b>		<b>414.13</b>		<b>330.77</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				



<b>Cash and cash equivalents as per Balance Sheet (Refer Note)</b>	-	414.11	-	330.77
<b>Cash and cash equivalents at the end of the year.</b>		<b>414.11</b>		<b>330.77</b>
Comprises:				
(a) Cash on hand	-	0.57	-	0.32
(b) Balances with banks				
(1) In current accounts	-	28.66	-	36.91
(2) Margin Money Account With Bank (refer note no 1)	-	49.07	-	46.83
(3) Fixed Deposit	-	330.44	-	235.00
(c) Others (specify nature) (Unclaimed Dividend Account)	-	5.37	-	11.71
		<b>414.11</b>		<b>330.77</b>
Notes:				
1) Bank Balance in Margin Money Account is for bank guarantee issued.				

The Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (Ind AS -7) Statement of Cash Flows.

As per our report of even date  
For KARIA & SHAH  
Chartered Accountants  
Firm Regn.no.112203W  
Sd/-  
(Siddharth Vora)  
Partner  
(Membership No.170375)

Place: Mumbai  
Date: May 29, 2023

For and on behalf of Board of Directors of Choksi  
Imaging Limited  
CIN: L24294MH1992PTC388063

Sd/-  
Samir Choksi  
DIN-00049416  
Managing Director

Sd/-  
Jay Choksi  
DIN-07151509  
Whole Time Director/CFO

Sd/-  
Rishi Dave  
Company Secretary  
M. No.: A36389

Place: Mumbai  
Date: May 29, 2023

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



**CHOKSI IMAGING LIMITED**  
**Statement of Changes in Equity**

Other Equity	Reserves & surplus		Total equity attributable to the owners of the Company
	General reserve	Retained earnings	
Balance as at April 1, 2021	56.82	1296.07	1,352.89
Total comprehensive income for the period			
Profit for the year	-	(46.16)	(46.16)
Remeasurements of post-employment benefit obligation, (Net of Tax) accounted through Other comprehensive income	-	-	-
Foreign currency translation	-	-	-
Dividend paid	-	(97.5)	(97.5)
Transfer to retained earnings	-	-	-
Total comprehensive income for the period	-	-	-
Balance as at March 31, 2022	<b>56.82</b>	<b>1152.41</b>	<b>1209.23</b>
	56.82	1152.41	1209.23
Total comprehensive income for the period			
Profit for the year	-	(47.56)	(47.56)
Remeasurements of post-employment benefit obligation, (net of tax) accounted through Other comprehensive income	-	-	-
Foreign currency translation	-	-	-
Dividend paid	-	-	-
Total comprehensive income for the period	-	-	-
Balance as at March 31, 2023	<b>56.82</b>	<b>1104.85</b>	<b>1161.67</b>

As per our report of even date  
For KARIA & SHAH  
Chartered Accountants  
Firm Regn.no.112203W  
Sd/-  
(Siddharth Vora)  
Partner  
(Membership No.170375)

Place: Mumbai  
Date: May 29, 2023

For and on behalf of Board of Directors of Choksi  
Imaging Limited  
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Company Secretary  
M. No.: A36389

Place: Mumbai  
Date: May 29, 2023

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

**Notes to the Financial Statements****Note 1:****Background**

Choksi Imaging Limited is a company limited by shares, incorporated and domiciled in India. The company is engaged in the business primarily dealing in manufacturing of x-ray films & trading into specialty x-ray films & medical equipment. Presently, the Company is carrying on the business of processing of Jumbo Rolls of X-Ray films by slitting and cutting it into various sizes of X-Ray Films as per requirement of the customers on a job work basis.

**Significant Accounting Policies:**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of preparation****(i) Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

**(ii) Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:

i. Defined benefit plans – plan assets measured at fair value.

**(iii) Current versus non-current classification**

All the assets and liabilities have been classified as current/non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in Division II to Schedule III of the Companies Act, 2013.

**(b) Use of Estimates & Judgments**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the accounts and reported amounts of income and expenses during the year. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Actual results could differ from those estimates. The most significant techniques for estimation are described in the accounting policies below. Critical accounting judgments and the key sources of estimation or uncertainty in applying the Company's accounting policies arise in relation to property, plant and equipment, impairment of assets, current asset provisions, deferred tax, retirement benefits and provisions.

**(C) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of GST and net of returns, trade allowances, rebates.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical

results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

#### **Sale of goods**

**Timing of recognition:** Sales are recognised when products are delivered to the customer/distributors, the customer/distributor has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the company has objective evidence that all criteria for acceptance have been satisfied.

**Measurement of revenue:** Revenue from sales is based on the price specified in the sales contracts, net of the estimated discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. No element of financing is deemed present as the sales are made with a credit term of 45 days, which is consistent with market practice.

#### **Revenue from services – Commission & AMC**

**Timing of recognition:** Revenue from commission is recognised in the accounting period in which the services are rendered. For fixed-price contracts i.e. AMC, revenue is recognised based on the total amount of invoice raised for the service provided & to be provided in the financial year in which the invoice is raised.

**Measurement of revenue:** Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

#### **Other Income**

**Timing of recognition:** Other Income mainly includes Interest Income, Income from Investment, Rental Income, Job work Income and Amounts in nature of remission of current liability.

Interest income and Income from Investment is recognised in the accounting year to which the said income pertains. Amounts that are no longer payable are recognised when it is determined that these amounts are not payable in current or any future years.

**Measurement of revenue:** Interest income is recognised using effective interest method. Income from Investments are measured based on statements and other details received in relation to such investments. Amounts no longer payable are actual amounts that have been written back as decided by the management.

#### **(d) Foreign Currency Transactions**

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

#### **(e) Income Taxes**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The company has not opted for the section 115BAA under the Income Tax Act, 1961 for the year under consideration.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(f) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, highly liquid investments with original maturities of six months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet. Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**(g) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(h) Valuation of Inventories**

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



**(i) Investments and other financial assets****(i) Classification**

The company classifies its financial assets in the following measurement categories:

- i. those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- ii. Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss

**(ii) Measurement**

At initial recognition, the group measures a financial asset at its fair value plus. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**(j) Property, plant and equipment.**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

**(k) Intangible Assets****Computer Software**

Items of expenditure that meets the recognition criteria are classified as intangible assets and are amortized over the period of economic benefits. Goodwill is amortized over a period of 10 years.

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

**(l) Impairment of Assets**

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

**(m) Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**(n) Provisions**

Provisions for legal claims, warranties, discounts and returns are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

**(o) Employee Benefit.****(i) Short term obligations.**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(ii) Post –Employment obligation**

The group operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity, and
- (b) Defined contribution plans such as provident fund.

**Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation or provided by LIC (Insurer).

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**Defined Constructive Plan**

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(p) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**(q) Earnings per share**

(i) Basic earnings per share is calculated by dividing:

- a. the profit attributable to owners of the group
- b. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- a. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- b. The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(r) Lease:**

The company has consistently applied the accounting policies in respect of all periods presented in these financial statements. The company has changed its accounting policies for lease contracts as detailed below

The company has applied Ind AS 116 using the modified retrospective approach with cumulative impact recognised on the date of initial application (1st April 2019). However there is no impact on the financials of the company as there are no such transactions for the current period which are covered under the ambit of this standard.

**(s) Standards issued but not yet effective**

Recent pronouncements On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from April 1, 2023.

- a) Ind AS 101 – First time adoption of Ind AS – modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.
- b) Ind AS 102 – Share-based Payment – modification relating to adjustment after vesting date to the fair value of equity instruments granted.
- c) Ind AS 103 – Business Combination – modification relating to disclosures to be made in the first financial statements following a business combination.
- d) Ind AS 107 – Financial Instruments Disclosures – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.
- e) Ind AS 109 – Financial Instruments – modification relating to reassessment of embedded derivatives.
- f) Ind AS 1 - Presentation of Financials Statements – modification relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.
- g) Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of 'accounting estimate' and application of changes in accounting estimates.
- h) Ind AS 12 – Income Taxes – modification relating to recognition of deferred tax liabilities and deferred tax assets.



i) Ind AS 34 – Interim Financial Reporting – modification in interim financial reporting relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’. The Company is evaluating the amendments and the expected impact, if any, on the Company’s financial statements on application of the amendments for annual reporting periods beginning on or after April 01, 2023.

**(t) Rounding of Amount**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

As per our report of even date

For KARIA & SHAH  
Chartered Accountants  
Firm Regn.no.112203W

Sd/-  
(Siddharth Vora)  
Partner  
(Membership No.170375)

Place: Mumbai  
Date: May 29, 2023

For and on behalf of Board of Directors of Choksi  
Imaging Limited  
CIN: L24294MH1992PTC388063

Sd/-	Sd/-
Samir Choksi DIN-00049416 Managing Director	Jay Choksi DIN-07151509 Whole Time Director/CFO

Sd/-  
Rishi Dave  
Company Secretary  
M. No.: A36389

Place: Mumbai  
Date: May 29, 2023



NOTE 2: Property, Plant & Equipment

SR. NO.	PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION/AMORTISATION				NET BLOCK	
		AS AT 01.04.22	ADDITION	DEDUCT.	AS AT 31.03.23	AS AT 31.03.22	FOR THE YEAR	SALE /ADJ. FOR YEAR	AS AT 31.03.23	AS AT 31.03.22
1	LAND	13.68	-	-	13.68	-	-	-	13.68	13.68
2	FACTORY BUILDING	63.38	-	-	63.38	9.81	2.01	-	51.55	53.56
3	STAFF QUARTER	10.27	-	-	10.27	1.47	0.33	-	8.48	8.81
4	PLANT & MACHINERY	79.88	-	-	79.88	21.76	4.91	-	53.22	58.13
5	FURNITURE & FIXTURES	10.52	-	-	10.52	4.80	0.95	-	4.77	5.72
6	VEHICLES	2.49	-	0.55	1.94	-	-	-	1.94	2.49
7	OFFICE EQUIPEMENTS	0.28	-	-	0.28	0.12	0.01	-	0.15	0.16
8	OFFICE PREMISES	489.76	-	-	489.76	38.48	7.74	-	443.54	451.28
9	GODOWN	-	-	-	-	-	-	-	-	-
10.	OTHER (COMPUTER)	1.72	0.06	-	1.78	0.89	0.32	-	0.57	0.83
	<b>Total</b>	<b>671.98</b>	<b>0.06</b>	<b>0.55</b>	<b>671.49</b>	<b>77.33</b>	<b>16.26</b>	<b>-</b>	<b>577.90</b>	<b>594.62</b>

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



Annual Report 2022-2023

PREVIOUS YEAR – 2021-2022												
SR NO.	PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION/AMORTISATION				NET BLOCK		
		AS AT 01.04.21	ADDITION	DEDUCT.	AS AT 31.03.22	AS AT 31.03.21	FOR THE YEAR	SALE /ADJ. FOR YEAR	AS AT YEAR 31.03.22	AS AT 31.03.22	AS AT 31.03.21	
1	LAND	13.68	-	-	13.68	-	-	-	-	-	13.68	13.68
2	FACTORY BUILDING	63.39	-	-	63.39	7.81	2.01	-	9.82	-	53.57	55.57
3	STAFF QUARTER	10.27	-	-	10.27	1.14	0.33	-	1.47	-	8.80	9.13
4	PLANT & MACHINERY	79.87	-	-	79.87	16.80	4.95	-	21.75	-	58.12	63.07
5	FURNITURE & FIXTURES	10.82	-	0.26	10.56	3.85	1.05	0.02	4.88	-	5.68	6.97
6	VEHICLES	2.50	-	-	2.50	-	-	-	-	-	2.50	2.50
7	OFFICE EQUIPMENTS	0.28	-	-	0.28	0.09	0.02	-	0.11	-	0.17	0.20
8	OFFICE PREMISES	489.75	-	-	489.75	30.75	7.74	-	38.49	-	451.25	459.00
9	GODOWN	-	-	-	-	-	-	-	-	-	-	-
10	OTHER (COMPUTER)	2.40	-	0.67	1.73	1.20	0.30	0.62	0.88	-	0.85	1.19
	<b>Total</b>	<b>672.96</b>	<b>-</b>	<b>0.93</b>	<b>672.03</b>	<b>61.65</b>	<b>16.40</b>	<b>0.64</b>	<b>77.41</b>	<b>594.62</b>	<b>611.31</b>	

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



**Note: 2.1 Intangible**

SR. NO.	PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION/AMORTISATION			NET BLOCK			
		AS AT 01.04.22	ADDITION	DEDUCT.	AS AT 31.03.23	AS AT 31.03.22	FOR THE YEAR	SALE /ADJ. FOR YEAR	AS AT 31.03.23	AS AT 31.03.22	
1	COMPUTER (SOFTWARE)	2.87	0.54	-	3.41	2.10	0.07	-	2.17	1.24	0.77
	<b>Total</b>	<b>2.87</b>	<b>0.54</b>	<b>-</b>	<b>3.41</b>	<b>2.10</b>	<b>0.07</b>	<b>-</b>	<b>2.17</b>	<b>1.24</b>	<b>0.77</b>

PREVIOUS YEAR – 2021-22											
SR. NO.	PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION/AMORTISATION			NET BLOCK			
		AS AT 01.04.21	ADDITION	DEDUCT.	AS AT 31.03.22	AS AT 31.03.21	FOR THE YEAR	SALE /ADJ. FOR YEAR	AS AT 31.02.22	AS AT 31.03.21	
1	COMPUTER (SOFTWARE)	2.87	-	-	2.87	1.90	0.20	-	2.10	0.77	0.95
	<b>Total</b>	<b>2.87</b>	<b>-</b>	<b>-</b>	<b>2.87</b>	<b>1.90</b>	<b>0.20</b>	<b>-</b>	<b>2.10</b>	<b>0.77</b>	<b>0.95</b>

**Notes :**

- i) Land includes Rs.1000/- 10 shares of Rs.100/-each of Silvassa Industrial Co-op. Society Ltd Silvassa.
- ii) Building includes Rs.500/-towards share capital in Silvassa Estates Pvt. Ltd.
- iii) Title deeds of Land & Building are in the name of the company.

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



**Note 3 Other non-current asset**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured Considered Good</b>		
(a) Security Deposits		
Statutory	-	-
Utilities	0.96	5.71
Others	70.70	65.66
<b>Total</b>	<b>71.66</b>	<b>71.37</b>
(b) Prepaid expenses	0.74	-
(c) Advance income tax (net of provision)	109.69	127.90
<b>Total</b>	<b>110.43</b>	<b>127.90</b>
<b>Total</b>	<b>182.08</b>	<b>199.27</b>

**Note 4 Inventories. [Valued at Lower of Cost or Net Realizable Value (Refer Significant Accounting Policy 1h)]**

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Raw materials & Packing materials		
X Ray Films	176.71	-
Others	-	15.34
<b>Total</b>	<b>176.71</b>	<b>15.34</b>
(b) Finished Goods (other than those acquired for trading)		
X Ray Films	82.50	8.66
<b>Total</b>	<b>82.50</b>	<b>8.66</b>
(c) Finished goods (acquired for trading )		
X-Ray Films	11.26	4.15
Others - Healthcare Products	-	6.30
<b>Total</b>	<b>11.26</b>	<b>10.45</b>
<b>Total</b>	<b>270.48</b>	<b>34.45</b>

**Note 5 Current Investment**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investments in Mutual Fund (measured at FVTPL)</b>		
Quoted:		
Nippon Money Market	-	335.02
Unquoted Investment	-	-
Impairment Provision	-	-
<b>Total</b>	<b>-</b>	<b>335.02</b>

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



**Note 6 Capital Management**
**(a) Risk Management**

1. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders. 2. The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. 3. The Company policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

**(b) Dividend**

Particulars	As at March 31, 2023	As at March 31, 2022
Cash dividends on equity shares declared and paid:	-	-
Final dividend for the year ended March 31 2023 of Rs. NIL per share (March 31, 2022 Rs. NIL) per fully paid share	-	-
<b>Proposed dividends on equity shares:</b>		
Equity Shares	-	-
No dividend has been declared for the financial year ended March 31, 2023.	-	-

**Note 7 Fair Value measurements**
**Financial Instrument by category and hierarchy**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

**The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

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



Note No.7 Continue. (All figures are in Rs. in Lakhs unless specifically mentioned)

Financial Assets and Liabilities as at 31st March, 2023	Non-Current	Current	Total	Routed through Profit and Loss A/c			Routed through OCI			Carried at Amortized Cost			Total			
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1		Level 2	Level 3	Total
<b>Financial Assets</b>																
a. Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other Assets</b>																
a. Trade Receivables	-	38.13	38.13	-	-	-	-	-	-	-	-	-	-	-	38.13	38.13
b. Cash & Cash Equivalents	-	414.11	414.1	-	-	-	-	-	-	-	-	-	-	-	414.11	414.11
c. Loans & Advances	182.08	-	182.1	-	-	-	-	-	-	-	-	-	-	-	182.08	182.08
d. Other Financial Assets	-	320.99	321	-	-	-	-	-	-	-	-	-	-	-	320.99	320.99
<b>Total</b>	<b>182.08</b>	<b>773.23</b>	<b>955.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>955.31</b>	<b>955.3</b>	<b>955.31</b>
<b>Financial Liabilities</b>																
Other financial liabilities	-	119.74	119.7	-	-	-	-	-	-	-	-	-	-	-	119.74	119.74
Trade Payables	-	12.45	12.45	-	-	-	-	-	-	-	-	-	-	-	12.45	12.45
<b>Total</b>	<b>-</b>	<b>132.19</b>	<b>132.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132.19</b>	<b>132.2</b>	<b>132.19</b>



Note No. 7 Continue (All figures are in Rs. in Lakhs unless specifically mentioned)

Financial Assets and Liabilities as at 31st March, 2022	Non-Current	Current	Total	Routed through Profit and Loss A/c				Routed through OCI			Carried at Amortized Cost				Total Amount	
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3		Total
<b>Financial Assets</b>																
a. Mutual Funds	-	335.02	335.02	335.02	-	-	-	335	-	-	-	-	-	-	-	335.02
<b>Total</b>	-	<b>335.02</b>	<b>335</b>	<b>335.02</b>	-	-	-	<b>335</b>	-	-	-	-	-	-	-	<b>335.02</b>
<b>Other Assets</b>																
a. Trade Receivables	-	59.99	59.99	-	-	-	-	-	-	-	-	-	-	-	59.99	59.99
b. Cash & Cash Equivalents	-	330.77	330.77	-	-	-	-	-	-	-	-	-	-	-	330.77	330.77
c. Loans & Advances	199.27	-	199.27	-	-	-	-	-	-	-	-	-	-	199.27	199.3	199.27
d. Other Financial Assets	-	286.65	286.65	-	-	-	-	-	-	-	-	-	-	286.65	286.7	286.65
<b>Total</b>	<b>199.27</b>	<b>677.41</b>	<b>876.7</b>	-	-	-	-	-	-	-	-	-	-	<b>876.68</b>	<b>876.7</b>	<b>876.68</b>
<b>Financial Liabilities</b>																
Other financial liabilities	-	111.76	111.76	-	-	-	-	-	-	-	-	-	-	-	111.76	111.76
Trade Payables	-	12.59	12.59	-	-	-	-	-	-	-	-	-	-	12.59	12.59	12.59
<b>Total</b>	-	<b>124.35</b>	<b>124.4</b>	-	-	-	-	-	-	-	-	-	-	<b>124.35</b>	<b>124.4</b>	<b>124.35</b>

**Note 8 Financial Risk Management**
**Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. It is designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses and compliance with regulations. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables and loans and borrowings excluding specific foreign currency payables. The Company manages market risk through the board, which evaluates and exercises independent control over the entire process of market risk management. The activities of this department include management of cash resources, borrowing strategies and ensuring compliance with market risk limits and policies.

**Market Risk-Foreign Currency Risk**

During the year Company operates domestically only and there are no business transacted in foreign currency.

**(a) Particulars of unhedged foreign currency exposures as at the reporting date.**

As at March 31, 2023	Foreign Currency in lakhs
Particulars	USD
Trade Payables	0

**(b) Foreign Currency Risk Sensitivity.**

Particulars	2022-23		2021-22	
	5% Increase	5% Increase	5% Increase	5% Increase
Trade Payables	0	0	0	0
Increase/(Decrease) in profit or loss	0	0	0	0

**Credit Risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company

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



continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss. The Company measures the expected credit loss of trade receivables and loan based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

**Ageing of Account Receivables**

Particulars	As at 31st March 2023	As at 31st March 2022
0-3 Months	22.91	35.03
3-6 Months	-	6.63
6 Months to 12 Months	0.21	0.11
beyond 12 Months	17.14	20.36
<b>Total</b>	<b>40.25</b>	<b>62.12</b>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

**ECL Impairment (Movement in provision of doubtful debts)**

Particulars	As at 31st March 2023	As at 31st March 2022
Opening Provision	2.12	6.52
Add:- Additional provision made	-	-
Less:- Provision Written Off	-	4.40
Less:- Provision Reversed	-	-
<b>Closing Provisions</b>	<b>2.12</b>	<b>2.12</b>

**Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, Company maintains flexibility in funding by maintaining availability of sufficient cash & marketable securities. The Management monitors forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

**Maturity Pattern of other financial liabilities**

As at 31st March 2023	0-3 Months	3-6 Months	6 to 12 Months	beyond 12 Months	Total
Trade Payable	7.71	0.04	0.01	4.69	12.45
Other Financial Liability	6.06	-	16.44	5.33	27.84
<b>Total</b>	<b>13.77</b>	<b>0.04</b>	<b>16.45</b>	<b>10.02</b>	<b>40.29</b>

As at 31st March 2022	0-3 Months	3-6 Months	6 to 12 Months	beyond 12 Months	Total
Trade Payable	10.82	1.51	0.01	0.25	12.59
Other Financial Liability	6.98	4.93	-	6.79	18.70
<b>Total</b>	<b>17.80</b>	<b>6.44</b>	<b>0.01</b>	<b>7.04</b>	<b>31.29</b>

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



**Note 9 Trade receivables**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables	38.71	33.55
Receivable from Related Parties	1.54	28.57
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
Less: Loss Allowance	2.13	2.13
<b>Total Receivables</b>	<b>38.13</b>	<b>59.99</b>
Current Portion	38.13	59.99
Non-Current Portion	-	-
<b>Break-up of security details</b>		
Secured, Considered Good	-	-
Unsecured, Considered Good	40.25	55.60
Doubtful	-	6.52
<b>Total</b>	<b>40.25</b>	<b>62.12</b>
Less: Loss Allowance	2.13	2.13
<b>Total trade receivables</b>	<b>38.13</b>	<b>59.99</b>

Note: The Company is following a "Simplified Approach" for recognising Expected Credit Loss (ECL) as per IND AS 109. The Management is following a policy for Loss Allowances considering the age of the trade receivables and not assessing the individual credit risk of trade receivables.

**The trade receivables ageing schedule for the years ended as on March 31, 2023.**

Particulars	Not Due	Less than 6 months	Outstanding for following periods from due date of payment				Total
			6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good		22.91	0.21	7.25	9.89	-	40.25
Undisputed trade receivables – credit impaired		-	-	-	-	-	-
Disputed trade receivables – considered good		-	-	-	-	-	-
Disputed trade receivables – credit impaired		-	-	-	-	-	-
Less : Allowance for credit loss		-	-	2.13	-	-	2.13
Total trade receivables		-	-	-	-	-	38.13

There was no transaction during the year with struck off Companies.

**The trade receivables ageing schedule for the years ended as on March 31, 2022.**

Particulars	Not Due	Less than 6 months	Outstanding for following periods from due date of payment				Total
			6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good		41.66	0.15	20.31	9.89	-	62.12
Undisputed trade receivables – credit impaired		-	-	-	-	-	-
Disputed trade receivables – considered good		-	-	-	-	-	-
Disputed trade receivables – credit impaired		-	-	-	-	-	-

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



Less : Allowance for credit loss		-	-	2.13	-	-	2.13
Total trade receivables		-	-	-	-	-	59.99

There was no transaction during the year with struck off Companies.

**Note 10 Cash and cash equivalents**

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Cash on hand	0.57	0.32
(b) Balances with bank in Current account	28.66	36.91
(c) In deposit accounts (Refer note(i) below)	379.51	281.83
<b>Total</b>	<b>408.74</b>	<b>319.06</b>

Note (i) Bank of Baroda Rs.116.44, FD in RBL Bank Rs.214, Margin on Bank Guarantee Rs. 49.07 (As at 31st March, 2023) Margin on Bank Guarantees Rs.46.83 and RBL Fixed Deposit Rs.235 (As at 31st, March, 2022)

**Note 11 Bank Balances other than Cash and cash equivalents**

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Unpaid dividend accounts	5.34	11.69
(b) Unpaid interest on matured deposits	0.03	0.02
<b>Total</b>	<b>5.37</b>	<b>11.71</b>

**Note 12 other current assets**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Others		
(i) Other Advances	0.05	1.80
(ii) Statutory Receivable	188.51	152.42
(iii) Unutilised MAT Receivable	132.43	132.43
<b>Total</b>	<b>320.99</b>	<b>286.66</b>

**Note 13 Share Capital**

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Authorised (1,50,00,000 Equity Shares of Rs.10/ each)	1,500	1,500
(b) Issued subscribed & fully paid up (refer note) 39,00,000 Equity Shares of Rs.10/- each fully paid up, (Previous year 39,00,000 Equity Shares of Rs.10/- each)	390	390
<b>Total</b>	<b>390</b>	<b>390</b>

**Terms and rights attached to equity shares:**

Equity shares have a par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting is entitled to one vote, and upon a poll each share is entitled to one vote.



Reconciliation of number of shares

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No of Shares	Amount	No of Shares	Amount
Equity Shares:				
Balance at the beginning of the year	39,00,000	390	39,00,000	390
Issued during the year	-	-	-	-
Balance as at the end of the year	39,00,000	390	39,00,000	390

Number of shares held by each shareholder holding more than 5% Shares in the Company

Particulars	March 31, 2023		March 31, 2022	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Choksi Asia Private Limited	9,49,896	24.36	9,49,896	24.36
Samir Kanubhai Choksi	11,33,924	29.07	6,68,080	17.13

Equity Share holding pattern of Promoter and Promoter Group is given below:

Name of Promoter	As on March 31, 2023	As on March 31, 2022	% as on March 31, 2023	% as on March 31, 2022	% Change during the year
Choksi Asia Private Limited	949896	949896	24.36	24.36	0.00
Samir Kanubhai Choksi	1133924	668080	29.07	17.13	69.73
Anil Vadilal Choksi	0	193018	0.00	4.95	-100.00
Yamini Choksi	171610	171610	4.40	4.40	0.00
Naimish Choksi	0	149599	0.00	3.84	-100.00
Tushar Kanubhai Choksi	161354	84982	4.14	2.18	89.87
Sunil Anil Choksi	0	81875	0.00	2.10	-100.00
Urmila K Choksi	0	76372	0.00	1.96	-100.00
Kokila Sudhakar Lagali	35000	35000	0.90	0.90	0.00
Bharti Anil Choksi	0	17500	0.00	0.45	-100.00
Varsha Prashant Shah	10000	10000	0.26	0.26	0.00
Gaurangi Choksi	0	9999	0.00	0.26	-100.00
Nainesh Vinod Bengali	9000	9000	0.23	0.23	0.00
Deepa Sunil Choksi	0	5939	0.00	0.15	-100.00
Sharavati Choksi	3350	3350	0.09	0.09	0.00
Gaurav Suresh Choksi	0	0	0.00	0.00	0.00
Minaxi Suresh Choksi	0	0	0.00	0.00	0.00
Ratna Gaurav Choksi	0	0	0.00	0.00	0.00

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





**Note 14 Other Equity - Reserves and surplus**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>General Reserve</b>		
Opening Balance	56.82	56.82
Closing Balance	<b>56.82</b>	<b>56.82</b>
<b>Retained Earnings</b>		
Opening Balance	1152.41	1296.07
Add: Profit/(Loss) for the year	(47.57)	(46.16)
Dividend Paid to Shareholders Rs. 2.50/- per share FY 20-21	-	97.50
<b>Total</b>	<b>1104.84</b>	<b>1152.41</b>
Closing Balance	<b>1161.66</b>	<b>1209.23</b>
<b>Nature and purpose of reserve</b>		
<b>General Reserve</b>		
General Reserve shall be utilised in accordance with provisions of the Act. However it is not utilised till now from the date of creation.		
<b>Retained Earnings</b>		
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.		

**Note No. 15 Deferred Tax**

Nature of Timing Difference	Deferred Tax Asset/ Liability as at April 1, 2022	Credit for the Current year changes to P&L Account & OCI	Deferred Tax Asset/ Liability as at March 31, 2023
(A) Deferred Tax Liability	117.96	3.11	121.07
Total	117.96	3.11	121.07
B) Deferred Tax asset	-	-	-
Add: Deferred tax asset due to setoff of carried forward business loss	-	-	-
<b>Deferred Tax Liability Net</b>	-	-	<b>121.07</b>

Nature of Timing Difference	Deferred Tax Asset/ Liability as at April 1, 2021	Credit for the Current year changes to P&L Account & OCI	Deferred Tax Asset/ Liability as at March 31, 2022
(A) Deferred Tax Liability	122.91	(4.94)	117.96
Total	122.91	(4.94)	117.96
B) Deferred Tax asset	-	-	-
Add: Deferred tax asset due to setoff of carried forward business loss	-	-	-
<b>Deferred Tax Liability Net</b>	-	-	<b>117.96</b>

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

**Note 16 Trade Payables**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Trade Payables</b>	-	-
Amounts due to related parties	-	-
Total outstanding dues of micro enterprises and small enterprises	-	-
Others (refer Note)	12.45	12.59
<b>Total</b>	<b>12.45</b>	<b>12.59</b>

The outstanding of Micro, Small and Medium scale industrial undertaking has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors of the company. There is no claims from suppliers under the interest on delayed payment to small scale Ancillary Industrial Undertaking as informed by the Management.

**Trade payables ageing schedule for the years ended as on March 31, 2023 Outstanding for following periods from due date of payment**

Particulars	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding Dues to MSME		-	-	-	-	-	-
Others		7.75	0.01	4.44	-	0.25	<b>12.45</b>
Total Trade Payables		7.75	0.01	4.44	-	0.25	<b>12.45</b>

There were no transactions during the year with struck off Company.

**Trade payables ageing schedule for the years ended as on March 31, 2022 Outstanding for following periods from due date of payment**

Particulars	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding Dues to MSME		-	-	-	-	-	-
Others		12.33	0.01	-	0.25	-	<b>12.59</b>
Total Trade Payables		12.33	0.01	-	0.25	-	<b>12.59</b>

There were no transactions during the year with struck off Company.

**Note 16 Trade Payables Continued**
**Details of Dues to Micro, Small & Medium Enterprises as defined under MSMED Act, 2006**

Particulars	March 31, 2023	March 31, 2022
Principal amount remaining unpaid to any supplier as at the period end	-	-
Interest due thereon	-	-
The amount of payment made to supplier beyond appointed date	-	-
Interest paid thereon	-	-

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



Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-
<p>Under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company's management, dues to MSME have been determined to the extent such parties have been identified on the basis of information collected till the reporting date and has been relied upon by the Statutory Auditors. The Management has not provided for interest due (if any) to these MSME parties basis, no claim being made for the same and management representation that the same would be waived. The disclosures as required by Section 22 of the MSMED Act are given above.</p>		

**Note 17 Other current liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Unpaid Dividend	5.33	11.69
(b) Unpaid interest on matured Fixed deposits	-	0.02
(i) Statutory remittances Contribution to PF and ESIC, Withholding Taxes, TDS , GST etc.)	2.82	1.21
(ii) Advances from customers	-	0.85
<b>(iii) Others</b>	<b>19.68</b>	<b>4.93</b>
(a) Outstanding Expenses	1.50	1.87
(b) Security Deposit	16.44	-
(c) Staff Advances	-	0.87
(d) Salary Wages & Professional Fees Payable	0.59	0.39
(e) Maintenance and Electricity Payable	-	1.55
(f) Other Payable	1.15	0.25
<b>Total</b>	<b>27.84</b>	<b>18.70</b>

**Note No. 18 Short -term Provision**

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Provision for employee benefits :	-	-
(i) Provision for bonus	-	1.16
(b) Provision for income tax	91.90	91.90
<b>Total</b>	<b>91.90</b>	<b>93.06</b>

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



**Note 19 Revenue from operations**

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Sale of products (refer Note (i) below)	71.87	202.17
(b) Sale of services (refer note (ii) below)	-	44.25
(c) Other operating revenues(refer note (iii) below)	5.05	-
<b>Total Revenue from Operation</b>	<b>145.80</b>	<b>246.42</b>
<b>(i) Sale of products comprises:</b>		
<b>Manufactured goods</b>		
X-Ray Films	71.87	65.41
<b>Traded goods</b>		
X-Ray Films	-	10.50
Others - Healthcare Products	-	126.26
		136.76
<b>Total Sale of products</b>	<b>71.87</b>	<b>202.17</b>
<b>(ii) Service Charges</b>		
<b>Total sale of services</b>	<b>-</b>	<b>44.25</b>
<b>(iii) Other operating revenues comprises :</b>		
Sale of Packing Material	5.05	-
<b>Total Other</b>	<b>5.05</b>	<b>-</b>

Reconciliation of Revenue from operations with contract price	For the period 2022-23	For the period 2021-22
Contract Price	76.99	249.90
<b>Less:</b>		
Sales Return	0.07	3.48
<b>Total Revenue from Operation</b>	<b>76.92</b>	<b>246.42</b>

**Other Income**

Particulars	As at March 31, 2023	As at March 31, 2022
Interest income	18.68	31.13
Rent Income	20.55	-
Miscellaneous income (net of expenses directly attributable)	2.75	9.27
Income from Investment	5.10	10.78
Amounts no longer payable written back	-	63.14
Profit on sale of Asset	-	0.06
Jobwork Income	68.88	-
Net Gain on foreign currency transactions and translation	-	0.08
Total-Other non-operating income	76.73	83.33
<b>Total</b>	<b>115.96</b>	<b>114.46</b>

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

**Note 20 Cost of Raw Materials & Packing Materials consumed.**

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Stock	-	1.27
Add : Purchase	259.48	23.30
Less: Closing Stock	176.71	-
<b>Cost of material Consumed</b>	<b>82.76</b>	<b>24.57</b>

**Note 21 Purchase of traded goods**

Particulars	As at March 31, 2023	As at March 31, 2022
X-Ray Films	25.85	94.21
Others - Healthcare Products	-	-
<b>Total</b>	<b>25.85</b>	<b>94.21</b>

**Note 22 Changes in inventories of finished goods**

Particulars	As at March 31, 2023	As at March 31, 2022
Work in process and stock in trade	-	-
Inventories at the end of the year	-	-
Finished Goods	82.50	8.66
Stock in trade	11.26	25.79
	<b>93.76</b>	<b>34.45</b>
Inventories at the beginning of the year		
Finished Goods	8.66	41.21
Stock in trade	25.79	47.74
	<b>34.45</b>	<b>88.95</b>
Net(increase)/decrease in stock in trade	14.53	21.95
Net(increase)/decrease in finished goods	(73.84)	32.55
Net(increase)/decrease	<b>(59.32)</b>	<b>54.50</b>

**Note 23 Employee benefits expense.**

Particulars	As at March 31, 2023	As at March 31, 2022
Salaries and wages	28.50	87.37
Contribution to provident and other funds	1.12	2.12
Staff Welfare expenses	0.99	4.03
<b>Total</b>	<b>30.61</b>	<b>93.52</b>

**Note 24 Other Expenses**

Particulars	As at March 31, 2023	As at March 31, 2022
Power and fuel	16.40	16.01
Repairs and maintenance – Buildings	0.00	0.08
Repairs and maintenance – Machinery	1.77	0.68
Repairs and maintenance – Others	15.73	1.98
Insurance	0.32	0.95
Rates and taxes	5.20	2.46
Communication	0.72	0.96
Travelling and conveyance	3.52	6.33
Printing and stationery	0.70	2.02
Freight and forwarding	0.21	1.87

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



Sales commission	2.35	9.31
Legal and Professional Fees	26.71	26.49
Labour Charges	34.37	24.00
Business promotion	1.16	1.56
Payments to statutory auditors (Refer Note (i) below)	1.50	1.50
Bad trade and other receivables, loans and advances written off	-	3.03
Miscellaneous expenses	30.41	26.35
<b>Total</b>	<b>141.07</b>	<b>125.58</b>
(i) Payments to the statutory auditors comprises (net of input credit, where applicable):	1.50	1.50
<b>Total</b>	<b>1.50</b>	<b>1.50</b>

**Note 25 Income taxes.**

**A) Tax Expense recognized in the Statement of Profit and Loss**

Particulars	As at March 31, 2023	As at March 31, 2022
Current Tax		
Expense for the year	-	0.03
Total Current Tax	-	0.03
Deferred Tax		
Origination and Reversal of Temporary Difference	3.11	(5.83)
MAT credit (taken)/Utilized	-	-
Total deferred income tax expense/(credit)	3.11	(5.83)
<b>Total Income tax expense</b>	<b>3.11</b>	<b>(5.80)</b>

**B) A reconciliation between the statutory income tax rate applicable to the Group and the effective income tax rate is as follows:**

Particulars	As at March 31, 2023	As at March 31, 2022
Reconciliation of effective tax rate		
Profit before tax	(44.44)	(48.10)
Enacted Income tax rate in India	0.29	0.29
Current Tax Expenses on profit before tax expenses at the enacted income tax rate in India	-	-
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:-	-	-
Capital Gains chargeable not to IT	-	-
Permanent Disallowances	-	-
Other Items (Incl. temporary differences on account of depreciation)	3.11	(5.80)
Total income tax expense/(credit)	3.11	(5.80)
Consequent to reconciliation items shown above, the effective tax rate is For F.Y 22-23 is 26% (2021-22 is 29.48%)	-	-
The company has not adopted for section 115BAA of Income Tax Act, 1961 for the year under consideration.	-	-

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

**Note 26 Contingent liabilities and commitments (to the extent not provided for)**

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent liabilities		
(a) Guarantees	49.07	46.83
(b) Claim not Acknowledge by Company- Custom Duty & Penalty (refer note.1)	1574.64	1574.64
(c) Executive (Penalty for custom duty to be indemnity by the Company) (refer note 2)	75.00	75.00
(d) Appeal before the Honorable High Court (Income Tax) for A.Y 2001-02	-	-
(e) Claim not acknowledge by Company - DEPB License (refer Note 3).	18.60	-

**Note:**

1) The Company had received copy of order passed by The Commissioner of Customs (Nhava Sheva-general), JNCH denying and demanding for recovery of the amount of benefit of exemption from Special Additional Duty (SAD) availed for the year 2011-12, 2012-13 & 2013-14 by the Company, pursuant to Notification No.45/2005- Custom dated 16.05.2005 along with penalty of equivalent amount.

The Company has filed appeal to Hon'ble Customs, Excise, Service Tax Appellate Tribunal - West Zone, Mumbai and expected favorable outcome for the same.

2) The Company has also passed resolution to indemnify Executive of the Company for the same.

3) The government had scheme for transferable export incentive to exporters having DEPB License. Star Impex & V K Gupta were exporters. The Company had taken benefit of incentive available to Star Impex & V K Gupta by paying consideration to them. On show cause notice served on the Company by Authority, it came to know that Star Impex & V K Gupta had wrongly obtained export incentives.

The competent authority then arbitrarily passed order against the Company. The Company has appealed the order.

**Note 27 Disclosure under Accounting Standards****Segment information**

The Company is engaged only in one business segment viz. the business of manufacturing and dealing in Photosensitized materials and other products for healthcare industry hence the Segment wise information as required by AS is not applicable.

**Note No 28**

A) Pursuant to Section 124 and 125 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendment thereof, the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to Unpaid dividend account in respective years in respect of accounting year 2015-16, 2016-17, 2017-18, 2018-19 & 2020-21. Subsequent dividend payment, shall be transferred to the "Investors Education and Protection Fund" account. Whenever is applicable.

**B) Related Parties & Relationships**

a) Company and firm in which Directors and their relatives are Directors or Partner Choksi Asia Pvt. Ltd., Sona Star Healthcare LLP,

b) Directors of the company: Samir Choksi, Jay Choksi, Resigned during the year: Sunil Choksi, Naimish Choksi, Gaurav Choksi, Tushar Choksi

c) Key Managerial personnel and Relatives of Directors: Jay Choksi, Rishi Dave

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

**Details of transaction with above parties.**

Particular	Associates		Directors		Key Managerial Personnel		Relatives of Directors	
	22-23	21-22	22-23	21-22	22-23	21-22	22-23	21-22
Remunerations	-	-	-	-	6.57	6.57	-	-
Purchase of Goods	-	-	-	-	-	-	-	-
Sales of Goods	-	-	13.61	36.23	-	-	-	-
Conversion charges	-	-	68.88	39.78	-	-	-	-
Other Transaction	-	-	-	4.20	-	-	-	-

**Outstanding Balances with related parties.**

Particular	Associates		Directors		Key Managerial Personnel		Relatives of Directors	
	22-23	21-22	22-23	21-22	22-23	21-22	22-23	21-22
Choksi Asia Pvt. Ltd.	-	-	0.65	5.17	-	-	-	-
Sona Star Healthcare LLP.	-	-	0.90	23.40	-	-	-	-

**Revenue from Operations**

The Company derives revenues primarily from sale of X Ray films and other products.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five-step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognize revenue when or as an entity satisfies performance obligation.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note .1(c)"

**CSR Disclosure**

As per the provisions of section 135 of the Companies Act 2013, the company is not falling under any of the criteria's set out to undertake mandatory CSR expenditure, hence the said section is not applicable to the company.



**Note 29 Earning Per Share**

Particulars	As at March 31, 2023	As at March 31, 2022
Earnings per share		
Basic		
Net profit/ (Loss) for the year	(47.54)	(42.30)
Weighted average number of equity shares outstanding	390	390
Earnings per share from continuing operations - Basic/Diluted	(1.22)	(1.08)

**Note 30 As schedule for previous Year figure.**

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

**Other Notes**

- (i) The Company does not have any Benami Property, where any proceeding has been initiated or pending against the company for holding any Benami Property.
- (ii) The company does not have any transaction with Companies struck off.
- (iii) The Company have not traded or invested in Crypto currency or virtual currency during the financial year.
- (iv) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (vi) There is no scheme of Arrangements approved by the Component Authority in terms of Section 230 to 237 of the Companies Act, 2013.
- (vii) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (viii) In the opinion of the management of the Company and to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ix) In the opinion of the management of the Company and to the best of their knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



**Note 31 Ratio**

Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance in %
Current ratio	Current assets	Current liabilities	7.90	8.42	(6)
Debt – Equity ratio	Total debt	Shareholder's equity	0.00	0.00	0.00
Debt service coverage ratio	Earnings available for debt service	Debt service	0.00	0.00	0.00
Return on Equity (ROE)	Net profits after taxes	Average shareholder's equity	(0.12)	(0.11)	(11)
Trade receivables turnover ratio	Revenue	Average trade receivable	2.97	4.11	(28)
Trade payables turnover ratio	Purchases of services and other expenses	Average trade payables	22.79	7.48	205
Net capital turnover ratio	Revenue	Working capital	0.16	0.39	(59)
Net profit ratio	Net profit	Revenue	(0.24)	(0.12)	100
Return on Capital Employed (ROCE)	Earnings before interest and taxes	Capital employed	(0.03)	(0.03)	(5)
Return on Investment (ROI)					
(i)Unquoted	Income generated from investments	Time weighted average investments	0.00	0.00	0.00
(ii)Quoted	Income generated from investments	Time weighted average investments	0.00	0.02	(100)
1. Net profit after taxes + Non-cash operating expenses + Interest + Other adjustments like loss on sale of fixed assets etc. 2. Interest and lease payments + Principal repayments". 3. Tangible net worth + Deferred tax liabilities + Lease liabilities					

**Note 32 Disclosure as per Accounting Standard**

Defined Benefit Plan	2022-23	2021-2022
<b>Changes in Present value of obligations</b>		
Opening balance of Present value of Obligations	41.98	61.47
Interest Cost	2.81	3.72
Current Service Cost	0.00	2.90
Benefits Paid	(6.84)	(26.11)
Actuarial (gain) / loss on obligations	0.00	0.00
Present value of Obligations as at March 31.	37.94	41.98
<b>Changes in Fair Value of plan assets</b>		
Opening Fair Value of Plan Assets	41.98	61.47

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



Expected return on Plan Assets	2.78	3.66
Actuarial gain / (losses) on Plan Assets	0.00	0.00
Contributions by Employer	0.02	2.97
Benefits Paid	(6.84)	(26.11)
Fair Value of Plan Assets as at March 31.	37.94	41.98
<b>Amount to be recognized in the Balance Sheet</b>		
Present Value of Funded Obligations as at March 31	37.94	41.98
Fair Value of Plan Assets as at March 31	37.94	41.98
<b>Expense recognized in the Profit &amp; Loss Account</b>		
Current Service Cost	0.00	2.90
Interest Cost	2.81	3.72
Expected return on Plan Assets	(2.78)	(3.66)
Net Actuarial gain / (Loss)	0.00	0.00
Expense recognized in OCI	0.02	2.97
<b>Description of Plan Assets</b>		
Insurer Managed Funds		
<b>Assumptions</b>		
Mortality Rate	LIC(2006-08)Ultimate	LIC(2006-08)Ultimate
Withdrawal Rate	1% to 3% depending on age	1 % to 3 % depending on age
Discount Rate	7.5% p.a.	7% p.a.
Salary Escalation	5%	5%

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



# CHOKSI IMAGING LIMITED

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CIN: L24294MH1992PLC388063.

## STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2024

(₹ in Lacs except for per share data)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31-03-24 Audited	31-12-23 Unaudited	31-03-23 Unaudited	31-03-24 Audited	31-03-23 Audited
1	Revenue from operations	15.03	19.42	27.80	126.70	76.92
2	Other Income	25.49	20.32	23.78	103.73	115.96
3	<b>Total Income (1+2)</b>	<b>40.52</b>	<b>39.74</b>	<b>51.58</b>	<b>230.43</b>	<b>192.88</b>
4	Expenses					
	(a) Cost of material consumed	(1.08)	21.42	-	100.14	82.76
	(b) Purchases of stock-in-trade	-	-	0.15	-	25.85
	(c) Changes in inventories of finished goods work-in-progress and stock-in-trade	10.78	5.31	3.56	44.71	(59.32)
	(d) Employee benefits and expenses	8.88	7.86	7.49	30.47	30.61
	(e) Depreciation and amortisation expense	4.04	4.24	4.00	16.40	16.33
	(f) Other expenses	37.58	28.62	33.10	136.20	141.07
	<b>Total Expenses</b>	<b>60.20</b>	<b>67.44</b>	<b>48.32</b>	<b>327.91</b>	<b>237.32</b>
5	Profit/(Loss) before exceptional and Tax (3-4)	(19.68)	(27.70)	3.26	(97.47)	(44.44)
6	Exceptional Items	-	-	-	-	-
7	Profit Before Tax (5-6)	(19.68)	(27.70)	3.26	(97.47)	(44.44)
8	<b>Tax Expenses</b>					
	Current	-	-	-	-	-
	Deferred	(50.96)	(0.39)	(1.04)	(51.80)	3.11
9	<b>Net Profit After Tax (7-8)</b>	<b>31.28</b>	<b>(27.31)</b>	<b>4.31</b>	<b>(45.68)</b>	<b>(47.54)</b>
10	<b>Other Comprehensive Income</b>					
A	Items that will not be reclassified to statement of Profit & Loss					
	(i) Remeasurement benefit of the defined benefit plans	-	-	2.21	(0.02)	(0.02)
	(ii) Equity Instrument through other comprehensive income	-	-	-	-	-
	(iii) Deferred Tax relating to the above items	-	-	0.66	-	(0.00)
B	Net fair value loss on investment in equity instruments through OCI					
	Total Other Comprehensive Income/(Expense)	-	-	2.87	(0.02)	(0.02)
11	<b>Total Comprehensive Income</b>	<b>31.28</b>	<b>(27.31)</b>	<b>7.18</b>	<b>(45.70)</b>	<b>(47.56)</b>
12	Paid -Up Equity Share Capital (Face value Rs.10/- each fully paid up)	390.00	390.00	390.00	390.00	390.00
13	Basic and diluted Earnings per shares of face value of Rs.10/- Each	0.80	(0.70)	0.18	(1.17)	(1.22)

For Choksi Imaging Limited

**JAY SAMIR** Digitally signed by  
JAY SAMIR CHOKSI  
**CHOKSI** Date: 2024.05.19  
11:47:31 +05'30'

Jay Choksi  
Whole time Director & CFO  
DIN: 07151509  
Place: Mumbai  
Date: May 19, 2024



# CHOKSI IMAGING LIMITED

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CIN: L24294MH1992PLC388063.

Notes	
1.	The Company operates in a single reportable operating segment in Healthacare industry hence there is no separate reportable segment as per Ind AS 108 "Operating Segments".
2.	The above Audited Financial Results (Standalone) have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
3.	The Audited Financial Results (Standalone) have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
4.	The above Audited Financial Results (Standalone) have been reviewed by the Audit Committee in its meeting held on May 19, 2024 and approved by the Board of Directors at their meeting held on May 19, 2024. The Statutory Auditors of the Company have carried out Audit of the aforesaid results. The auditor's report has been filed with stock exchange and is available on the Company's website.
5.	The Board of Directors has not recommended any dividend for the year ended 31st March, 2024.
6.	The Company has received first motion order from National Company Law Tribunal on April 19, 2024 but as there were some inconsistencies in directions given by NCLT order and time provided to comply the same, the Company has filed memo on May 3, 2024 to rectify the same and get revised order. The revised order is awaiting.
7.	Figures of previous reporting periods have been regrouped wherever necessary to correspond with the figures of the current reporting period.

For Choksi Imaging Limited

**JAY SAMIR** Digitally signed by  
JAY SAMIR CHOKSI  
**CHOKSI** Date: 2024.05.19  
11:47:52 +05'30'

Jay Choksi  
Whole time Director & CFO  
DIN: 07151509  
Place: Mumbai  
Date: May 19, 2024



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## CHOKSI IMAGING LIMITED

Standalone Cash Flow Statement for the year ended on March 31, 2024

(All figures in Lakhs)

Particulars	For the year ended on March 31, 2024		For the year ended on March 31, 2023	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		(45.68)		(47.54)
<b>Adjustments for:</b>				
Depreciation and amortisation	16.40		16.33	
Provision for Deferred tax Liability/(Asset)	(51.80)		3.11	
		(35.40)		19.44
<b>Operating profit / (loss) before working capital changes</b>	-	(81.08)	-	(28.10)
<b>Changes in working capital:</b>				
Adjustments for (increase) / decrease in operating assets:				
<b>Current Assets</b>				
Inventories	124.42		(236.03)	
<b>Financial Assets</b>				
Trade receivables	19.69		21.87	
Loans and advances	(2.19)		17.19	
Other Non-Current Assets	19.41		(34.34)	
Other Financial Assets	-	161.33	-	(231.28)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>				
<b>Current Liabilities</b>				
Trade payables	(12.45)		(0.14)	
Other current liabilities	1.85		9.14	
Provisions	-		(1.16)	
		-10.60	-	7.76
		69.42		(251.63)
<b>Cash flow from extraordinary items</b>				
Cash generated from operations		69.42	-	(251.63)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>69.42</b>		<b>(251.63)</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(0.18)		(0.60)	
Sale of capital Asset	-		0.55	
(Investment)/Redemption of Mutual Fund	-		335.02	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(0.18)</b>		<b>334.97</b>
<b>C. Cash flow from financing activities</b>				
Dividends paid	-		-	
Tax on dividend	-		-	



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<b>Net cash flow from / (used in) financing activities (C)</b>				
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>69.24</b>		<b>83.34</b>
Cash and cash equivalents at the beginning of the year		414.11	-	330.77
<b>Cash and cash equivalents at the end of the year</b>		<b>483.35</b>		<b>414.11</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
<b>Cash and cash equivalents as per Balance Sheet (Refer Note)</b>	-	483.35	-	414.11
<b>Cash and cash equivalents at the end of the year.</b>		<b>483.35</b>		<b>414.11</b>
Comprises:				
(a) Cash on hand	-	0.42	-	0.57
(b) Balances with banks				
(1) In current accounts		54.74	-	28.66
(2) Margin Money Account with Bank (refer note no 1)	-	25.42	-	49.07
(3) Fixed Deposit	-	398.93	-	330.44
(c) Others (specify nature) (Unclaimed Dividend Account)	-	3.83	-	5.37
		<b>483.35</b>		<b>414.11</b>
Notes:				
1) Bank Balance in Margin Money Account is for bank guarantee issued.				

The Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (Ind AS -7) Statement of Cash Flows.

For Choksi Imaging Limited

**JAY SAMIR  
CHOKSI**

Digitally signed by JAY  
SAMIR CHOKSI  
Date: 2024.05.19 11:48:16  
+05'30'

Jay Choksi  
DIN-07151509  
Whole Time Director & CFO

Place: Mumbai  
Date: May 19, 2024



CHOKSI IMAGING LIMITED  
Audited Balance Sheet As on 31st March, 2024

(Amount In Lakhs)

Particulars	Note No.	As at 31st March,	As at 31st March,
		2024	2023
		Ind AS	Ind AS
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant & Equipments	2	561.77	577.90
Intangible Assets	2.1	1.15	1.24
		562.92	579.14
<b>Other Non current Assets</b>			
Advances	3	184.27	182.08
<b>Total Non-Current Assets</b>		<b>747.19</b>	<b>761.22</b>
<b>Current Assets</b>			
Inventories	4	146.06	270.48
<b>Financial Assets</b>			
Trade Receivables	5	18.44	38.13
Cash and cash equivalents	6	479.75	408.74
Bank Balances other than cash and cash equivalents	7	3.83	5.37
Other Current Assets	8	301.59	320.99
<b>Total Current Assets</b>		<b>949.66</b>	<b>1,043.71</b>
<b>TOTAL</b>		<b>1,696.85</b>	<b>1,804.93</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	9	390.00	390.00
<b>Other Equity</b>			
Reserves & Surplus	10	1,115.96	1,161.66
<b>Total Equity</b>		<b>1,505.96</b>	<b>1,551.66</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Deferred tax liabilities(net)	11	69.28	121.07
<b>Total Non-Current Liabilities</b>		<b>69.28</b>	<b>121.07</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Trade Payables		-	-
Total outstanding dues of MSME		-	-
Total outstanding dues of creditors other than MSME	12	-	12.45
Other current liabilities	13	29.71	27.84
Provisions	14	91.90	91.90
<b>Total Current Liabilities</b>		<b>121.61</b>	<b>132.19</b>
<b>Total Liabilities</b>		<b>190.89</b>	<b>253.27</b>
<b>Total Equity &amp; Liabilities</b>		<b>1,696.85</b>	<b>1,804.93</b>
Date: May 19, 2024 Place: Mumbai		For Choksi Imaging Limited JAY SAMIR Digitally signed by CHOKSI JAY SAMIR CHOKSI Date: 2024.05.19 11:48:29 +05'30'	
		Jay Choksi Whole Time Director & CFO DIN: 07151509	





## Independent Auditor's Report

To the Members of Choksi Imaging Limited

Report on the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of M/s CHOKSI IMAGING LIMITED which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS ) specified under section 133 of the Act , of the state of affairs of the Company as at March 31, 2024, and loss, (changes in equity) and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How our audit addressed the key audit matter
Litigation Matter- Claims against company not acknowledged as Debt	Our procedures included, but were not limited to the following:
<p>Refer note accompanying the financial statements</p> <p>As at 31<sup>st</sup> March 2024, the contingent liability reported in notes accompanying financial statements is on account of order passed by Commissioner of Customs for the levy of SAD &amp; penalty thereon amounting to Rs 15.74 crores and further penalty on executives/director of the company amounting to Rs 75 lacs.</p> <p>The Company has filed an appeal before the Honorable Tribunal of Customs against the said order and management is expecting a favorable order based on the legal advisory's opinion.</p> <p>Considering the materiality of the amount involved this matter has been identified as a key audit matter.</p>	<p>Obtained an understanding of management's stance on the said matter based on the provisions of the law prevailing at that period of time.</p> <p>Assessed the professional competence and capabilities of the legal adviser engaged by the management.</p> <p>Based on our procedures, we also considered the adequacy of disclosures in respect of the said litigation as a contingent liability in the notes to the standalone financial statements.</p>

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors' is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Responsibility of Management for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) 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 Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and



maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
  - Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our Auditors' Report to the related disclosures in the standalone financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and



other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A: statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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.

- a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.]
- b. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. With respect to the adequacy of the internal financial controls over financial reporting (ICFR) of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".<sup>1</sup>
- 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note accompanying the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2024.
- iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- v. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- a. directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - b. provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries
- vi. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under above clause (iv) and (v) contain any material mis-statement.
- vii. The Company has not paid or declared any dividend during the year. Hence the clause of compliance with Section 123 of the Act is not applicable.
- viii. With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, no remuneration is paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. Since no remuneration is paid, the remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Karia & Shah**  
Chartered Accountants  
Firm Regn No 112203W

*Siddharth Vora*

Partner; Siddharth Vora

M. No. 170375

Place: Mumbai

Date: 19/05/2024

UDIN: 24170375BKFCJ6703







**Krishna Kumar Parikh**  
B.Com., LL.B., F.C.A.

**Amin Fidai**  
B.Com., F.C.A.

**Parikh & Amin**  
Associates

**CHARTERED ACCOUNTANTS**

## **INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF Choksi Asia Pvt. Ltd**

**Report on the Audit of the Standalone Financial statements**

### **Opinion**

We have audited the accompanying Standalone financial statements of **Choksi Asia Pvt. Ltd** (the "Company"), which comprise the standalone Balance Sheet as at March 31, 2023, the standalone Statement of Profit and Loss for the year ended on that date and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

## **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibilities for the Standalone Financial Statements**

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticisms throughout the audit. We also:



- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit 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 it appears from our examination of those books.



- c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- g) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) other than those mentioned in notes have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As stated to the standalone financial statements no dividend is declared by the company during the year
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.



For PARIKH AND AMIN ASSOCIATES  
Chartered Accountants  
(Firm's Registration No. 107520W)

*K. P. R.*  
Krishnakumar Parikh  
Partner

(Membership No. 036517)

UDIN: 23036517BGWKFA9842

Place: MUMBAI  
Date: 02.09.2023



## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Choksi Asia Pvt. Ltd of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

We have audited the internal financial controls over financial reporting of **Choksi Asia Pvt. Ltd** (the “Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the

company are being

in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.



For PARIKH AND AMIN ASSOCIATES  
Chartered Accountants  
(Firm's Registration No. 107520W)

*K. Parikh*  
Krishnakumar Parikh  
Partner  
Membership No. 036517)

UDIN: 23036517BGWKF9342

Place: MUMBAI

Date: 02.09.2023



## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Choksi Asia Pvt. Ltd of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (d) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
  - (a) The Company has provided loans or advances in the nature of loans during the year, to two parties during the year. The aggregate amount is Rs.0/- and outstanding at the Balance sheet date is Rs. 1,80,05,645/-
  - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
  - (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.  
  
There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
  - (a) The Company is not defaulted in payment of interest or repayment of loan if any during the year.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
  - (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
  - (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x.
  - (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the



Order is not applicable.

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi.
  - (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv.
  - (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. And hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
  - (a) In our opinion, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
  - (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.

- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no responsibility for Corporate Social Responsibility (CSR). And hence this clause is not applicable.



**For PARIKH AND AMIN  
ASSOCIATES  
Chartered Accountants  
(Firm's Registration No. 107520W)**

*Krishnakumar Parikh*

**Krishnakumar Parikh  
Partner  
(Membership No. 036517)  
UDIN: 23036517BGW (PA9342)**

**Place: MUMBAI  
Date: 02.09.2023**



## Balance sheet for the year ended 31 March, 2023

(Amount In Lakhs)

Particulars	Note No.	As at 31 March,	As at 31 March,
		2023	2022
		₹	₹
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	1	1
(b) Reserves and surplus	4	1,095	912
		1,096	913
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	5	161	519
(b) Deferred tax liabilities (net)	-	0	-
		161	519
<b>3 Current liabilities</b>			
(a) Trade Payables	6		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		35	125
(b) Other current liabilities	7	41	23
(c) Short Term Provisions	8	110	97
		187	245
<b>TOTAL</b>		1,443	1,677
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant & Equipment & Intangible Assets			
Property, Plant & Equipment	9	5	21
(b) Non-current investments	10	356	356
(c) Deferred Tax Assets		-	0
(c) Long-term loans and advances	11	296	346
(d) Other non-current assets	12	0	0
		657	724
<b>2 Current assets</b>			
(a) Inventories	13	279	542
(b) Trade receivables	14	344	190
(c) Cash and cash equivalents	15	162	159
(d) Short-term loans and advances	16	1	58
(e) Other current assets	17	0	4
		786	953
<b>TOTAL</b>		1,443	1,677
See accompanying notes to the financial statements			

In terms of our report attached.

For Parikh &amp; Amin Associates

Chartered Accountants

FRNo: 107520W

(K R Parikh)

Partner

Mem No. 036517

Place : Mumbai

Date : 02/09/2023



For and on behalf of the Board of Directors

S. Choksi

(Samir Choksi)

Director

DIN 00049416

Place : Mumbai

Date : 02/09/2023

Jay Choksi

(Jay Choksi)

Director

DIN 07151509

## Statement of Profit and Loss for the year ended 31 March, 2023

(Amount In Lakhs)

Particulars	Note No.	For the period ended	For the period ended
		31 March, 2023	31 March, 2022
		₹	₹
1 Revenue from operations (Net)	18	1,416	1,556
2 Other income	19	34	52
<b>Total revenue (1)</b>		<b>1,450</b>	<b>1,609</b>
<b>3 Expenses</b>			
(a) Purchases of stock-in-trade		802	1,498
(b) Changes in inventories of stock-in-trade	20	262	(264)
(c) Employee benefits expense	21	39	38
(d) Finance costs	22	37	73
(e) Depreciation and amortisation expense	9	4	7
(f) Other expenses	23	55	81
<b>Total expenses</b>		<b>1,199</b>	<b>1,433</b>
<b>4 Profit / (Loss) before exceptional and extraordinary items and tax (3)</b>		<b>250</b>	<b>176</b>
<b>5 Tax expense:</b>			
(a) Current tax expense for current year		(63)	(42)
(b) Deferred tax		(0)	0
		(63)	(42)
<b>6 Profit / (Loss) for the year (11 ± 13)</b>		<b>187</b>	<b>134</b>
<b>7 Earnings per share (of ₹ 10/- each):</b>			
(a) Basic			
(i) Continuing operations		1,871	1,343
(b) Diluted			
(i) Continuing operations		1,871	1,343
<b>See accompanying notes to the financial statements</b>			

In terms of our report attached.

For Parikh and Amin Associates

Chartered Accountants

FRNo.: 107520W

(K. R. Parikh)

Partner

Mem No. 036517

Place : Mumbai

Date : 02/09/2023



For and on behalf of the Board of Directors

S. Choksi

(Samir Choksi)

Director

DIN 00049416

Place : Mumbai

Date : 02/09/2023

Jay Choksi

(Jay Choksi)

Director

DIN 07151509

**NOTES FORMING PART OF ACCOUNTS.****1. Corporate Information**

Choksi Asia Private Limited ("the Company") was incorporated on March 8, 2007 under the provisions on Companies Act 1956 ("the Act"). The Main objects of the company are to carry on the business of trading in Industrial X-ray films, and accessories thereof.

**2. Significant Accounting Policies:****a. Basis of Preparation**

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspect of the Accounting Standard (AS) Notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 as amended by the Companies (Accounting Standards) Amendment Rule 2016. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

**b. Use of Estimates**

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

**c. Revenue Recognition**

Revenue from sales is recognized when the significant risks and rewards of ownership of products are transferred to the customers, which is based upon the terms of the applicable contract. Sales are recorded net of trade discounts, rebates, and GST.

Interest income is recognised on accrual basis.

Income from commission and rent is recognized as and when services provided and credit note and invoice raised.

**d. Valuation of Inventories**

(a) For valuation of finished goods, cost is determined by taking into consideration the last purchase invoice price including custom duty plus additional cost.

(b) Finished goods are valued at cost or Market Value whichever is lower.



**e. Fixed Assets**

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

**f. Depreciation**

- (a) Depreciation on fixed assets has been provided based on the useful life of the assets as prescribed in Schedule II of the Companies Act 2013.
- (b) In respect of assets acquired/sold/discarded during the financial period, depreciation is provided on pro-rata basis with reference to the period each asset was put to use during the financial period.

**g. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminutions in value is made to recognize a decline other than temporary in the value of the investments.

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

Event occurring after the date of Balance sheet, which provide further evidence of conditions that existed at the Balance Sheet date or that arose subsequently, are considered up to the date of approval of accounts by the Board of Directors, were material. Bank Guarantee of Rs. 28.42 Lakhs

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

- a) All employee benefits including bonus/ex-gratia (incentives) payable wholly within twelvemonths of rendering the service are classified as short-term employee benefits and are charged to the Profit and Loss Account of the year.

**j. Taxation**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit.

**k. Impairment of Assets**

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

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

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



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

**m. Lease:**

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Expenses and income from lease rentals in respect of operating leases are recognized in statement of profit & loss on accrual basis in accordance with the respective lease agreements.

**n. Earnings Per Share**

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

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

**o. Foreign exchange transactions**

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

**Notes on Accounts:**

1. The outstanding of Micro, Small and Medium scale industrial undertaking has been determined to the extent such parties have been identified on the basis of information available with the company and information provided by the suppliers.  
There is no outstanding from supplier from Micro, Small & Medium undertaking more than 45 days as informed.  
There are no claims from suppliers under the Interest on delayed payment to small scale Ancillary Industrial Undertaking as informed by the Management.
2. Debtors, Creditors, loans and advances are subject to confirmation as no confirmation is provided.
3. The Company has not traded or invested in crypto currency or virtual currency during the current Year.
4. Earning in Foreign Currency : ₹. 16.36 Lakhs
5. Outgo in Foreign Currency : ₹. 4,40.49 Lakhs
6. Contingent liability as on the balance sheet date is ₹ 28.42 Lakhs
7. Ratios as per separate schedule
8. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
9. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
10. The company has not dealt with any struck off companies during the year.
11. The Company has complied with the number of layers prescribed under the Companies Act, 2013.
12. There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
13. Term loans were applied for the purpose for which the loan was obtained & no funds raised on short-term basis have been used for long-term purposes by the company.
14. Previous year figures have been regrouped / reclassified wherever necessary.

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



(Samir Choksi)  
Director  
DIN: 00049416



(Jay Choksi)  
Director  
DIN: 07151509

Place : Mumbai

Dated : 02/09/2023



Notes forming part of the financial statements

(Amount In Lakhs)

## Note 3 Share capital

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	₹	Number of shares	₹
<b>(a) Authorised</b>				
Equity shares of ₹ 10/- each with voting rights	10,000	1	10,000	1
<b>(b) Issued, Subscribed and fully Paid up</b>				
Equity shares of ₹ 10/- each with voting rights	10,000	1	10,000	1
<b>Total</b>	10,000	1	10,000	1

(i) Details of shares held by each shareholder holding more than 5% shares:				
Class of shares / Name of shareholder	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Bindu Samir Choksi	4,980	50	4,980	49.80
Samir Kanubhai Choksi	4,975	50	4,975	49.75
Samir Kanubhai Choksi HUF	5	0	5	0.05
Raj Choksi	10	0	10	0.10
Kruti Choksi	10	0	10	0.10
Jay Choksi	10	0	10	0.10
Priyam Choksi	10	0	10	0.10

## ii. Information regarding issue of shares in last five years

- (a) The Company has not issued any shares without payment being received in cash.  
(b) The Company has not issued any bonus shares  
(c) The Company has not undertaken any buy-back.

## iii. Details of Shareholding by Promoters

Promoters Name	No of Shares	% of Total Shares	% of Change during the year
Bindu Samir Choksi	4980	49.80	Nil
Samir Kanubhai Choksi	4975	49.75	Nil
Samir Kanubhai Choksi HUF	5	0.05	Nil
Raj Choksi	10	0.10	Nil
Kruti Choksi	10	0.10	Nil
Jay Choksi	10	0.10	Nil
Priyam Choksi	10	0.10	Nil

Notes forming part of the financial statements

(Amount In Lakhs)

**Note 4 Reserves and surplus**

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	912	803
Add: Profit / (Loss) for the year	187	134
Add/(Less): Share purchase expenses	(0)	(25)
Add/(Less): Deposit Written off	-	0
Add/(Less): Income tax of Earlier year / Opening bal adj	(5)	(0)
Closing balance	1,095	912
<b>Total</b>	<b>1,095</b>	<b>912</b>

**Note 5 Long-term borrowings**

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
<b>Loans and advances from related parties</b>		
<b>Unsecured from Directors</b>		
- Samir Choksi	2	9
- Bindu Choksi	3	230
- Jay Choksi	11	53
<b>Unsecured from Shareholders</b>		
- Raj Choksi	34	60
- Samir Choksi HUF	107	150
- Priyam Jay Choksi	3	18
	161	519
<b>Total</b>	<b>161</b>	<b>519</b>

**Note 6 Trade Payables**

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Trade payables (Sub Schedule 1)		
- Others	35	125
<b>Total</b>	<b>35</b>	<b>125</b>

The outstanding of Micro, Small and Medium scale industrial undertaking has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors of the company. There is no claims from suppliers under the interest on delayed payment to Small Scale Andillary Industrial Undertaking as informed by the Management.

**Note 7 Other current liabilities**

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.) Sub Schedule 2	27	12
(ii) Others (Sub Schedule 3)	14	10
<b>Total</b>	<b>41</b>	<b>23</b>

## Notes forming part of the financial statements

(Amount In Lakhs)

**Note 8 Short-term provisions**

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Provision - Others:		
Provision - others (Provision for Expenses) (Sub Schedule 4)	110	97
<b>Total</b>	<b>110</b>	<b>97</b>

**Note 10 Non-current investments**

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
<b>Quoted Shares</b>		
949,896 Shares of Choksi Imaging Limited (Market Value as on 31/03/2023 Rs. 4,32,20,268.00)	356	356
<b>Total</b>	<b>356</b>	<b>356</b>

**Note 11 Long-term loans and advances**

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
(a) Advance income tax - Unsecured, considered good (Sub Sch - 6)	103	100
(b) Other loans and advances Unsecured, considered good (Sub Sch - 5)	185	237
(c) Balances with government authorities Unsecured, considered good (Sub Sch - 6)		
(i) Tax Deducted at Source:		
- on Rent Income	-	1
- on Interest Income	8	8
- on Purchases	1	0
<b>Total</b>	<b>296</b>	<b>346</b>

**Note 12 Other non-current assets**

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Adani Security Deposit	0	0
Gem Portal Security Deposite	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**Note 13 Inventories**

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Stock-in-trade (at cost or Market Value whichever is lower)	279	542
<b>Total</b>	<b>279</b>	<b>542</b>

**Note 14 Trade receivables**



## Notes forming part of the financial statements

(Amount In Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due Unsecured, considered good (Sub Schedule 7)	344	190
<b>Total</b>	<b>344</b>	<b>190</b>

## Note 15 Cash and cash equivalents

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
(a) Cash on hand	1	0
(b) Balances with banks		
- In current accounts	77	56
- Margin Money on Bank Gurantee	29	29
- Fixed Deposits with Bank of Baroda	54	74
<b>Total</b>	<b>162</b>	<b>159</b>

## Note 16 Short-term loans and advances

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Balances with government authorities Unsecured, considered good (i) GST Refund	1	57
Prepaid Expenses	-	0
Advance to employees for expenses	0	-
<b>Total</b>	<b>1</b>	<b>58</b>

## Note 17 Other current assets

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Advance to Suppliers (Sub Schedule 8)	0	4
<b>Total</b>	<b>0</b>	<b>4</b>

## Note 18 Revenue from operations

	Particulars	For the period ended 31 March, 2023	For the period ended 31 March, 2022
		₹	₹
(a)	Sale of products	1,388	1,529
(b)	Other operating revenues (Sub Schedule 9)	28	28
	<b>Total</b>	<b>1,416</b>	<b>1,556</b>

## Note 19 Other Income

	Particulars	For the period ended 31 March, 2023	For the period ended 31 March, 2022
		₹	₹
(a)	Interest income (Sub Schedule 10)	33	52
(b)	(b) Other non-operating income (net of expenses directly attributable to such income) (Sub Schedule 11)	1	-
	<b>Total</b>	<b>34</b>	<b>52</b>

## Note 20 Changes in inventories of stock-in-trade

Particulars	For the period ended 31 March, 2023	For the period ended 31 March, 2022
	₹	₹
<b>Inventories at the end of the year:</b>		
Finished goods	279	542
	279	542
<b>Inventories at the beginning of the year:</b>		
Finished goods	542	277
	542	277
<b>Net (increase) / decrease</b>	<b>262</b>	<b>(264)</b>

## Note 21 Employee benefits expense

Particulars	For the period ended 31 March, 2023	For the period ended 31 March, 2022
	₹	₹
Salaries and wages	37	38
Staff welfare expenses	2	0
<b>Total</b>	<b>39</b>	<b>38</b>

## Note 22 Finance costs

Particulars	For the period ended 31 March, 2023	For the period ended 31 March, 2022
	₹	₹
(a) Interest expense on:		
(i) Other Borrowing Costs		
- Directors	37	73
<b>Total</b>	<b>37</b>	<b>73</b>

## Note 23 Other expenses

Particulars	For the period ended 31 March, 2023	For the period ended 31 March, 2022
	₹	₹
Electricity Charges	1	4
Printing and stationery	0	1
Sales commission	10	28
Insurance	2	3
Marketing Expenses	-	-
<b>Payments to auditors</b>		
- As auditors - Statutory audit	1	1
Property Tax	-	0
Travelling and conveyance (Director's travelling expense)	3	1
Miscellaneous expenses (Refer Note (i))	38	43
<b>Total</b>	<b>55</b>	<b>81</b>

## Note (i):

Particulars	For the period ended 31 March, 2023	For the period ended 31 March, 2022
	₹	₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
Audit Fees	1	1
<b>Total</b>	<b>1</b>	<b>1</b>
<b>Details of Miscellaneous Expenses</b>		
Bank charges	1	1
Business promotion	1	1
Courier & Postage Charges	0	0
Exhibition Expenses	6	-
Interest on Late Payment of Taxes	0	0
Internet Charges	0	1
Labour charges	0	-
Loading & Unloading Charges	0	0
Loss on Sale of Assets-Motor Car	1	-
Office/Misc Expenses	5	10
Packing Charges	-	0
Profession Tax	0	-
Professional Fees	4	7
Repairs and maintenance - Factory/Office	13	5
Repairs and maintenance - Machinery/Car	3	4
ROC Filing Fees	-	0
Round Off	0	(0)
Sundry Balance W/off	0	11
Telephone Charges	0	0
Tender Exp.	0	0
Transportation Charges	3	4
VAT Due	1	-
<b>Total</b>	<b>38</b>	<b>43</b>

## Sub-Schedules forming part of the financial statements

(Amount In Lakhs)

## Sub Schedule 1

Trade payables	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
<b>Sundry Creditors</b>		
Asset Healthcare Div. of Choksi Imaging Limited OR	1	1
Diamond Plastics	-	0
Fibro Plast India	-	0
Gamma Solutions	-	1
Geeta K Sheth	-	0
Imaging Services and Solution	-	0
Jayna Packaging Pvt. Ltd.	-	10
M.V.X-Ray Equipments Co.( Purchase)	4	-
Mercury Airconditioners Pvt. Ltd.	-	0
OSERIX SA	29	111
Renentech Laboratories Pvt Ltd	-	0
S.M.Enterprises	-	0
Safexpress Private Limited	0	0
Unique Imaging ( Purchase )	1	1
<b>Total</b>	<b>35</b>	<b>125</b>

## Sub Schedule 2

Other Current Liabilities	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
<b>Statutory Remittances</b>		
TDS Payable	5	12
TCS Payable	0	0
<b>Total</b>	<b>27</b>	<b>12</b>

## Sub Schedule 3:

Other Current Liabilities	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
<b>Other payables</b>		
(i) Advances from Customers (refer note (a) below)	14	9
(ii) Retention Money	1	1
<b>Total</b>	<b>14</b>	<b>10</b>



Sub-Schedules forming part of the financial statements

(Amount In Lakhs)

Sub-Schedules forming part of the financial statements

Particulars	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Note (a):		
<b>Details of Advances from Customers:</b>		
Alhak Quality Inspection Services	1	1
Becquerel Industries Pvt Ltd	1	-
Gandhi NDT Services	1	1
Gmm Pfaudler Limited.	0	2
International Radiography Services	1	-
Interocean Shipping Co.	2	-
METALAB	0	-
M/S Himalaya Engineering	-	1
Narmada Technical Services	-	2
National Radiography Services	-	1
Nimay NDT Services	-	0
Om Tech NDT Services	3	-
Perfect NDT Agency	1	2
Prism Ndt Services	1	-
Process Construction & Technical Services Pvt Ltd	2	-
Sandarpan Traders	-	0
Shree Sadguru Enterprise	-	0
Sievert India Private Limited	0	0
Star NDT Services	0	0
Swapnil NDT and Inspection Services	-	0
Unique Radiography Services	1	1
Varun Ndt Test House	0	-
<b>Total</b>	<b>14</b>	<b>9</b>

**Sub Schedule 4**

Short-term provisions	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Provision - Others:		
(i) Provision for tax	105	92
(ii) Provision for Expenses		
ASNT INDIA SECTION	1	-
Association of NDT Services Organization of India	(0)	-
Commission Payable	0	0
Custom Duty Payable	0	-
Khodiyar Fabricator	1	-
Mass Logistics Pvt.Ltd.	0	0
Net Salary Payable	3	3
Parikh & Amin Associates	1	1
Prasant Logistics	-	0
Sandeep Mistry	1	1
<b>Total</b>	<b>110</b>	<b>97</b>

## Sub-Schedules forming part of the financial statements

(Amount In Lakhs)

## Sub Schedule 5

Other Loans and Advances	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
<b>Others</b>		
Loan to Grass Impex	66	127
Loan to Jayna Packaging Pvt. Ltd.	114	105
Loan to Satish	2	3
Loan to Nilesh	1	-
Loan to Rising Gardens	2	2
<b>Total</b>	<b>185</b>	<b>237</b>

## Sub Schedule 6

Bal with Gov. Authorities (Adv Tax & TDS)	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
<b>Income Tax</b>		
F. Y. 2020-2021	-	55
F. Y. 2021-2022	45	45
F. Y. 2022-2023	58	-
<b>TDS on Rent</b>		
F. Y. 2020-2021	-	1
<b>TDS on Interest</b>		
F. Y. 2020-2021	-	4
F. Y. 2021-2022	4	4
F. Y. 2022-2023	3	-
<b>TDS on Purchases</b>		
F. Y. 2021-2022	0	0
F. Y. 2022-2023	0	-
<b>Total</b>	<b>111</b>	<b>109</b>

## Sub Schedule 7

Sundry Debtors	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
A P Inspection Services	0	-
Bharat Heavy Electricals Ltd Heavy Plates and Vessels Plant	0	-
Castech NDT Services	3	1
Gaurav NDT Supplies	1	-
Geecy Apave Private Limited	36	30
General Manager Ordnance Factory Badmal	1	1
Godavari Technical Services	1	2
Government of India Department of Atomic Energy	1	24
Haasee Inspection Services	0	-
Hindustan Aeronautics Limited	0	-
IIS NDT And Allied Services Pvt. Ltd.	0	0
Industrial X Ray and Allied Radiographers (I) Pvt Ltd	0	25
Injotech India Private Limited	73	77
Innova Images Pvt Ltd	64	-
Inspection Technology	3	-
Isgec Heavy Engineering Ltd.	1	-
KSB Limited	-	2
LALIT PIPES AND PIPES PRIVATE LIMITED	58	-
Madras Radiography Engineers Private Limited	76	-
Metmech Radiographic Inspection Pvt Ltd	-	0
Modern Marketing	13	1
Narmada Technical Services	1	-
NDT Division	1	6
NDT Systems Supply & Services	-	0
Nobel NDT Services	0	0
Nuclear Power Corporation of India Ltd	-	1
Om Sai NDT Services	0	0
Prashant NDT Services	0	0

## Sub-Schedules forming part of the financial statements

(Amount In Lakhs)

Prism Ndt Services	-	0
R K & Sons	2	2
Ratnamani Metals And Tubes Limited	0	1
S V K Electronics	2	2
S.S.Industries	-	0
Sai NDT Inspection Services	1	0
Sciencetech Services	6	13
Sigma Inspection And Testing Pvt Ltd	-	0
Techno Engineering Services	0	-
Terahertz Engineering Services Private Limited	-	0
Vishwakarma Engineering Co.	-	0
X-Ray Accessories Manufacturing Company	0	-
<b>Total</b>	<b>344</b>	<b>190</b>

## Sub Schedule 8

Advance to Suppliers	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Advance to Suppliers		
EXL India	-	0
Pooja Enterprise	-	2
Rashi Peripherals Private Limited	-	0
Renentech Laboratories Pvt Ltd	0	-
Source Production & Equipment Co. INC (USD)	-	2
Tavat Ingenious Products Private Limited	-	0
<b>Total</b>	<b>0</b>	<b>4</b>

## Sub Schedule 9

Other Operating Revenues	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Net gain on foreign currency transactions and translation (other than considered as finance cost)	12	28
Commission Received	16	
<b>Total</b>	<b>28</b>	<b>28</b>

## Sub Schedule 10

Interest Income	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Interest on Bank FD	11	12
Interest on loans and advances	21	40
<b>Total</b>	<b>33</b>	<b>52</b>

## Sub Schedule 11

Other non-operating income	As at 31 March, 2023	As at 31 March, 2022
	₹	₹
Insurance Claim	1	-
<b>Total</b>	<b>1</b>	<b>-</b>

## Note 9 Fixed assets

	Tangible assets	Usefull life	Gross block				Accumulated depreciation				Net block	
			Balance as at 1 April, 2022	Additions	Disposals	Balance as at 31 March, 2023	Balance as at 1 April, 2022	Depreciation / amortisation expense for the period	Depreciation on Sale	Balance as at 31 March, 2023	Balance as at 31 March, 2023	Balance as at 31 March, 2022
			₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
1	Motor Car	6	60	-	21	39	44	2	9	38	0	15
2	Attendance Machine	15	0	-	-	0	0	0	-	0	0	0
3	Computers	3	1	-	-	1	1	0	-	1	1	1
4	Furniture & Fixture	10	0	-	-	0	0	0	-	0	0	0
5	Mobile	5	2	-	-	2	1	1	-	2	1	1
6	Office Equipment	5	0	-	-	0	0	0	-	0	0	0
7	Air Conditioner	5	5	0	-	6	2	1	-	3	3	3
	Total		69	0	21	49	48	4	9	44	5	21
	Previous year		67	2	-	69	41	7	-	48	21	26

Note 9 Fixed assets

	Tangible assets	Usefull life	Gross block				Accumulated depreciation				Net block	
			Balance as at 1 April, 2021	Additions	Disposals	Balance as at 31 March, 2022	Balance as at 1 April, 2021	Depreciation / amortisation expense for the period	Depreciation on Sale	Balance as at 31 March, 2022	Balance as at 31 March, 2022	Balance as at 31 March, 2021
1	Motor Car	6	59.58	-	-	59.58	39.49	5.01	-	44.50	15.09	20.10
2	Attendance Machine	15	0.05	-	-	0.05	0.03	0.01	-	0.04	0.01	0.02
3	Computers	3	0.67	0.80	-	1.48	0.35	0.21	-	0.56	0.91	0.32
4	Furniture & Fixture	10	0.50	-	-	0.50	0.03	0.05	-	0.08	0.42	0.47
5	Mobile	5	1.42	0.62	-	2.04	0.38	0.45	-	0.84	1.20	1.03
6	Office Equipment	5	0.13	-	-	0.13	0.04	0.02	-	0.06	0.06	0.09
7	Air Conditioner	5	5.06	0.43	-	5.48	1.14	1.00	-	2.15	3.34	3.91
	Total		67.41	1.85	-	69.26	41.46	6.77	-	48.23	21.03	25.95

## Sub-Schedules forming part of the financial statements

## Sub Schedule 1

Trade Payables Ageing Schedule for the years ended as on 31 March, 2023  
Outstanding for following periods from due date of payment

Particulars	Amount in Lakhs					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	20	-	1	14	-	35
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total Trade Payables</b>	<b>20</b>	<b>-</b>	<b>1</b>	<b>14</b>	<b>-</b>	<b>35</b>

There were no transactions during the year with struck off Companies

Trade Payables Ageing Schedule for the years ended as on 31 March, 2022  
Outstanding for following periods from due date of payment

Particulars	Amount in Lakhs					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	51	7	0	67	-	125
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total Trade Payables</b>	<b>51</b>	<b>7</b>	<b>0</b>	<b>67</b>	<b>-</b>	<b>125</b>

There were no transactions during the year with struck off Companies



## Sub-Schedules forming part of the financial statements

## Sub Schedule 7

## Trade Receivables Ageing Schedule for the years ended as on 31 March, 2023

## Outstanding for following periods from due date of payment

Particulars	(Amount in Lakhs)					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	327	10	2	6	-	344
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
<b>Total Trade Receivables</b>	<b>327</b>	<b>10</b>	<b>2</b>	<b>6</b>	<b>-</b>	<b>344</b>

## Trade Receivables Ageing Schedule for the years ended as on 31 March, 2022

## Outstanding for following periods from due date of payment

Particulars	(Amount in Lakhs)					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	164	14	8	4	-	190
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
<b>Total Trade Receivables</b>	<b>164</b>	<b>14</b>	<b>8</b>	<b>4</b>	<b>-</b>	<b>190</b>

## Notes forming part of the financial statements

## Related party disclosures

## (i) Names of related parties

Associates	-
Key Management Personnel (KMP)	Mr. Samir Choksi, Director and Ms. Bindu Choksi, Director
Relatives of KMP	-

## (ii) Related parties where control exists but with which no transaction have taken place during the year:

<p>- Company in which KMP/ Relatives of KMP can exercise significant influence</p> <p>- Companies where Mr. Samir Choksi is Director:</p> <p>Choksi Imaging Limited</p> <p>Choksi Brothers Private Limited</p> <p>Neelkamal Realtors Suburban Private Limited</p> <p>Shiva Multitrade Private Limited</p> <p>Shiva Realtors Suburban Private Limited</p> <p>Shiva Buildcon Private Limited</p> <p>Western India Automobile Association</p> <p>Eterna Realty Private Limited</p> <p>- Companies where Ms. Bindu Choksi is Director:</p> <p>Tim Tom Food Products Pvt Ltd</p> <p>Shreyas Trading Company Private Limited</p> <p>- Enterprises owned or significantly influenced by key</p> <p>- Enterprises where Mr. Samir Choksi is Partner:</p> <p>Unique Imaging</p> <p>Choksi Brothers</p>	<p>Innova Investment, M/s Choksi Brothers, M/s. Unique Imaging, Neelkamal realtors surbanban Pvt Ltd, in which</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p> <p>Associate Enterprise</p>
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## (iii) Related parties with whom transactions have taken place during the year:

- Enterprises owned or significantly influenced by key management personnel (KMP) or their relatives	NIL
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**Note:** Related parties have been identified by the Management.

**Related party transactions**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial

**a. Loans taken and repayment thereof** (Amount In Lakhs)

	Year ended	Loans taken	Repayment	Interest accrued	Amount owed to related parties
Key Management Personnel					
Mr. Samir Choksi	31st March 2023	15	22	1	2
	31st March 2022	135	405	17	9
Ms. Bindu Choksi	31st March 2023	100	333	7	3
	31st March 2022	200	79	17	230
Mr. Raj Choksi	31st March 2023	25	59	7	34
	31st March 2022	-	1	6	60
Mr. Jay Choksi	31st March 2023	10	55	3	11
	31st March 2022	4	12	5	53
Samir Choksi HUF	31st March 2023	-	57	14	107
	31st March 2022	-	55	19	150
Priyam Jay Choksi	31st March 2023	-	16	1	3
	31st March 2022	-	-	2	18
		150	541	33	161

**b. Remuneration to key managerial personnel** (Amount In Lakhs)

	31 March, 2023	31 March, 2022
Mr. Samir Choksi, Director	13	12
Ms. Bindu Choksi, Director	Nil	Nil
Mr. Jay Choksi, Director	13	Nil

**c. Interest paid to key managerial personnel** (Amount In Lakhs)

	31 March, 2023	31 March, 2022
Mr. Samir Choksi, Director	1	19
Ms. Bindu Choksi, Director	7	19
Mr. Raj Choksi, Director	8	7
Mr. Jay Choksi, Director	4	6
S K Choksi HUF	15	21
Priyam Jay Choksi	1	2

**d. Purchase & Income from related parties** (Amount In Lakhs)

	31 March, 2023	31 March, 2022
Labour charges to Assethealthcare a div of Choksi Imaging Ltd	5	11
Purchases from Unique Imaging	-	7



Krishna Kumar Parikh  
B.Com., LL.B., F.C.A.

Amin Fidai  
B.Com., F.C.A.

Parikh & Amin  
Associates

**CHARTERED ACCOUNTANTS**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF CHOKSI ASIA PRIVATE LIMITED**

#### **Report on the Audit of the Standalone Financial statements**

##### **Opinion**

We have audited the accompanying Standalone financial statements of **Choksi Asia Pvt. Ltd** (the "Company"), which comprise the standalone Balance Sheet as at March 31, 2024, the standalone Statement of Profit and Loss for the year ended on that date and a summary of significant accounting policies and other explanatory information .

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, for the year ended on that date.

##### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

##### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

## **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibilities for the Standalone Financial Statements**

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 it appears from our examination of those books.
- c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- g) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) other than those mentioned in notes have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under

(a) and (b) above, contain any material misstatement.

v. As stated to the standalone financial statements no dividend is declared by the company during the year

2. Based on our examination which include test check company has used accounting software for maintaining its books of account for the financial year ended 31<sup>st</sup> march 2024 which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with. As proviso of rule 3(1) of the companies (Accounts) Rule 2014 applicable from April 1 2023 Reporting under Rule 11(g) of the companies (Audit and Auditors) Rule 2014 on preservation of Audit Trail As per The Statutory requirement for record retention is not applicable for the Financial Year ended on 31<sup>st</sup> March 2024.

i.

3. As required by the Companies (Auditor’s Report) Order, 2020 (the “Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For PARIKH AND AMIN ASSOCIATES**  
**Chartered Accountants**  
**(Firm’s Registration No. 107520W)**

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**Krishnakumar Parikh**  
**Partner**

**( Membership No. 036517)**  
**UDIN: 24036517BKCPHW4233**

**Place: MUMBAI**  
**Date: 19/05/2024**

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Choksi Asia Pvt. Ltd of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

We have audited the internal financial controls over financial reporting of **Choksi Asia Pvt. Ltd** (the “Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being

in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For PARIKH AND AMIN ASSOCIATES**

**Chartered Accountants**

**(Firm's Registration No. 107520W)**

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**Krishnakumar Parikh**

**Partner**

**Membership No. 036517)**

**UDIN: 24036517BKCPHW4233**

**Place: MUMBAI**

**Date: 19/05/2024**

## **ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Choksi Asia Pvt. Ltd of even date)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (d) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
  - (a) The Company has provided loans or advances in the nature of loans during the year, to two parties during the year. The aggregate amount is Rs.30,00,000/- and outstanding at the Balance sheet date is Rs. 2,24,94,456/-
  - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
  - (c) In respect of loans granted by the Company, the no schedule of repayment of principal and payment of interest has been stipulated and receipt of interest are generally been regular as per stipulation.

- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix.
  - (a) The Company is not defaulted in payment of interest or repayment of loan if any during the year.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
  - (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
  - (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.



- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.  
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.  
(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. And hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.  
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.

- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no responsibility for Corporate Social Responsibility (CSR). And hence this clause is not applicable.

**For PARIKH AND AMIN ASSOCIATES**  
**Chartered Accountants**  
**(Firm's Registration No. 107520W)**

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**Krishnakumar Parikh**  
**Partner**  
**( Membership No. 036517)**  
**UDIN: 24036517BKCPHW4233**

**Place: MUMBAI**  
**Date: 19/05/2024**

## Audited Standalone Balance Sheet as at 31 March, 2024

(Amount In ₹)

Particulars	Note No.	As at	
		31 March, 2024	31 March, 2023
		₹	₹
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	1,00,000.00	1,00,000.00
(b) Reserves and surplus	4	12,69,33,446.66	10,94,86,715.56
		12,70,33,446.66	10,95,86,715.56
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	5	2,47,41,882.20	1,60,65,384.53
(b) Deferred tax liabilities (net)	-	14,803.00	6,303.00
		2,47,56,685.20	1,60,71,687.53
<b>3 Current liabilities</b>			
(a) Short-term borrowings	6	1,35,32,202.01	-
(b) Trade Payables	7		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,67,57,033.20	35,13,350.23
(c) Other current liabilities	8	1,57,46,025.53	41,45,570.72
(d) Short Term Provisions	9	1,52,60,887.96	1,10,25,734.99
		6,12,96,148.70	1,86,84,655.94
		21,30,86,280.56	14,43,43,059.03
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant & Equipment & Intangible Assets			
Property, Plant & Equipment	10	2,85,652.50	4,80,685.50
(b) Non-current investments	11	3,56,37,510.00	3,56,37,510.00
(c) Long-term loans and advances	12	3,33,95,869.40	2,95,53,595.64
(d) Other non-current assets	13	25,631.80	25,631.80
		6,93,44,663.70	6,56,97,422.94
<b>2 Current assets</b>			
(a) Inventories	14	3,95,57,991.56	2,79,40,973.40
(b) Trade receivables	15	3,43,62,826.80	3,44,27,415.18
(c) Cash and cash equivalents	16	6,95,15,358.50	1,62,02,861.79
(d) Short-term loans and advances	17	2,10,439.00	73,760.72
(e) Other current assets	18	95,001.00	625.00
		14,37,41,616.86	7,86,45,636.09
		21,30,86,280.56	14,43,43,059.03
<b>See accompanying notes to the financial statements</b>	1 & 2		

In terms of our report attached.

**For Parikh & Amin Associates**

Chartered Accountants

FRNo: 107520V

KRISHNAKUMAR  
RAMANLAL PARIKH**(K R Parikh)****Partner**

Mem No. 036517

Place : Mumbai

Date : 19/05/2024

**For & on behalf of the Board of Directors**JAY  
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CHOKSIDigitally signed  
by JAY SAMIR  
CHOKSI  
Date: 2024.05.19  
13:47:58 +05'30'**(Jay Choksi)****Director****DIN 07151509**SAMIR  
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## Audited Standalone Statement of Profit and Loss for the year ended 31 March, 2024

(Amount In ₹)

Particulars	Note No.	Year ended	
		31 March, 2024	31 March, 2023
		₹	₹
1 Revenue from operations (Net)	19	15,21,55,715.25	14,16,04,674.12
2 Other income	20	85,66,209.51	33,57,619.00
<b>Total revenue (1+2)</b>		<b>16,07,21,924.76</b>	<b>14,49,62,293.12</b>
<b>3 Expenses</b>			
(a) Purchases of stock-in-trade		12,67,68,867.92	8,02,22,233.98
(b) Changes in inventories of stock-in-trade	21	(1,16,17,018.16)	2,62,32,988.54
(c) Employee benefits expense	22	95,97,859.17	38,84,542.88
(d) Finance costs	23	39,82,080.00	37,04,826.00
(e) Depreciation and amortisation expense	10	1,98,136.00	4,24,333.88
(f) Other expenses	24	67,95,819.41	54,71,772.21
<b>Total expenses</b>		<b>13,57,25,744.34</b>	<b>11,99,40,697.49</b>
<b>4 Profit / (Loss) before exceptional and extraordinary items and tax (3</b>		<b>2,49,96,180.42</b>	<b>2,50,21,595.63</b>
<b>5 Tax expense:</b>			
(a) Current tax expense for current year		(62,80,000.00)	(63,00,000.00)
(a) Deferred tax		(8,500.00)	(14,000.00)
		<b>(62,88,500.00)</b>	<b>(63,14,000.00)</b>
<b>6 Profit / (Loss) for the year (11 ± 13)</b>		<b>1,87,07,680.42</b>	<b>1,87,07,595.63</b>
<b>7 Earnings per share (of ₹ 10/- each):</b>			
(a) Basic (₹)			
(i) Continuing operations		1,870.77	1,870.76
(b) Diluted (₹)			
(i) Continuing operations		1,870.77	1,870.76
<b>See accompanying notes to the financial statements</b>	<b>1 &amp; 2</b>		

In terms of our report attached.

**For Parikh & Amin Associates**

Chartered Accountants

FRNo: 107520W

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

Mem No. 036517

Place : Mumbai

Date : 19/05/2024

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

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**(Jay Choksi)****Director****DIN 07151509****(Samir Choksi)****Director****DIN 00049416**

**NOTES FORMING PART OF ACCOUNTS.****1. Corporate Information**

Choksi Asia Private Limited ("the Company") was incorporated on March 8, 2007 under the provisions on Companies Act 1956 ("the Act"). The Main objects of the company are to carry on the business of trading in Industrial X-ray films, and accessories thereof.

**2. Significant Accounting Policies:****a. Basis of Preparation**

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspect of the Accounting Standard (AS) Notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 as amended by the Companies (Accounting Standards) Amendment Rule 2016. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

**b. Use of Estimates**

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

**c. Revenue Recognition**

Revenue from sales is recognized when the significant risks and rewards of ownership of products are transferred to the customers, which is based upon the terms of the applicable contract. Sales are recorded net of trade discounts, rebates, and GST.

Interest income is recognised on accrual basis.

Income from commission and rent is recognized as and when services provided, and credit note and invoice raised.

**d. Valuation of Inventories**

(a) For valuation of finished goods, cost is determined by taking into consideration the last purchase invoice price including custom duty plus additional cost.

(b) Finished goods are valued at cost or Market Value whichever is lower.

**e. Fixed Assets**

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

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

**f. Depreciation**

(a) Depreciation on fixed assets has been provided based on the useful life of the assets as prescribed in Schedule II of the Companies Act 2013.

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

**g. Investments**

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminutions in value is made to recognize a decline other than temporary in the value of the investments.

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

Event occurring after the date of Balance sheet, which provide further evidence of conditions that existed at the Balance Sheet date or that arose subsequently, are considered up to the date of approval of accounts by the Board of Directors, were material. Bank Guarantee of Rs. 10,28,569/-

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

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



**j. Taxation**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit.

**k. Impairment of Assets**

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

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

Provisions are recognized in terms of Accounting Standard - 29 on "Provisions, Contingent Liabilities and Contingent Assets" issued by the ICAI, when there is a

present legal or statutory obligation as a result of past events leading to probable outflow of resources, where a reliable estimate can be made to settle the same.

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

**m. Lease:**

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Expenses and income from lease rentals in respect of operating leases are recognized in statement of profit & loss on accrual basis in accordance with the respective lease agreements.

**n. Earnings Per Share**

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

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

**o. Foreign exchange transactions**

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

**Notes on Accounts:**

1. The outstanding of Micro, Small and Medium scale industrial undertaking has been determined to the extent such parties have been identified on the basis of information available with the company and information provided by the suppliers.  
There is no outstanding from supplier from Micro, Small & Medium undertaking more than 45 days as informed.  
There are no claims from suppliers under the Interest on delayed payment to small scale Ancillary Industrial Undertaking as informed by the Management.
2. Debtors, Creditors, loans and advances are subject to confirmation as no confirmation is provided.
3. The Company has not traded or invested in crypto currency or virtual currency during the current Year.
4. Earnings in Foreign Currency : ₹. 74,750.83
5. Outgo in Foreign Currency : ₹. 3,27,59,111.02
6. Contingent liability as on the balance sheet date is ₹. 10,28,569/- for Bank Guarantee
7. Ratios as per separate schedule
8. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
9. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
10. The company has not dealt with any struck off companies during the year.
11. The Company has complied with the number of layers prescribed under the Companies Act, 2013.
12. There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
13. Term loans were applied for the purpose for which the loan was obtained & no funds raised on short-term basis have been used for long-term purposes by the company.
14. Previous year's figures have been regrouped / reclassified wherever necessary.

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

SAMIR  
KANUBHAI  
CHOKSI

Digitally signed by  
SAMIR KANUBHAI  
CHOKSI  
Date: 2024.05.19  
14:14:03 +05'30'

**(Samir Choksi)**  
**Director**  
**DIN: 00049416**

JAY SAMIR  
CHOKSI

Digitally signed by  
JAY SAMIR  
CHOKSI  
Date: 2024.05.19  
13:47:05 +05'30'

**(Jay Choksi)**  
**Director**  
**DIN: 07151509**

**Place: Mumbai**

**Dated: 19/05/2024**

Notes forming part of the financial statements

**Note 4 Reserves and surplus**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	10,94,86,715.56	9,12,49,482.93
Add: Profit / (Loss) for the year	1,87,07,680.42	1,87,07,595.63
Add/(Less): Share purchase expenses	(885.00)	(885.00)
Add/(Less): Income tax of Earlier year / Opening bal adj	(12,60,064.32)	(4,69,478.00)
Closing balance	12,69,33,446.66	10,94,86,715.56
<b>Total</b>	<b>12,69,33,446.66</b>	<b>10,94,86,715.56</b>

**Note 5 Long-term borrowings**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
<b>Loans and advances from related parties</b>		
<b>Unsecured from Directors</b>		
- Samir Choksi	73,51,971.24	2,30,012.24
- Bindu Choksi	1,92,084.29	3,24,836.11
- Jay Choksi	7,04,601.58	11,28,585.46
<b>Unsecured from Shareholders</b>		
- Raj Choksi	38,80,000.72	33,96,707.72
- Samir Choksi HUF	1,24,14,892.00	1,06,92,875.00
- Priyam Jay Choksi	1,98,332.37	2,92,368.00
	2,47,41,882.20	1,60,65,384.53
<b>Total</b>	<b>2,47,41,882.20</b>	<b>1,60,65,384.53</b>

**Note 6 Short-term borrowings**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
Bank Overdraft (Hypo against Fixed Deposit of Company with HDFC Bank)	1,35,32,202.01	-
<b>Total</b>	<b>1,35,32,202.01</b>	<b>-</b>

**Note 7 Trade Payables**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
Trade payables - Others	1,67,57,033.20	35,13,350.23
<b>Total</b>	<b>1,67,57,033.20</b>	<b>35,13,350.23</b>

The outstanding of Micro, Small and Medium scale industrial undertaking has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors of the company. There is no claims from suppliers under the interest on delayed payment to Small Scale Andillary Industrial Undertaking as informed by the Management.

**Note 8 Other current liabilities**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	49,99,175.87	26,97,613.44
(ii) Others	1,07,46,849.66	14,47,957.28
<b>Total</b>	<b>1,57,46,025.53</b>	<b>41,45,570.72</b>

**Note 9 Short-term provisions**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
Provision - Others: Provision - others (Provision for Expenses)	1,52,60,887.96	1,10,25,734.99
<b>Total</b>	<b>1,52,60,887.96</b>	<b>1,10,25,734.99</b>

**Note 11 Non-current investments**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
<b>Quoted Shares</b> 949,896 Shares of Choksi Imaging Limited (Market Value as on 31/03/2024 Rs. 5,62,33,843.20) (March 2023 Rs. 4,32,20,268.00)	3,56,37,510.00	3,56,37,510.00
<b>Total</b>	<b>3,56,37,510.00</b>	<b>3,56,37,510.00</b>

**Note 12 Long-term loans and advances**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
(a) Advance income tax - Unsecured, considered good	95,50,000.00	1,02,50,000.00
(b) Other loans and advances Unsecured, considered good	2,27,97,456.00	1,84,57,352.30
(c) Balances with government authorities Unsecured, considered good		
(i) Tax Deducted at Source:		
- on Interest Income	9,34,269.60	7,59,024.00
- on Purchases	1,14,143.80	87,219.34
<b>Total</b>	<b>3,33,95,869.40</b>	<b>2,95,53,595.64</b>

**Note 13 Other non-current assets**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
Adani Security Deposit	620.00	620.00
Gem Portal Security Deposite	25,011.80	25,011.80
<b>Total</b>	<b>25,631.80</b>	<b>25,631.80</b>

**Note 14 Inventories**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
Stock-in-trade (at cost or Market Value whichever is lower)	3,95,57,991.56	2,79,40,973.40
<b>Total</b>	<b>3,95,57,991.56</b>	<b>2,79,40,973.40</b>

**Note 15 Trade receivables**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good	3,43,62,826.80	3,44,27,415.18
<b>Total</b>	<b>3,43,62,826.80</b>	<b>3,44,27,415.18</b>

**Note 16 Cash and cash equivalents**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
(a) Cash on hand	21,580.00	1,49,757.00
(b) Balances with banks		
- In current accounts	85,708.98	77,46,256.30
- Margin Money on Bank Gurantee	10,28,568.62	29,35,729.49
- Fixed Deposits with Bank of Baroda & HDFC Bank	6,83,79,500.90	53,71,119.00
<b>Total</b>	<b>6,95,15,358.50</b>	<b>1,62,02,861.79</b>

**Note 17 Short-term loans and advances**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
Balances with government authorities Unsecured, considered good		
(i) GST Refund	-	68,760.72
(ii) Advance Custom Duty Receivable	2,10,439.00	-
Advance to employees for expenses	-	5,000.00
<b>Total</b>	<b>2,10,439.00</b>	<b>73,760.72</b>

**Note 18 Other current assets**

Particulars	As at	
	31 March, 2024	31 March, 2023
	₹	₹
Advance to Suppliers	95,001.00	625.00
<b>Total</b>	<b>95,001.00</b>	<b>625.00</b>

Notes forming part of the financial statements

**Note 19 Revenue from operations**

Particulars	Year ended	
	31 March, 2024	31 March, 2023
	₹	₹
(a) Sale of products	15,01,03,429.66	13,87,68,298.77
(b) Other operating revenues	20,52,285.59	28,36,375.35
<b>Total</b>	<b>15,21,55,715.25</b>	<b>14,16,04,674.12</b>

**Note 20 Other Income**

Particulars	Year ended	
	31 March, 2024	31 March, 2023
	₹	₹
(a) Interest income	66,03,373.13	32,73,595.00
(b) Other non-operating income (net of expenses directly attributable to such income)	19,62,836.38	84,024.00
<b>Total</b>	<b>85,66,209.51</b>	<b>33,57,619.00</b>

**Note 21 Changes in inventories of stock-in-trade**

Particulars	Year ended	
	31 March, 2024	31 March, 2023
	₹	₹
<b>Inventories at the end of the year:</b>		
Finished goods	3,95,57,991.56	2,79,40,973.40
	3,95,57,991.56	2,79,40,973.40
<b>Inventories at the beginning of the year:</b>		
Finished goods	2,79,40,973.40	5,41,73,961.94
	2,79,40,973.40	5,41,73,961.94
<b>Net (increase) / decrease</b>	<b>(1,16,17,018.16)</b>	<b>2,62,32,988.54</b>

**Note 22 Employee benefits expense**

Particulars	Year ended	
	31 March, 2024	31 March, 2023
	₹	₹
Salaries and wages	92,91,566.00	37,31,000.00
Staff welfare expenses	3,06,293.17	1,53,542.88
<b>Total</b>	<b>95,97,859.17</b>	<b>38,84,542.88</b>

**Note 23 Finance costs**

Particulars	Year ended	
	31 March, 2024	31 March, 2023
	₹	₹
(a) Interest expense on:		
(i) Other Borrowing Costs		
- Directors	39,82,080.00	37,04,826.00
<b>Total</b>	<b>39,82,080.00</b>	<b>37,04,826.00</b>



**Note 24 Other expenses**

Particulars	Year ended	
	31 March, 2024	31 March, 2023
	₹	₹
Electricity Charges	1,06,760.00	70,805.00
Printing and stationery	61,729.00	46,957.00
Sales commission	21,89,799.00	10,16,125.00
Insurance	9,17,812.96	2,31,743.06
<b>Payments to auditors</b>		
- As auditors - Statutory audit	1,40,000.00	71,600.00
Property Tax	5,578.00	-
Travelling and conveyance (Director's travelling expense)	8,95,402.19	2,57,418.79
Miscellaneous expenses (Refer Note (i))	24,78,738.26	37,77,123.36
<b>Total</b>	<b>67,95,819.41</b>	<b>54,71,772.21</b>

**Note (i):**

Particulars	Year ended	
	31 March, 2024	31 March, 2023
	₹	₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
Audit Fees	1,00,000.00	60,000.00
Others	40,000.00	11,600.00
<b>Total</b>	<b>1,40,000.00</b>	<b>71,600.00</b>
<b>Details of Miscellaneous Expenses</b>		
Bank charges	86,814.49	92,295.69
Business promotion	1,10,466.00	65,214.00
Courier & Postage Charges	50,863.00	24,308.00
Exhibition Expenses	3,91,918.00	6,21,320.99

Particulars	Year ended	
	31 March, 2024	31 March, 2023
	₹	₹
Interest on Late Payment of Taxes	-	3,150.00
Internet Charges	-	7,700.00
Labour charges	82,811.40	12,000.00
Loading & Unloading Charges	10,260.00	5,040.40
Loss on Sale of Assets-Motor Car	-	1,21,691.00
Office/Misc Expenses	5,12,730.94	4,56,198.22
Profession Tax	-	2,500.00
Professional Fees	76,700.00	3,81,884.76
Repairs and maintenance - Factory/Office	6,20,453.03	12,54,548.97
Repairs and maintenance - Machinery/Car	1,58,383.08	3,09,392.34
ROC Filing Fees	3,911.80	-
Round Off	7.30	2.92
Sundry Balance W/off	-	4,661.59
Telephone Charges	16,944.62	17,563.64
Tender Exp.	-	18,000.00
Transportation Charges	3,56,474.60	3,23,188.84
VAT Due	-	56,462.00
<b>Total</b>	<b>24,78,738.26</b>	<b>37,77,123.36</b>

Notes forming part of the financial statements

(Amount In ₹)

**Note 3 Share capital**

Particulars	As at		As at	
	31 March, 2024		31 March, 2023	
	Number of shares	₹	Number of shares	₹
<b>(a) Authorised</b>				
Equity shares of ₹ 10/- each with voting rights	10,000	1,00,000.00	10,000	1,00,000.00
<b>(b) Issued, Subscribed and fully Paid up</b>				
Equity shares of ₹ 10/- each with voting rights	10,000	1,00,000.00	10,000	1,00,000.00
<b>Total</b>	10,000	1,00,000.00	10,000	1,00,000.00

(i) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at		As at	
	31 March, 2024		31 March, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Bindu Samir Choksi	4,980	50	4,980	49.80
Samir Kanubhai Choksi	4,975	50	4,975	49.75
Samir Kanubhai Choksi HUF	5	0	5	0.05
Raj Choksi	10	0	10	0.10
Kruti Choksi	10	0	10	0.10
Jay Choksi	10	0	10	0.10
Priyam Choksi	10	0	10	0.10

**ii. Information regarding issue of shares in last five years**

- (a) The Company has not issued any shares without payment being received in cash.  
(b) The Company has not issued any bonus shares  
(c) The Company has not undertaken any buy-back.

**iii. Details of Shareholding by Promoters**

Promoters Name	No of Shares	31 March, 2024		31 March, 2023	
		% of Total Shares	% of Change during the year	% of Total Shares	% of Change during the year
Bindu Samir Choksi	4980	49.80	Nil	49.80	Nil
Samir Kanubhai Choksi	4975	49.75	Nil	49.75	Nil
Samir Kanubhai Choksi HUF	5	0.05	Nil	0.05	Nil
Raj Choksi	10	0.10	Nil	0.10	Nil
Kruti Choksi	10	0.10	Nil	0.10	Nil
Jay Choksi	10	0.10	Nil	0.10	Nil
Priyam Choksi	10	0.10	Nil	0.10	Nil

Note 10 Fixed assets

	Tangible assets	Usefull life	Gross block				Accumulated depreciation				Net block	
			Balance as at 1 April, 2023	Additions	Disposals	Balance as at 31 March, 2024	Balance as at 1 April, 2023	Depreciation / amortisation expense for the period	Depreciation on Sale	Balance as at 31 March, 2024	Balance as at 31 March, 2024	Balance as at 31 March, 2023
			₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
1	Motor Car	6	38,58,474.00	-	38,58,474.00	-	38,18,194.00	-	38,18,194.00	-	-	40,280.00
2	Attendance Machine	15	5,084.00	-	-	5,084.00	5,049.00	-	-	5,049.00	35.00	35.00
3	Computers	3	1,47,665.88	43,383.00	-	1,91,048.88	67,372.88	37,734.00	-	1,05,106.88	85,942.00	80,293.00
4	Furniture & Fixture	10	49,780.00	-	-	49,780.00	21,792.00	-	-	21,792.00	27,988.00	27,988.00
5	Mobile	5	2,03,562.90	-	-	2,03,562.90	1,50,071.00	40,706.00	-	1,90,777.00	12,785.90	53,491.90
6	Office Equipment	5	12,881.36	-	-	12,881.36	8,923.00	2,447.00	-	11,370.00	1,511.36	3,958.36
7	Air Conditioner	5	5,92,213.24	-	-	5,92,213.24	3,17,574.00	1,17,249.00	-	4,34,823.00	1,57,390.24	2,74,639.24
	<b>Total</b>		<b>48,69,661.38</b>	<b>43,383.00</b>	<b>38,58,474.00</b>	<b>10,54,570.38</b>	<b>43,88,975.88</b>	<b>1,98,136.00</b>	<b>38,18,194.00</b>	<b>7,68,917.88</b>	<b>2,85,652.50</b>	<b>4,80,685.50</b>
	<b>Previous period</b>		<b>69,25,755.14</b>	<b>43,906.24</b>	<b>21,00,000.00</b>	<b>48,69,661.38</b>	<b>48,22,951.00</b>	<b>4,24,333.88</b>	<b>8,58,309.00</b>	<b>43,88,975.88</b>	<b>4,80,685.50</b>	<b>21,02,804.14</b>

## Sub-Schedules forming part of the financial statements

## Sub Schedule 1

## Trade Payables Ageing Schedule for the year ended 31 March, 2024

## Outstanding for following periods from due date of payment

(Amount In ₹)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	1,49,73,372.64	17,83,660.56	-	-	-	1,67,57,033.20
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total Trade Payables	1,49,73,372.64	17,83,660.56	-	-	-	1,67,57,033.20

There were no transactions during the year with struck off Companies

## Trade Payables Ageing Schedule for the year ended 31 March, 2023

## Outstanding for following periods from due date of payment

(Amount In ₹)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	20,24,876.58	-	1,09,778.00	13,78,695.65	-	35,13,350.23
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total Trade Payables	20,24,876.58	-	1,09,778.00	13,78,695.65	-	35,13,350.23

There were no transactions during the year with struck off Companies

## Sub-Schedules forming part of the financial statements

## Sub Schedule 7

## Trade Receivables Ageing Schedule for the year ended 31 March, 2024

## Outstanding for following periods from due date of payment

(Amount In ₹)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	3,05,84,091.00	20,513.80	37,58,222.00	-	-	3,43,62,826.80
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Total Trade Receivables	3,05,84,091.00	20,513.80	37,58,222.00	-	-	3,43,62,826.80

## Trade Receivables Ageing Schedule for the year ended 31 March, 2023

## Outstanding for following periods from due date of payment

(Amount In ₹)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	3,26,61,745.80	10,29,545.62	1,52,713.00	5,83,410.76	-	3,44,27,415.18
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Total Trade Receivables	3,26,61,745.80	10,29,545.62	1,52,713.00	5,83,410.76	-	3,44,27,415.18

## Notes forming part of the financial statements

## Related party disclosures

For the year ended 31 March, 2024

## (i) Names of related parties

Associates	-
Key Management Personnel (KMP)	Mr. Samir Choksi, Director and Ms. Bindu Choksi, Director
Relatives of KMP	-

## (ii) Related parties where control exists but with which no transaction have taken place during the year:

- Company in which KMP / Relatives of KMP can exercise significant influence	Innova Investment, M/s Choksi Brothers, M/s. Unique Imaging, Neelkamal realators surbanban Pvt Ltd, in which
- Companies where Mr. Samir Choksi is Director:	
Choksi Imaging Limited	Associate Enterprise
Choksi Brothers Private Limited	Associate Enterprise
Neelkamal Realtors Suburban Private Limited	Associate Enterprise
Shiva Multitrade Private Limited	Associate Enterprise
Shiva Realtors Suburban Private Limited	Associate Enterprise
Shiva Buildcon Private Limited	Associate Enterprise
Western India Automobile Association	Associate Enterprise
Eterna Realty Private Limited	Associate Enterprise
- Companies where Ms. Bindu Choksi is Director:	
Tim Tom Food Products Pvt Ltd	Associate Enterprise
Shreyas Trading Company Private Limited	Associate Enterprise
- Enterprises owned or significantly influenced by key management	
- Enterprises where Mr. Samir Choksi is Partner:	
Unique Imaging	Associate Enterprise
Choksi Brothers	Associate Enterprise

## (iii) Related parties with whom transactions have taken place during the year:

- Enterprises owned or significantly influenced by key management personnel (KMP) or their relatives	NIL
------------------------------------------------------------------------------------------------------	-----

**Note:** Related parties have been identified by the Management.

## Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

### a. Loans taken and repayment thereof (Amount In ₹)

	Year ended	Loans taken	Repayment	Interest accrued	Amount owed to related parties
Key Management Personnel					
Mr. Samir Choksi	31st March 2024	75,40,000.00	14,43,800.00	10,25,759.00	73,51,971.24
	31st March 2023	14,50,000.00	21,91,200.00	90,622.00	2,30,012.24
Ms. Bindu Choksi	31st March 2024	-	1,70,386.82	37,635.00	1,92,084.29
	31st March 2023	1,00,00,000.00	3,33,20,416.00	6,64,087.00	3,24,836.11
Mr. Raj Choksi	31st March 2024	-	80,170.00	5,63,463.00	38,80,000.72
	31st March 2023	25,00,000.00	58,50,000.00	7,31,774.00	33,96,707.72
Mr. Jay Choksi	31st March 2024	7,93,540.00	13,40,783.88	1,23,260.00	7,04,601.58
	31st March 2023	10,00,000.00	54,87,036.91	3,42,575.00	11,28,585.46
Samir Choksi HUF	31st March 2024	-	70,490.00	17,92,507.00	1,24,14,892.00
	31st March 2023	-	56,50,000.00	13,86,970.00	1,06,92,875.00
Priyam Jay Choksi	31st March 2024	-	1,35,282.63	41,247.00	1,98,332.37
	31st March 2023	-	15,83,294.00	1,18,316.00	2,92,368.00
		83,33,540.00	32,40,913.33	35,83,871.00	2,47,41,882.20

### b. Remuneration to key managerial personnel (Amount In ₹)

	31 March, 2024	31 March, 2023
Mr. Samir Choksi, Director	18,00,000.00	13,00,000.00
Ms. Bindu Choksi, Director	Nil	Nil
Mr. Jay Choksi, Director	18,00,000.00	Nil
Mrs. Priyam Choksi	3,00,000.00	Nil

### c. Interest paid to key managerial personnel (Amount In ₹)

	31 March, 2024	31 March, 2023
Mr. Samir Choksi, Director	11,39,732.00	1,00,691.00
Ms. Bindu Choksi, Director	41,817.00	7,37,874.00
Mr. Raj Choksi, Director	6,26,070.00	8,13,082.00
Mr. Jay Choksi, Director	1,36,956.00	3,80,639.00
S K Choksi HUF	19,91,675.00	15,41,078.00
Priyam Jay Choksi	45,830.00	1,31,462.00

### d. Purchase & Income from related parties (Amount In ₹)

	31 March, 2024	31 March, 2023
Labour charges to Assethealthcare a division of Choksi Imaging Ltd	9,04,483.00	3,82,004.00
Purchase from Assethealthcare a division of Choksi Imaging Ltd	10,42,910.53	-





**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF CHOKSI IMAGING LIMITED AT ITS MEETING HELD ON SUNDAY, MAY 19, 2024 THROUGH VIDEO CONFERENCING, EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS.**

### 1. BACKGROUND

1.1. The Board of Directors ('Board') of the Company at its meeting held on March 22, 2023 had approved the draft Scheme of Amalgamation of Choksi Asia Private Limited ("the Transferor Company") with Choksi Imaging Limited ("the Transferee Company") and their respective shareholders and Creditors, if any, under sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme" or "the Scheme").

1.2. As per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), a report adopted by the Board explaining effect of the amalgamation on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders, is required to be circulated to the shareholders and /or creditors, if any, along with the notice convening the meeting.

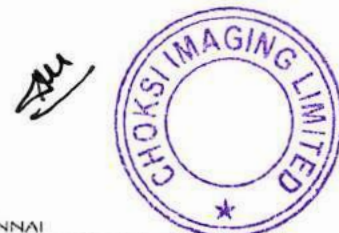
1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2) (c) of the Companies Act, 2013.

1.4. The Scheme provides for amalgamation of Choksi Asia Private Limited into Choksi Imaging Limited. The Appointed Date for the Scheme is April 1, 2023.

1.5. As on the date of approval of Scheme by the Board, Choksi Asia Private Limited holds 9,49,896 equity shares (24.36%) of Rs. 10/- each of the Transferee Company.

**1.6. The following documents were, inter alia, placed before the Board in their Meeting held on May 19, 2024 after receipt of order from National Company Law Tribunal, Mumbai Bench;**

a) Scheme of Amalgamation;





# CHOKSI IMAGING LIMITED

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CIN: L24294MH1992PLC388063.

- b) Joint Valuation Report dated March 22, 2023 by Rashmi Shah and Nitish Chaturvedi, Registered Valuers;
- c) The Fairness Opinion Report on the share entitlement ratio dated March 22, 2023 from M/s. Navigant Corporate Advisors Ltd, Category-I, Merchant Banker;
- d) A certificate, dated March 22, 2023 issued by the Statutory Auditors of the Company i.e., M/s. Karia and Shah, Chartered Accountants, to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013.
- e) Independent Director's Committee report;
- f) Audit Committee Report on the Scheme.
- g) Last 3 years audited financials of the Transferor Company and Transferee Company; and
- h) Order of National Company Law Tribunal, Mumbai Bench.

## 2. VALUATION REPORT - SHARE EXCHANGE RATIO

In consideration of the amalgamation of Choksi Asia Private Limited with Choksi Imaging Limited, based on the joint valuation report of Rashmi Shah and Nitish Chaturvedi, dated March 22, 2023, being Registered Valuer appointed for the purpose of the Scheme, has recommended the following share entitlement ratio which is approved:

*27,51,000 equity shares of Rs. 10/- (Rupees Ten) each fully paid-up of the Transferee Company will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs. 10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company;*

*And (9,97,545) of fully paid up, Non-Convertible and Non-Cumulative Redeemable Preference Shares of par value of Rs. 54 (Rupees Fifty-four) each will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs. 10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company;*



*bu*





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*The NCRPS will not have voting rights even in case of non-payment of dividend for any number of years and will have Lock-in-Period for 5 Years.*

Further, Navigant Corporate Advisors Limited, Category-I, Merchant Banker, has issued the Fairness Opinion Report on the share entitlement ratio dated March 22, 2023.

### **3. EFFECT OF SCHEME ON THE SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL OF THE COMPANY**

The Scheme provides for issuing Equity Shares and NCRPS as per point 2 above, to the Shareholders of the Transferor Company in proportion to the shares held by said shareholders in the Transferor Company.

3.1 The post-Scheme promoter group shareholding in the Company will be 74.99% of total shareholding of the Company and Public Shareholding will be 25.01% of the total shareholding.

Further, the Shareholders of the Transferor Company will hold 9,97,545 Non-Convertible and Redeemable Preference shares which amount to 100% of the total preference shares of the Company. The new NCRPS to be issued, will not be listed and does not have voting rights.

The Shareholder of the Transferor Company will be included in Promoter/Promoter Group of the Transferee Company pursuant to the Scheme.

3.2 All cost, charges and expense relating to the Scheme would be borne by the Transferor Company and Transferee Company, equally.

3.3 Existing shares held by the Transferor Company shall stand cancelled, without any further act or deed, upon this Scheme becoming effective.

3.4 The New Equity Shares of the Company to be issued to the Equity Shareholders of the Transferor Company will be listed for trading on the BSE Limited where the existing shares of the Company are listed.

3.5 The Company is not expecting any change in the key managerial personnel of the Company in pursuance of the Scheme becoming effective.



*MW*



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3.6 The name of the Company will change to Choksi Asia Limited pursuant to approval of the Scheme, subject to necessary approvals.

**3.7 There will be no adverse effect of the said Scheme on the shareholders, key managerial personnel, promoter and non-promoter shareholders of the Company.**

For Choksi Imaging Limited

Himanshu Kishnadwala  
Chairman and Independent Director  
DIN: 00006822  
Date: May 19, 2024  
Place: Mumbai







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## REPORT OF AUDIT COMMITTEE OF CHOKSI IMAGING LIMITED (“COMMITTEE”) RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION BETWEEN CHOKSI ASIA PRIVATE LIMITED (“TRANSFEROR COMPANY”) AND CHOKSI IMAGING LIMITED (“TRANSFeree COMPANY”) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (“SCHEME”).

### Members Present:

1. Mr. Himanshu Kishnadwala – Chairman & Independent Director.
2. Mr. Tushar Parikh – Member & Independent Director.
3. Mr. Samir Choksi – Executive & Managing Director.

### 1. Background

1.1 A meeting of the Audit Committee (“Committee”) of the Board of Directors of Choksi Imaging Limited was held on March 22, 2023 to consider and, if thought fit, recommend the proposed Scheme of Amalgamation (“Scheme”) between Choksi Asia Private Limited (the “Transferor Company, CAPL”) and Choksi Imaging Limited (the “Transferee Company, CIL”), and their respective shareholders and creditors wherein the entire business (the “Transferor Company”, “Undertaking”) of the Transferor Company would stand transferred to, merged and vested in Transferee Company with effect from the appointed date i.e. April 1, 2023 in accordance with the terms of the Scheme and pursuant to the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (“Act”) and the rules and regulations made thereunder, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 11, 37 and 94 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (“SEBI LODR Regulations”) and the Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 issued by the Securities and Exchange Board of India (“SEBI Circular”), as amended from time to time.

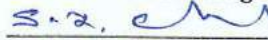
The Scheme is subject to receipt of approvals of Board of directors, shareholders and creditors of Company involved and approval of other regulatory authorities as may be required, including those of the BSE Limited (hereinafter referred as “Stock Exchange”), Securities and Exchange Board of India and the NCLT.

In terms of Para (A) (2) (C) of Part I of the SEBI Circular, a report from the Audit Committee is required recommending the draft Scheme, taking into consideration *inter alia* that the Scheme is not detrimental to the shareholders of the Listed Company. This report of the Audit Committee is made in order to comply with the requirements of SEBI LODR Regulations and SEBI Circular.





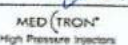
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For Choksi Imaging Ltd.

The following documents were placed before the Audit Committee:

S.2. 

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- (a) Draft Scheme of Amalgamation;
- (b) A Joint Valuation Report dated March 22, 2023, issued by Mrs. Rashmi Shah, R V Shah & Associates, Registered Valuer, (IBBI Registration No. IBBI/RV/06/2018/10240) and Mr. Nitish Chatruvedi, Registered Valuer (IBBI Registration No. IBBI/RV/03/2020/12916) for determination of Share Entitlement Ratios under the Scheme ("**Valuation Report**");
- (c) Fairness Opinion dated March 22, 2023 prepared by Navigant Corporate Advisors Limited, an Independent SEBI registered Category-1 Merchant Banker, providing fairness opinion on the Joint Valuation Report of the shares and the Share Entitlement Ratio as recommended in the Joint Valuation Report. ("**Fairness Opinion**");
- (d) Certificate dated March 22, 2023 issued by M/s. Karia & Shah, Chartered Accountant, Statutory Auditors of Transferee Company confirming that the accounting treatment contained in the Scheme is in compliance with all the applicable accounting standards specified by the Central Government under Section 133 of Companies Act, 2013 and other generally accepted accounting principles;

## 2. Salient Features of the Scheme

The Audit Committee considered and observed that the draft Scheme provides for the followings;

- (a) Merger of entire business of Transferor Company and vesting the same with and into the Transferee Company, on a going concern basis;
- (b) The Appointed Date means the opening of business hours on April 1, 2023 or such other date as may be approved by the National Company Law Tribunal, Mumbai bench ("NCLT"); and
- (c) In consideration of the proposed Scheme, the Transferee Company will issue and allot equity shares and Non-Convertible and Non-Cumulative Redeemable Preference Shares, to each shareholder of the Transferor Company, whose names appear in the register of members of Transferor Company on the record date as may be fixed for the purpose by the Board of Transferee Company in consultation with the Transferor Company (hereinafter referred to as "**the Record Date**"), in the following manner:

A) 27,51,000 equity shares of Rs.10/- (Rupees Ten) each fully paid-up of the Transferee Company will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs.10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company. These new equity share will be listed on the BSE Limited. AND

B) over and above the maximum permissible promoter group shareholding of 75% (seventy five percentage) or any other specified percentage as may be permissible under SCRA, the Promoters of Transferor Company, For excess shareholding, 9,97,545 Non-Convertible and Non-Cumulative Redeemable Preference Shares of Rs 54 (at par), which will not be listed and unless required by

S. A. Choksi

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extant regulations, will be issued and allotted to the shareholders of Transferor Company in the proportion of their shareholding in the Transferor Company.

- (d) The equity shares proposed to be allotted by the Transferee Company will be listed on BSE Limited, a recognized stock exchanges having nationwide trading platform.
- (e) The Transferor Company and the Transferee Company shall follow the method of accounting as per the applicable accounting principles as prescribed under the Companies (Indian Accounting standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Act, as may be amended from time to time and relevant clarifications issued by Institute of Chartered Accountants of India.
- (f) This Scheme is and shall be conditional upon and subject to:
- The requisite consents, no-objections and approvals of the Stock Exchange and SEBI and other regulatory authorities being obtained.
  - The approval of the Scheme by the respective requisite majorities in number and value of the shareholders of the Companies in accordance with section 230 to 232 of the Act. The Scheme being approved by the "public" shareholders of the Transferee Company by way of e-voting in terms of Para (I)(A)(10)(a) of Annexure I of SEBI Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021; provided that the same shall be acted upon only if the votes cast by the "public" shareholders in favor of the proposal are more than the number of votes cast by the "public" shareholders against it.
  - The Scheme being sanctioned by the Tribunal in terms of sections 230 to 232 and other relevant provisions of the Act and the requisite orders of the Tribunal and
  - Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the relevant Registrar of Companies by Transferee Company and Transferor Company as per the provisions of the Companies Act.

### 3. Need, Rationale and Synergies of the Scheme of Amalgamation

The Audit Committee noted the rationale and need for the merger of the entire business of Transferor Company into Transferee Company, as provided in the draft scheme of Amalgamation, and which is reproduced hereunder:

With the proposed amalgamation of the Transferor Company into the Transferee Company, the Transferee Company shall undertake processing as well as selling of X-Ray films, Lead Screens, Chemicals, Radiation Shielding Materials, X-Ray Generator, Radiography Camera, Radioactive Sources, trading of other related accessories and further propose to deal in other healthcare and nuclear products leading to optimum utilization of Silvassa factory and cost savings through larger operating leverage.







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The consolidation of operations of the Transferor Company and the Transferee Company by way of amalgamation will lead to a more efficient utilization of capital, administrative and operational rationalization and promote organizational efficiencies. It will prevent cost duplication that could have an effect of eroding financial efficiencies of the operations.

The proposed amalgamation will be more cost-efficient with the achievement of greater economies of scale, reduction in overheads, improvement in various other operating parameters and increase in overall turnover and profitability of the Transferee Company.

The amalgamation will have beneficial results for the Transferee Company, their stakeholders and all concerned parties. The combined financial strength post amalgamation will result in maximizing overall stakeholder's value, and will improve the competitive position of the combined entity. It will further enhance the organizational capability and leadership, arising from the pooling of human resources who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits:

- (a) Amalgamation to be value accretive to the shareholders of the Transferee Company as the shareholders would have direct access to the core profitable business of the Transferor Company;
- (b) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value;
- (c) Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value;
- (d) The proposed amalgamation will improve organizational capability arising from the pooling of human capital that has diverse skills, talent, vast experience and goodwill.;
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, the elimination of duplication and rationalization of administrative expenses;
- (f) Reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by the Transferor Company and the Transferee Company;
- (g) To optimally leverage the larger assets base and cash flow of the amalgamated entity; and





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(h) Amalgamation will result in the Transferee Company directly controlling and managing the business of the Transferor Company which would lead to simplification of the shareholding structure and reduction of shareholding tiers.

The Scheme shall be in the beneficial interest of the shareholders of the companies. The Scheme shall not be in any manner prejudicial to the interest of the concerned members, creditors, employees or general public at large.

#### 4. Scheme Not Detrimental to the Shareholders of Transferee Company.

The Audit Committee members discussed and deliberated upon the rationale and salient features of the Scheme, the Joint valuation report, fairness opinion and other documents presented before the Audit Committee.

In terms of the Scheme, the Transferee Company will issue equity shares and non-convertible and non-cumulative redeemable preference shares to the shareholders of the Transferor Company based on the share exchange ratio.

The shares will be issued by the transferee Company in the same proportion in which the shareholders hold the shares in the transferor Company (subject to receipt of regulatory approvals). The Transferee Company in respect of the fractional entitlement arising in shall not be required to issue any fractional new equity shares or Non- Convertible and Non-Cumulative Redeemable Preference Shares.

The Committee is of the informed opinion that the proposed Scheme is in the best interests of the Shareholders of the Company and not detrimental to the interest of the Shareholders, including the minority shareholders of the Company.

#### 5. Cost benefit analysis

On receipt of approval of the Scheme and actual implementation, the revenue and profitability of the Transferee Company will grow. Further, the costs of merger have been agreed to be split in equal proportion which in our opinion is fair for the shareholders of both the Companies.

Based on an in conjunction reading of the Draft Scheme, joint valuation report and the fairness opinion, in our opinion, the scheme of amalgamation ought to be beneficial for the growth of Transferee Company and profitability of the Transferee Company and hence in effect beneficial to the Shareholders (including minority shareholder) of the Transferee Company.







# CHOKSI IMAGING LIMITED

Regd. Off.: 163/164, Choksi Bhuvan, Nehru Road, Vile Parle (E), Mumbai -400057  
Tel: 9821669911 Email: [imaging@choksiworld.com](mailto:imaging@choksiworld.com) Website: [www.choksiworld.com](http://www.choksiworld.com)  
CIN: L24294MH1992PLC388063.

## 6. Recommendation of the Committee:

The Committee after due deliberations and due consideration of all the terms of the draft Scheme, Joint Valuation report, Fairness Opinion Report, Accounting Treatment Certificate and the specific points mentioned above including interest of Shareholders of the Company, recommends the draft Scheme for favourable consideration and approval by the Board, Stock Exchange(s), The Securities Exchange Board of India and other appropriate authorities.

For and Behalf of Audit Committee of Board of Directors  
Choksi Imaging Limited

Tushar Parikh  
Independent Director and Member of Audit Committee



Dated: March 22, 2023

Place: Mumbai

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For Choksi Imaging Ltd.

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X-Ray Films

**Authorized Signatory**  
X-Ray Intensifying Screens

**PROTEG**  
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High Pressure Injectors





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## REPORT OF COMMITTEE INDEPENDENT DIRECTORS OF CHOKSI IMAGING LIMITED (“COMMITTEE”) RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION BETWEEN CHOKSI ASIA PRIVATE LIMITED (“TRANSFEROR COMPANY”) AND CHOKSI IMAGING LIMITED (“TRANSFeree COMPANY”) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (“SCHEME”).

### Members Present:

1. Mr. Himanshu Kishnadwala – Chairman & Independent Director.
2. Mr. Tushar Parikh – Member & Independent Director.
3. Mrs. Brijal Desai – Member & Independent Director.

### 1. Background

1.1 A meeting of the Committee of Independent Directors of the Company (“Committee”) of Choksi Imaging Limited was held on March 22, 2023 to consider recommendation of Audit Committee, and, if thought fit, recommend the proposed Scheme of Amalgamation (“Scheme”) between Choksi Asia Private Limited (the “Transferor Company, CAPL”) and Choksi Imaging Limited (the “Transferee Company, CIL”), and their respective shareholders and creditors wherein the entire business (the “Transferor Company”, “Undertaking”) of the Transferor Company would stand transferred to, merged and vested in Transferee Company with effect from the appointed date i.e. April 1, 2023 in accordance with the terms of the Scheme and pursuant to the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (“Act”) and the rules and regulations made thereunder, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 11, 37 and 94 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements ) Regulation, 2015 (“SEBI LODR Regulations”) and the Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 issued by the Securities and Exchange Board of India (“SEBI Circular”), as amended from time to time.

The Scheme is subject to receipt of approvals of Board of directors, shareholders and creditors of Company involved and approval of other regulatory authorities as may be required, including those of the BSE Limited (hereinafter referred as “Stock Exchange”), Securities and Exchange Board of India and the NCLT.

In terms of Para (A) (2) (i) of Part I of the SEBI Circular, a report from the Committee of Independent Directors is required recommending the draft Scheme, taking into consideration *inter alia* that the Scheme is not detrimental to the shareholders of the Listed Company. This report of the Committee of Independent Directors is made in order to comply with the requirements of SEBI LODR Regulations and SEBI Circular.

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For Choksi Imaging Ltd.

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X-Ray Films

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CIN: L24294MH1992PLC388063.

The following documents were placed before the Committee of Independent Directors:

- Draft Scheme of Amalgamation;
- A Joint Valuation Report dated March 22, 2023, issued by Mrs. Rashmi Shah, R V Shah & Associates, Registered Valuer, (IBBI Registration No. IBBI/RV/06/2018/10240) and Mr. Nitish Chatruvedi, Registered Valuer (IBBI Registration No. IBBI/RV/03/2020/12916) for determination of Share Entitlement Ratios under the Scheme ("**Valuation Report**");
- Fairness Opinion dated March 22, 2023 prepared by Navigant Corporate Advisors Limited, an Independent SEBI registered Category-1 Merchant Banker, providing fairness opinion on the Joint Valuation Report of the shares and the Share Entitlement Ratio as recommended in the Joint Valuation Report. ("**Fairness Opinion**");
- Certificate dated March 22, 2023 issued by M/s. Karia & Shah, Chartered Accountant, Statutory Auditors of Transferee Company confirming that the accounting treatment contained in the Scheme is in compliance with all the applicable accounting standards specified by the Central Government under Section 133 of Companies Act, 2013 and other generally accepted accounting principles;

## 2. Salient Features of the Scheme

The Committee of Independent Directors considered and observed that the draft Scheme provides for the followings;

- Merger of entire business of Transferor Company and vesting the same with and into the Transferee Company, on a going concern basis;
- The Appointed Date means the opening of business hours on April 1, 2023 or such other date as may be approved by the National Company Law Tribunal, Mumbai bench ("NCLT"); and
- In consideration of the proposed Scheme, the Transferee Company will issue and allot equity shares and Non-Convertible and Non-Cumulative Redeemable Preference Shares, to each shareholder of the Transferor Company, whose names appear in the register of members of Transferor Company on the record date as may be fixed for the purpose by the Board of Transferee Company in consultation with the Transferor Company (hereinafter referred to as "**the Record Date**"), in the following manner:

A) 27,51,000 equity shares of Rs.10/- (Rupees Ten) each fully paid-up of the Transferee Company will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs.10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company. These new equity share will be listed on the BSE Limited. AND

B) over and above the maximum permissible promoter group shareholding of 75% (seventy five percentage) or any other specified percentage as may be permissible under SCRA, the Promoters of Transferor Company, For excess shareholding, 9,97,545 Non-Convertible and Non-Cumulative







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Redeemable Preference Shares of Rs 54 (at par), which will not be listed and unless required by extant regulations, will be issued and allotted to the shareholders of Transferor Company in the proportion of their shareholding in the Transferor Company.

- (d) The equity shares proposed to be allotted by the Transferee Company will be listed on BSE Limited, a recognized stock exchanges having nationwide trading platform.
- (e) The Transferor Company and the Transferee Company shall follow the method of accounting as per the applicable accounting principles as prescribed under the Companies (Indian Accounting standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Act, as may be amended from time to time and relevant clarifications issued by Institute of Chartered Accountants of India.
- (f) This Scheme is and shall be conditional upon and subject to:
- The requisite consents, no-objections and approvals of the Stock Exchange and SEBI and other regulatory authorities being obtained.
  - The approval of the Scheme by the respective requisite majorities in number and value of the shareholders of the Companies in accordance with section 230 to 232 of the Act. The Scheme being approved by the "public" shareholders of the Transferee Company by way of e-voting in terms of Para (I)(A)(10)(a) of Annexure I of SEBI Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021; provided that the same shall be acted upon only if the votes cast by the "public" shareholders in favor of the proposal are more than the number of votes cast by the "public" shareholders against it.
  - The Scheme being sanctioned by the Tribunal in terms of sections 230 to 232 and other relevant provisions of the Act and the requisite orders of the Tribunal and
  - Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the relevant Registrar of Companies by Transferee Company and Transferor Company as per the provisions of the Companies Act.

### 3. Need, Rationale and Synergies of the Scheme of Amalgamation

The Committee of Independent Directors noted the rationale and need for the merger of the entire business of Transferor Company into Transferee Company, as provided in the draft scheme of Amalgamation, and which is reproduced hereunder:

With the proposed amalgamation of the Transferor Company into the Transferee Company, the Transferee Company shall undertake processing as well as selling of X-Ray films, Lead Screens, Chemicals, Radiation Shielding Materials, X-Ray Generator, Radiography Camera, Radioactive Sources, trading of other related accessories and further propose to deal in other healthcare and nuclear products leading to optimum utilization of Silvassa factory and cost savings through larger operating leverage.







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The consolidation of operations of the Transferor Company and the Transferee Company by way of amalgamation will lead to a more efficient utilization of capital, administrative and operational rationalization and promote organizational efficiencies. It will prevent cost duplication that could have an effect of eroding financial efficiencies of the operations.

The proposed amalgamation will be more cost-efficient with the achievement of greater economies of scale, reduction in overheads, improvement in various other operating parameters and increase in overall turnover and profitability of the Transferee Company.

The amalgamation will have beneficial results for the Transferee Company, their stakeholders and all concerned parties. The combined financial strength post amalgamation will result in maximizing overall stakeholder's value, and will improve the competitive position of the combined entity. It will further enhance the organizational capability and leadership, arising from the pooling of human resources who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits:

- (a) Amalgamation to be value accretive to the shareholders of the Transferee Company as the shareholders would have direct access to the core profitable business of the Transferor Company;
- (b) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value;
- (c) Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value;
- (d) The proposed amalgamation will improve organizational capability arising from the pooling of human capital that has diverse skills, talent, vast experience and goodwill.;
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, the elimination of duplication and rationalization of administrative expenses;
- (f) Reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by the Transferor Company and the Transferee Company;
- (g) To optimally leverage the larger assets base and cash flow of the amalgamated entity; and





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(h) Amalgamation will result in the Transferee Company directly controlling and managing the business of the Transferor Company which would lead to simplification of the shareholding structure and reduction of shareholding tiers.

The Scheme shall be in the beneficial interest of the shareholders of the companies. The Scheme shall not be in any manner prejudicial to the interest of the concerned members, creditors, employees or general public at large.

#### 4. Scheme Not Detrimental to the Shareholders of Transferee Company.

The Committee of Independent Directors members discussed and deliberated upon the rationale and salient features of the Scheme, the Joint valuation report, fairness opinion and other documents presented before the Committee of Independent Directors.

In terms of the Scheme, the Transferee Company will issue equity shares and non-convertible and non-cumulative redeemable preference shares to the shareholders of the Transferor Company based on the share exchange ratio.

The shares will be issued by the transferee Company in the same proportion in which the shareholders hold the shares in the transferor Company (subject to receipt of regulatory approvals). The Transferee Company in respect of the fractional entitlement arising in shall not be required to issue any fractional new equity shares or Non- Convertible and Non-Cumulative Redeemable Preference Shares.

The Committee is of the informed opinion that the proposed Scheme is in the best interests of the Shareholders of the Company and not detrimental to the interest of the Shareholders, including the minority shareholders of the Company.

#### 5. Cost benefit analysis

On receipt of approval of the Scheme and actual implementation, the revenue and profitability of the Transferee Company will grow. Further, the costs of merger have been agreed to be split in equal proportion which in our opinion is fair for the shareholders of both the Companies.

Based on an in conjunction reading of the Draft Scheme, joint valuation report and the fairness opinion, in our opinion, the scheme of amalgamation ought to be beneficial for the growth of Transferee Company and profitability of the Transferee Company and hence in effect beneficial to the Shareholders (including minority shareholder) of the Transferee Company.







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CIN: L24294MH1992PLC388063.

## 6. Recommendation of the Committee:

The Committee after due deliberations and due consideration of all the terms of the draft Scheme, Joint Valuation report, Fairness Opinion Report, Accounting Treatment Certificate and the specific points mentioned above including interest of Shareholders of the Company, recommends the draft Scheme for favourable consideration and approval by the Board, Stock Exchange(s), The Securities Exchange Board of India and other appropriate authorities.

For and Behalf of Committee of Independent Directors  
Choksi Imaging Limited

  
Tushar Parikh  
(Independent Director and Member)



Dated: March 22, 2023  
Place: Mumbai

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For Choksi Imaging Ltd.  




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# Annexure V

## CHOKSI ASIA PRIVATE LIMITED

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Branch Off: SRV No.113/2/1, Gala No.30, Tirupati Industrial Estate, 66KV Road, Amli, Silvassa - 396230,  
U T of DNH & DD GSTIN-26AABCH8336A1ZX @ choksindt.samir@gmail.com. ☎ +91 9821011113  
www.choksi-asia.com , CIN: U93090MH2007PTC168500, MSME: UDYAM-MH-18-0146493

### REPORT ADOPTED BY THE BOARD OF DIRECTORS OF CHOKSI ASIA PRIVATE LIMITED AT ITS MEETING HELD ON SUNDAY, MAY 19, 2024, EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, EMPLOYEES, PROMOTERS AND NON-PROMOTER SHAREHOLDERS.

#### 1. BACKGROUND

1.1. The Board of Directors ('Board') of the Company at its meeting held on March 22, 2023 had approved the draft Scheme of Amalgamation of Choksi Asia Private Limited ("the Transferor Company") with Choksi Imaging Limited ("the Transferee Company") and their respective shareholders and Creditors, if any, under sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme" or "the Scheme").

1.2. As per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), a report adopted by the Board explaining effect of the amalgamation on each class of shareholders, key managerial personnel, employees, promoters, and non-promoter shareholders, is required to be circulated to the shareholders and /or creditors, if any, along with the notice convening the meeting.

1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2) (c) of the Companies Act, 2013.

1.4. The Scheme provides for amalgamation of Choksi Asia Private Limited into Choksi Imaging Limited. The Appointed Date for the Scheme is April 1, 2023.

1.5. As on the date of approval of Scheme by the Board, Choksi Asia Private Limited holds 9,49,896 equity shares (24.36%) of Rs. 10/- each of the Transferee Company.

**1.6. The following documents were, inter alia, placed before the Board in their Meeting held on May 19, 2024 after receipt of order from National Company Law Tribunal, Mumbai Bench:**

a) Scheme of Amalgamation;





# CHOKSI ASIA PRIVATE LIMITED

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- b) Joint Valuation Report dated March 22, 2023 by Rashmi Shah and Nitish Chaturvedi, Registered Valuers;
- c) The Fairness Opinion Report on the share entitlement ratio dated March 22, 2023 from M/s. Navigant Corporate Advisors Ltd, Category-I, Merchant Banker;
- d) Last 3 years audited financials of the Transferor Company and Transferee Company; and
- e) Order of National Company Law Tribunal, Mumbai Bench.

## 2. VALUATION REPORT – SHARE EXCHANGE RATIO

In consideration of the amalgamation of Choksi Asia Private Limited with Choksi Imaging Limited, based on the joint valuation report of Rashmi Shah and Nitish Chaturvedi, dated March 22, 2023, being Registered Valuer appointed for the purpose of the Scheme, has recommended the following share entitlement ratio which is approved:

*27,51,000 equity shares of Rs. 10/- (Rupees Ten) each fully paid-up of the Transferee Company will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs. 10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company;*

*And (9,97,545) of fully paid up, Non-Convertible and Non-Cumulative Redeemable Preference Shares of par value of Rs. 54(Rupees Fifty-four) each will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs. 10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company;*

The NCRPS will not have voting rights even in case of non-payment of dividend for any number of years and will have Lock-in-Period for 5 Years.

Further, Navigant Corporate Advisors Limited, Category-I, Merchant Banker, has issued the Fairness Opinion Report on the share entitlement ratio dated March 22, 2023.

## 3. EFFECT OF SCHEME ON THE SHAREHOLDERS (PROMOTER AND NON-PROMOTER), EMPLOYEES AND KEY MANAGERIAL PERSONNEL OF THE COMPANY.





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The Scheme provides for issuing Equity Shares and NCRPS as per point 2 above, to the Shareholders of the Transferor Company in proportion to the shares held by said shareholders in the Transferor Company.

3.1 The post-Scheme, the Shareholders of the Company will get Equity Shares and NCRPS in Transferee Company as mentioned in point 2 above. The Shareholder of the Transferor Company will be included in Promoter/Promoter Group of the Transferee Company pursuant to the Scheme.

3.2 Existing shares held by the Transferor Company shall stand cancelled, without any further act or deed, upon this Scheme becoming effective and the Company shall stand dissolved from effective date. The New Equity Shares of the Company to be issued to the Equity Shareholders of the Transferor Company will be listed for trading on the BSE Limited where the existing shares of the Transferee Company are listed.

3.3 Upon the Scheme becoming effective and with effect from the Appointed Date, all employees, who are on the payrolls of the Transferor Company shall become, without any interruption of service as a result of the amalgamation and transfer, employees of the Transferee Company, by normalizing the employment grade, structure and pay scale and such other terms and conditions of employment of such employees of the Transferor Company in accordance with the policies of the Transferee Company and the provisions of relevant guidelines, rules and regulations prescribed in this regard by the Department of Public Enterprises and other relevant regulatory authorities in regard to Central Public Sector Enterprises, such as the Transferee Company.

3.4 Upon the Scheme becoming effective and with effect from the Appointed Date, since the Transferor Company shall stand dissolved, the Directors, Employees and/or Key Managerial Personnel shall cease to be Directors, Employees and/or Key Managerial Personnel of the Transferor Company.

3.5 All cost, charges and expense relating to the Scheme would be borne by the Transferor Company and Transferee Company, equally.







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🌐 www.choksi-asia.com . CIN: U93090MH2007PTC168500, MSME: UDYAM-MH-18-0146493

3.6 The name of the Transferee Company will change to Choksi Asia Limited pursuant to approval of the Scheme, subject to necessary approvals.

3.7 No rights of the creditors of the Transferor Company are being affected pursuant to the Scheme. The liability of the Transferee Company towards the creditors of the Transferor Company is neither being reduced nor being varied or extinguished. The creditors of the Transferor Company would in no way be affected by the Scheme.

**3.7 There will be no adverse effect of the said Scheme on the shareholders, key managerial personnel, Employees and promoter and non-promoter shareholders of the Company.**

For Choksi Asia Private Limited

Samir Choksi  
Director  
DIN: 00049416  
Date: May 19, 2024  
Place: Mumbai



## Annexure VI

**Recommendation of Fair Equity Share Exchange Ratio as consideration for the Proposed Amalgamation ('Proposed Transaction' / 'Merger') of Choksi Asia Private Limited ('CAPL') ('Transferor Company') with Choksi Imaging Limited ('CIL') ('Transferee Company')**

**22<sup>nd</sup> March 2023**

**Rashmi Shah FCA**

Registered Valuer (Securities or Financial Assets)  
IBBI Registration No.: IBBI/RV/06/2018/10240

**Nitish Chaturvedi**

Registered Valuer (Securities or Financial Assets)  
IBBI Registration No. IBBI//RV/03/2020/12916

Date: 22<sup>nd</sup> March 2023

To,  
**The Audit Committee & Board,**  
**Choksi Imaging Limited**  
163/164, Choksi Bhuvan, Nehru Road and Nariman Road,  
Vile Parle East, Mumbai – 400057.

To,  
**The Audit Committee & Board,**  
**Choksi Asia Private Limited**  
Ground Floor, Choksi Bhuvan, Nehru Road and Nariman Road,  
Vile Parle East, Mumbai – 400057.

Dear Sirs,

**Sub: Recommendation of Fair Equity Share Exchange Ratio as consideration for the Proposed Amalgamation ('Proposed Transaction', 'Merger') of Choksi Asia Private Limited ('CAPL') ('Transferor Company') with Choksi Imaging Limited ('CIL') ('Transferee Company')**

We understand that the Management of above companies are contemplating a Scheme of Amalgamation under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013, and Rules framed there under (hereinafter referred to as "the Scheme") whereby it is proposed to amalgamate Choksi Asia Private Limited ("CAPL" or "the Transferor Company") into Choksi Imaging Limited ("CIL" or "the Transferee Company"), on a going concern basis.

In this regard, Rashmi Shah FCA, Registered Valuer (Securities or Financial Assets<sup>1</sup>) with IBBI Registration No.: IBBI/RV/06/2018/10240 and Nitish Chaturvedi, Registered Valuer (Securities or Financial Assets<sup>1</sup>) with IBBI Registration No.: IBBI/RV/03/2020/12916 (jointly referred to as 'Valuers' or 'We' or 'Us') have jointly been appointed to recommend the fair share exchange ratio of equity shares for the proposed amalgamation of Choksi Asia Private Limited with Choksi Imaging Limited (CAPL and CIL are hereinafter jointly referred to as 'the Companies') as required under the provisions of the Companies Act, 2013 and also as required under various SEBI circulars including SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated November 3, 2020 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (jointly referred to as "SEBI Circulars"), as amended for Schemes of Arrangement involving companies listed on recognized stock exchanges in India.

<sup>1</sup> Abbreviated as SFA

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This Report is structured under the following broad heads:

- Background
- Information sources
- Valuation Standards followed and Procedure adopted for Valuation
- Valuation Methodology
- Share Issuance Ratio and Conclusion
- Scope Limitation

## BACKGROUND

### Choksi Imaging Limited

- CIL (CIN: L24294MH1992PLC388063) is a public limited company incorporated on 01<sup>st</sup> October 1992 and having its registered office at 163/164, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai – 400057.
- The company is currently carrying on the business of processing of Jumbo Rolls of X-Ray films by slitting and cutting it into various sizes of X-Ray Films as per requirement of the customers on a job work basis.
- Equity shares of CIL are listed on the Bombay Stock Exchange ("BSE").
- The shareholding pattern of CIL as of 31<sup>st</sup> December 2022 is as under:

Particulars	Total number of shares held	% shareholding
Promoter & Promoter Group	24,74,134	63.44%
Public	14,25,866	36.56%
<b>Total</b>	<b>39,00,000</b>	<b>100.00%</b>



**Choksi Asia Private Limited**

- CAPL was incorporated in India under the Companies Act, 1956 on 08th March 2007 with CIN U93090MH2007PTC168500. The registered office of the Company is located at Ground Floor, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai – 400057.
- CAPL is in the business of import of Jumbo Rolls of X-Ray films and sale of X-Ray films and trading of other related products (such as Radiography Camera, Radiation Shielding Materials, X-Ray Generator, Lead Screens, Radioactive Sources, photosensitize chemicals, etc.) since its incorporation in year 2007.
- CAPL is not listed on any stock exchanges.
- The shareholding pattern of CAPL as of 31<sup>st</sup> December 2022 is as under:

Sr.no	Name of Shareholders	No of Shares	% of Shareholding
1	Bindu Samir Choksi	4,980	49.80%
2	Samir Kanubhai Choksi	4,975	49.75%
3	Samir Kanubhai Choksi (HUF)	5	0.05%
4	Raj Samir Choksi	10	0.10%
5	Kruti Raj Choksi	10	0.10%
6	Jay Samir Choksi	10	0.10%
7	Priyam Jay Choksi	10	0.10%
<b>Total equity shares</b>		<b>10,000</b>	<b>100.00%</b>





## **INFORMATION SOURCES**

We have relied on the following sources of information and documents provided to us by the Management:

- Unaudited financial statements of CIL with limited review for the period ended 31<sup>st</sup> December 2022
- Audited financial statements of CAPL for the period ended 31 December 2022
- Projected financials of CAPL for the period 01<sup>st</sup> January 2023 till 31<sup>st</sup> March 2028
- Annual report of CIL for the year ended 31 March 2022
- Details of various fixed assets and fair values of land, building and other immovable assets recorded in the books of CIL along with the fair market value of immovable properties as provided by independent valuer
- Draft Scheme of Amalgamation
- Latest shareholding details of CAPL and CIL
- Our regular discussions with management representatives of the companies.

We have also relied on published and secondary sources of data whether or not made available by the Companies.





**VALUATION STANDARDS FOLLOWED AND PROCEDURES ADOPTED  
FOR VALUATION**

- We have performed the valuation analysis, to the extent possible, in accordance with ICAI Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ('IVS'). IVS 301 on Business Valuation deals with valuation of a business or business ownership interest (i.e., it includes valuation of equity shares).
- In connection with this exercise, we have adopted the following procedures to carry out the valuation analysis:
  - Requested and received relevant data from the Management
  - Discussions with the Management on understanding of the businesses of the Companies - business and fundamental factors that affect their earning capacity including historical performance, future plans and prospects, etc.
  - Obtained and analyzed data available in public domain, as considered relevant by us
  - Obtained and analyzed market prices and other data involving equity shares of the Companies and of comparable companies
  - Selection of valuation approach and valuation methodology/ (ies), in accordance with IVS, as considered appropriate and relevant by us
  - Determination of values of the equity shares of the Companies, as relevant
  - Preparation and issuance of this valuation report





## **VALUATION APPROACHES AND METHODOLOGIES**

- As per the Scheme, the equity shareholders of CAPL will be issued 'Equity Shares' and 'Non-Convertible and Non-Cumulative Redeemable Preference Shares of par value of INR 54/- each' of CIL as consideration for the proposed amalgamation. In accordance with IVS, to arrive at the fair share exchange ratio, it is required to determine the fair value of equity shares of CAPL and fair value of equity shares of CIL. These values are to be determined on a per share basis and are to be determined independently without considering the proposed transaction. The values are then to be assessed on a relative basis to determine the share exchange ratio.
- For the purpose of valuation, it is necessary to select an appropriate basis of valuation amongst the various valuation techniques. It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. The application of any particular method of valuation depends upon various factors including the size of company, nature of its business and purpose of valuation. Further, the concept of valuation is all about the price at which a transaction takes place i.e., the price at which seller is willing to sell and buyer is willing to buy. Accordingly, a fair and reasonable approach for valuing the shares of the company is to use a combination of these methods.
- IVS 301 read with IVS 103 specifies that generally the following three approaches for valuation of business / business ownership interest are used:
  - Cost Approach
  - Market Approach
  - Income Approach

### **Cost Approach – Net Asset Value (NAV) method**

- The value under cost approach is determined based on the underlying value of the assets which could be on book value basis, replacement cost basis or on the basis of realizable value. Under NAV method, total value of the business is based either on net asset value or realizable value or replacement cost basis. The Adjusted NAV method determines the value of the business by replacing the book value of the assets with their fair values, to the extent applicable. NAV methodology is most applicable for the business where the value lies in the underlying assets and not the ongoing operations of the business.
- We have considered the Adjusted NAV method to determine the value of shares of CIL as we understand that CIL has recorded certain immovable assets (land, factory building, flat, etc.), which are generally appreciating in nature.
- We have not considered the NAV method to determine the value of shares of CAPL as this method does not capture the future earning capacity of the business.





**Income Approach – Discounted Cash Flows (DCF) method**

- Under the Income Approach, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalization. DCF Method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. FCFF or free cash flows to the firm ("FCFF") represents the cash available for distribution to both the owners and the creditors of the business. Risk-adjusted discount rate or Weighted Average Cost of Capital ("WACC") is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & bank balance and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the company.
- We have considered the DCF method to determine the value of shares of CAPL as the going concern assumption is valid, cash flows are estimable for future period and relevant projections, inputs and assumptions are available for valuation. Moreover, DCF method is more scientific in nature and hence has been considered for valuation.
- Since the CIL does not have any recurring nature of operating business, therefore we have not considered Discounted Cash Flows (DCF) method to determine the value of shares of CIL for the said valuation purpose.





**Market Approach – Market Price method**

- Under the Market Price method, the market price of an equity share as quoted on a recognized Stock Exchange is normally considered as the value of the equity shares of that company, where such quotations are arising from the shares being regularly and frequently traded. Generally, market value is reflective of the investors' perception about the actual worth of the company. However, in certain situations, the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further in case of amalgamation, where the value of shares of one company is required to be evaluated against the value of shares of another company, the volume of shares traded and available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

- Regulation 164(5) of Chapter IV of SEBI ICDR Regulations reads as under-

For the purpose of this Chapter, "Frequently traded shares" means shares of the issuer, in which the traded turnover on any recognised stock exchange during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of the shares of the issuer.

Explanation: For the purpose of this regulation, 'stock exchange' means any of the recognized stock exchange(s) in which the equity shares of the issuer are listed and in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the relevant date."

The equity shares of the Company are traded on the BSE. However, as per Explanation to regulation 164(5) of the SEBI ICDR Regulations, the exchange on which higher trading volume of equity shares during the preceding 90 trading days prior to the relevant date, is recorded, is to be considered for the pricing computation.

Since, CIL is a listed company and equity shares of CIL are traded on BSE over a reasonable period, we have considered Market Price method to determine the value of equity shares of CIL. We understand that the shares are frequently traded as per SEBI ICDR Regulations. In this case, 37.70% of the total number of shares are traded during the 90 trading days preceding the relevant date as detailed in **Annexure III**.

- We have been informed by the management of CIL that the date of the board meeting is 22<sup>nd</sup> March 2023. We have therefore considered the relevant date as 22<sup>nd</sup> March 2023 for the said purpose. We have considered equity share prices upto i.e., trading day preceding to the relevant date for undertaking the valuation analysis.
- We understand that the shares of CIL are traded on BSE only and we have therefore considered the trading volume and share prices as per BSE to compute the Applicable Minimum Price based on the regulations 164(1) of the SEBI ICDR regulations.





**We have determined the applicable minimum price under ICDR Guidelines as below:**

**Valuation of equity shares of CIL under Regulation 164(1) of SEBI ICDR Regulations**

Particulars	Annexure Reference	VWAP (INR)
A] Average of 90 trading days VWAP	Annexure IIIA	45.66
B] Average of 10 trading days VWAP	Annexure IIIB	41.03
<b>Applicable Minimum Price (Higher of the A or B)</b>		<b>45.66</b>

Refer **Annexure III** for Determination of value per equity share of CIL using ICDR Guidelines under Market Price method

Refer **Annexure IIIA** for Computation of share price of CIL shares under Regulation 164(1) of SEBI ICDR Regulations, as per historical trading prices on BSE website for 90 Trading Days; and

**Annexure IIIB** for Computation of share price of CIL shares under Regulation 164(1) of SEBI ICDR Regulations, as per historical trading prices on BSE website for 10 Trading Days;

**Market Approach – Comparable Companies’ Multiple (CCM) method**

- Under CCM Method, the value of shares of the subject company is determined on the basis of multiples derived from valuations of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. The Comparable Companies’ Multiple Method arrives at the value of the company by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences, such as growth potential, past track record, size, company dynamics, etc.
- We understand from the Management that there are no companies listed on stock exchanges operating in similar business line as CIL and CAPL, thus making the method ineffective for use for the said valuation purpose. Considering this, we have not considered the CCM method of valuation to determine the value of shares of CIL and CAPL.





## SCOPE LIMITATIONS AND DISCLAIMERS

- Valuation analysis and results are specific to the purpose of valuation mentioned in this report as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date.
- We owe responsibility to only the Management of the Company that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this valuation report. Our valuation report cannot be used for any other purpose. This report has been prepared for the Management of CIL solely for the purpose of the proposed amalgamation envisaged in the Scheme. This report should not be used for any other purpose.
- Our analysis is based on the market conditions and the regulatory environment that currently exists. However, changes to the same in the future could impact the company and the industry it operates in, which may impact our valuation analysis.
- Neither we nor any of our affiliates are responsible for updating this report because of events or transactions occurring subsequent to the date of this report.
- We have considered and relied on the information provided to us by the Management including financial information, significant transactions and events occurring subsequent to the balance sheet date. We understand that the information provided to us and the representations made to us (whether verbal or written) are reliable and adequate. We have derived our conclusions and recommendation from the information so provided and we are thus reliant on the given information to be complete and accurate in every significant aspect. We are made to believe that the Management of the Companies have informed us about all material transactions, events or any other relevant factors which are likely to have an impact on our valuation recommendation.
- In the ultimate analysis, valuation will have to capture the exercise of judicious discretion by the Valuer and judgment taking into account all the relevant factors. There will always be several factors which are not evident from the face of the financial statements, but which will strongly influence the worth of a share. Examples of such factors include quality and integrity of the management, capital adequacy, asset quality, earnings, liquidity, size, present and prospective competition, yield on comparable securities and market sentiment, etc. This concept is also recognized in judicial decisions.
- This Report does not look into the business / commercial reasons behind the transaction. We have no present or planned future interest in either of the companies and the fee for this certificate is not contingent upon the values reported therein. Our valuation analysis should not be construed as an investment advice. We do not express any opinion on the suitability or otherwise of entering into any transaction with the companies.





## SHARE ISSUANCE RATIO AND CONCLUSION

- The basis of the amalgamation of CAPL into CIL would have to be determined after taking into consideration all the factors and methods mentioned in this Report. Though different values have been arrived at under each of the above methods, for the purposes of recommending the fair exchange ratio of equity shares it is necessary to arrive at a final value for each of the Companies' shares. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the Companies, but at their relative values to facilitate the determination of the Fair Equity Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approaches / methods.
- The Fair Equity Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of the Companies based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations. We have independently applied methods discussed above, as considered appropriate, i.e., Market Price method and Adjusted NAV method for CIL and DCF method for CAPL, and arrived at the assessment of the value per equity share of CIL and CAPL.



- In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this Report for the proposed amalgamation and upon the proposed Scheme becoming effective, in our opinion, we recommend Fair Equity Share Exchange Ratio for the amalgamation of CAPL with CIL as below:

*A) 27,51,000 equity shares having face value of Rs.10/- (Rupees Ten) each fully paid-up of INR 53.991 of the Transferee Company will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs.10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company. These new equity share will be listed on the stock exchange.*

For consideration in excess of 27,51,000 equity shares (issued as above) to the shareholders of Transferor Company:

*B) 9,97,545 Non-Convertible and Non-Cumulative Redeemable Preference Shares of Rs 54 (at par), which will not be listed unless required by extant regulations, will be issued and allotted to the shareholders of Transferor Company shall be in the proportion of their shareholding in the Transferor Company.*

Yours faithfully,



**Rashmi Shah FCA**  
Registered Valuer (SFA)  
IBBI Reg. No.: IBBI/RV/06/2018/10240  
Place: Mumbai  
Date: 22<sup>nd</sup> March 2023  
ICAI UDIN: 23123478BGTUIB8606



**Nitish Chaturvedi**  
Registered Valuer (SFA)  
IBBI Reg. No.: IBBI/RV/03/2020/12916  
Place: Mumbai  
Date: 22<sup>nd</sup> March 2023



**ANNEXURE I – SHARE EXCHANGE RATIO WORKINGS**

<b>Share Exchange Ratio</b>				
Valuation approach	Choksi Asia Private Limited		Choksi Imaging Limited	
	Value per share (INR)	Weight (%)	Value per share (INR)	Weight (%)
Asset approach - NAV method	11,638.12	0.00%	62.32	50.00%
Income approach - DCF method	20,239.67	100.00%	NA	0.00%
Market approach - ICDR Pricing Guidelines	NA	0.00%	45.66	50.00%
Market approach - CCM method	NA	0.00%	NA	0.00%
<b>Relative value per share</b>	<b>20,239.67</b>		<b>53.99</b>	
<b>Share Exchange Ratio - rounded off</b>		<b>375</b>		

*A) 27,51,000 equity shares having face value of Rs.10/- (Rupees Ten) each fully paid-up of the Transferee Company will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs.10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company. These new equity share will be listed on the stock exchange.*

And

*B) 9,97,545 Non-Convertible and Non-Cumulative Redeemable Preference Shares of Rs 54 (at par), which will not be listed unless required by extant regulations, will be issued and allotted to the shareholders of Transferor Company shall be in the proportion of their shareholding in the Transferor Company.*



**Annexure IIIA – Computation of share price of equity shares of CIL under Regulation 164(1) of SEBI ICDR Regulations, as per historical trading prices on NSE website for 90 Trading Days**

--

Day	Date	Total Turnover (INR)	Volume of traded shares
1	14 November, 2022	106,142	2,115
2	15 November, 2022	466,536	9,669
3	16 November, 2022	365,914	7,814
4	17 November, 2022	213,243	4,436
5	18 November, 2022	205,236	4,502
6	21 November, 2022	129,161	2,751
7	22 November, 2022	75,803	1,585
8	23 November, 2022	150,743	3,135
9	24 November, 2022	36,673	770
10	25 November, 2022	49,692	1,048
11	28 November, 2022	139,789	2,951
12	29 November, 2022	92,589	1,962
13	30 November, 2022	140,614	3,058
14	1 December, 2022	132,076	2,881
15	2 December, 2022	92,071	2,008
16	5 December, 2022	55,907	1,160
17	6 December, 2022	506,584	10,368
18	7 December, 2022	319,998	6,636
19	8 December, 2022	269,881	5,769
20	9 December, 2022	494,844	10,766
21	12 December, 2022	60,277	1,311
22	13 December, 2022	42,281	913
23	14 December, 2022	49,782	1,098
24	15 December, 2022	73,090	1,557
25	16 December, 2022	55,258	1,208
26	19 December, 2022	33,823	736
27	20 December, 2022	44,934	967
28	21 December, 2022	96,471	2,075
29	22 December, 2022	81,555	1,823
30	23 December, 2022	66,553	1,532
31	26 December, 2022	8,827	203
32	27 December, 2022	34,595	766
33	28 December, 2022	19,962	441
34	29 December, 2022	16,608	367
35	30 December, 2022	66,456	1,398
36	2 January, 2023	69,195	1,479
37	3 January, 2023	44,771	963
38	4 January, 2023	68,986	1,502
39	5 January, 2023	8,076	174
40	6 January, 2023	32,826	705
41	9 January, 2023	91,814	2,011
42	10 January, 2023	109,955	2,433
43	11 January, 2023	107,099	2,381
44	12 January, 2023	7,522	165
45	13 January, 2023	12,012	266

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**Recommendation of Fair Equity Share Exchange Ratio for Proposed Amalgamation of  
Choksi Asia Private Limited with Choksi Imaging Limited**

Day	Date	Total Turnover (INR)	Volume of traded shares
46	16 January, 2023	11,175	250
47	17 January, 2023	22,080	487
48	18 January, 2023	57,382	1,277
49	19 January, 2023	36,976	826
50	20 January, 2023	75,326	1,680
51	23 January, 2023	108,555	2,441
52	24 January, 2023	11,860	272
53	25 January, 2023	34,718	786
54	27 January, 2023	7,954	189
55	30 January, 2023	55,526	1,290
56	31 January, 2023	36,209	835
57	1 February, 2023	5,370	122
58	2 February, 2023	73,018	1,726
59	3 February, 2023	236,965	5,660
60	6 February, 2023	1,437,661	32,243
61	7 February, 2023	389,025	8,004
62	8 February, 2023	534,300	10,611
63	9 February, 2023	56,042	1,176
64	10 February, 2023	113,545	2,423
65	13 February, 2023	15,476	321
66	14 February, 2023	164,659	3,586
67	15 February, 2023	294,602	6,806
68	16 February, 2023	63,807	1,418
69	17 February, 2023	5,434	127
70	20 February, 2023	113,285	2,433
71	21 February, 2023	2,623	58
72	22 February, 2023	24,241	537
73	23 February, 2023	46,819	1,050
74	24 February, 2023	1,826	39
75	27 February, 2023	121,103	2,822
76	28 February, 2023	36,041	859
77	1 March, 2023	105,210	2,502
78	2 March, 2023	143,899	3,369
79	3 March, 2023	14,586	344
80	6 March, 2023	34,035	819
81	8 March, 2023	114,147	2,688
82	9 March, 2023	5,790	135
83	10 March, 2023	68,498	1,574
84	13 March, 2023	36,809	875
85	14 March, 2023	16,957	419
86	15 March, 2023	52,757	1,233
87	16 March, 2023	236,466	5,767
88	17 March, 2023	96,168	2,387
89	20 March, 2023	231,585	5,795
90	21 March, 2023	33,669	890
	<b>Total</b>	<b>10,730,403</b>	<b>235,009</b>
VWAP of 90 trading days volume weighted average price ("VWAP") preceding the relevant date (INR)			<b>45.66</b>

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**Annexure IIIB – Computation of share price of equity shares of CIL shares under Regulation 164(1) of SEBI ICDR Regulations, as per historical trading prices on BSE website for 10 Trading Days**

Day	Date	Total Turnover (INR)	Volume of traded shares
1	8 March, 2023	114,147	2,688
2	9 March, 2023	5,790	135
3	10 March, 2023	68,498	1,574
4	13 March, 2023	36,809	875
5	14 March, 2023	16,957	419
6	15 March, 2023	52,757	1,233
7	16 March, 2023	236,466	5,767
8	17 March, 2023	96,168	2,387
9	20 March, 2023	231,585	5,795
10	21 March, 2023	33,669	890
	<b>Total</b>	<b>892,846</b>	<b>21,763</b>
<b>VWAP of 10 trading days volume weighted average price ("VWAP") preceding the relevant date (INR)</b>			<b>41.03</b>

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**Annexure IIIB – Computation of share price of equity shares of CIL shares  
under Regulation 164(1) of SEBI ICDR Regulations, as per historical trading  
prices on BSE website for 10 Trading Days**

Day	Date	Total Turnover (INR)	Volume of traded shares
1	8 March, 2023	114,147	2,688
2	9 March, 2023	5,790	135
3	10 March, 2023	68,498	1,574
4	13 March, 2023	36,809	875
5	14 March, 2023	16,957	419
6	15 March, 2023	52,757	1,233
7	16 March, 2023	236,466	5,767
8	17 March, 2023	96,168	2,387
9	20 March, 2023	231,585	5,795
10	21 March, 2023	33,669	890
	<b>Total</b>	<b>892,846</b>	<b>21,763</b>
VWAP of 10 trading days volume weighted average price ("VWAP") preceding the relevant date (INR)			41.03

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**FAIRNESS OPINION REPORT ON VALUATION FOR THE  
PROPOSED SCHEME OF MERGER BY ABSORPTION**

OF

**CHOKSI ASIA PRIVATE LIMITED**

WITH

**CHOKSI IMAGING LIMITED**

AND

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (IF ANY)**

By



**Navigant**

**Navigant Corporate Advisors Limited**  
423, A Wing, Bonanza, Sahar Plaza Complex,  
J.B. Nagar, Andheri Kurla Road,  
Andheri East, Mumbai-400 059  
Email Id- [navigant@navigantcorp.com](mailto:navigant@navigantcorp.com)  
Web: [www.navigantcorp.com](http://www.navigantcorp.com)

22<sup>nd</sup> March, 2023

**SEBI Registered Category I Merchant Banker**

**SEBI Registration No. INM000012243**

**CERTIFIED TRUE COPY**

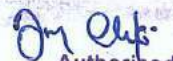
**For Choksi Imaging Ltd.**

  
Authorised Signatory



**CERTIFIED TRUE COPY**

**For Choksi Asia Private Limited**

  
Authorised Signatory





## Notice to Reader

Navigant Corporate Advisors Limited ("Navigant" / "NCAL" or "Authors of the Report") is a SEBI registered 'Category I' Merchant banker in India and was engaged by Board of Directors of Choksi Imaging Limited ("CIL" or "Transferee Company") to prepare an Independent Fairness Opinion Report ("Report") with respect to providing an independent opinion and assessment as to fairness of Valuation Report and Swap ratio determined by Rashmi Shah FCA, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/06/2018/10240 and Nitish Chaturvedi, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/03/2020/12916 (jointly referred to as 'Valuers') an Independent Valuers for the purpose of intended proposed Merger of Choksi Asia Private Limited ("CAPL" or "Transferor Company") into CIL pursuant to a Scheme of Amalgamation under section 230 to 232 and other applicable clauses of the Companies Act, 2013 ("Scheme"). CIL and CAPL are collectively referred as "Companies".

The Fairness Opinion Report ("Report") has been prepared on the basis of the review of information provided to Navigant and specifically the Report on Swap ratio (hereinafter referred as Valuation Report) prepared by Valuers on an independent basis as joint valuation report. This report is limited to provide its fairness opinion on the Valuation Report.

The information contained in this Report is selective and is subject to updations, expansions, revisions and amendment. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.

This Report is based on data and explanations provided by the management and certain other data culled out from various websites believed to be reliable. Neither the Company nor Navigant, nor affiliated bodies corporate, nor the directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such parties and entities expressly disclaim any and all liability for or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients' use of this Report.



S. 2, e m

*Dr. Anup*



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**Date: 22<sup>nd</sup> March, 2023**

To,  
The Audit Committee & Board,  
**Choksi Imaging Limited**  
163/164, Choksi Bhuvan, Nehru Road and Nariman Road,  
Vile Parle East, Mumbai – 400057

To,  
The Audit Committee & Board,  
**Choksi Asia Private Limited**  
Ground Floor, Choksi Bhuvan, Nehru Road and Nariman Road,  
Vile Parle East, Mumbai – 400057.  
Dear Members of the board,

### Engagement Background

We understand that the Board of Directors of Choksi Asia Private Limited ("CAPL" or the "Transferor Company") and Choksi Imaging Limited ("CIL" or the "Transferee Company") are considering a scheme of Amalgamation under sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 of Choksi Asia Private Limited ("Transferor Company") and Choksi Imaging Limited ("Transferee Company") and their respective shareholders and creditors (if any) ("the Scheme") for merger under the provisions of Sections 230 to 232 read with Section 52 and 66 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, as may be applicable, for Merger of CAPL and vesting of the same in CIL on a going concern basis.

We understand that the Valuation as well as the swap ratio thereof is based on the Valuation Certificate dated 22<sup>nd</sup> March, 2023 issued by Rashmi Shah FCA, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/06/2018/10240 and Nitish Chaturvedi, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/03/2020/12916 (jointly referred to as 'Valuers').

We, Navigant Corporate Advisors Limited, a SEBI registered Category-I Merchant Banker, have been engaged by CIL to give a fairness opinion ("Opinion") on Valuation Certificate dated 22<sup>nd</sup> March, 2023 issued by Rashmi Shah FCA, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/06/2018/10240 and Nitish Chaturvedi, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/03/2020/12916.



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Page 3 of 12

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## Background of the Companies

### Choksi Imaging Limited (“CIL” or the “Transferee Company”):

- CIL (CIN: L24294MH1992PLC388063) is a public limited company incorporated on 01st October, 1992 and having its registered office at 163/164, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai – 400057.
- The company is currently carrying on the business of processing of Jumbo Rolls of X-Ray films by slitting and cutting it into various sizes of X-Ray Films as per requirement of the customers on a job work basis.
- Equity shares of CIL are listed on the Bombay Stock Exchange (“BSE”).
- The shareholding pattern of CIL as of 31<sup>st</sup> December 2022 is as under:

Particulars	No. of shares	% shareholding
Promoter & Promoter Group	24,74,134	63.44%
Public	14,25,866	36.56%
<b>Total</b>	<b>39,00,000</b>	<b>100.00%</b>

Source: [www.bseindia.com](http://www.bseindia.com)

### Choksi Asia Private Limited (“CAPL” or the “Transferor Company”):

- CAPL was incorporated in India under the Companies Act, 1956 on 08<sup>th</sup> March 2007 with CIN U93090MH2007PTC168500. The registered office of the Company is located at Ground Floor, Choksi Bhuvan, Nehru Road and Nariman Road, Vile Parle East, Mumbai – 400057.
- CAPL is carrying on the business of import of Jumbo Rolls of X-Ray films and sale of X-Ray films and trading of other related products (such as Radiography Camera, Radiation Shielding Materials, X-Ray Generator, Lead Screens, Radioactive Sources, photosensitize chemicals, etc.) since its incorporation in year 2007.
- CAPL is not listed on any stock exchanges.
- The shareholding pattern of CAPL as of 31<sup>st</sup> December 2022 is as under:

Sr.no	Name of Shareholders	No of Shares	% of Shareholding
1	Bindu Samir Choksi	4,980	49.80%
2	Samir Kanubhai Choksi	4,975	49.75%
3	Samir Kanubhai Choksi (HUF)	5	0.05%
4	Raj Samir Choksi	10	0.1%
5	Kruti Raj Choksi	10	0.1%
6	Jay Samir Choksi	10	0.1%
7	Priyam Jay Choksi	10	0.1%
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

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*Samir Choksi*





## Transaction Overview and Rational

With the proposed amalgamation of the Transferor Company into the Transferee Company, the Transferee Company shall undertake processing as well as selling of X-Ray films, Lead Screens, Chemicals, Radiation Shielding Materials, X-Ray Generator, Radiography Camera, Radioactive Sources, trading of other related accessories and further propose to deal in other healthcare and nuclear products leading to optimum utilization of Silvassa factory and cost savings through larger operating leverage. The consolidation of operations of the Transferor Company and the Transferee Company by way of amalgamation will lead to a more efficient utilization of capital, administrative and operational rationalization and promote organizational efficiencies. It will prevent cost duplication that could have an effect of eroding financial efficiencies of the operations. The proposed amalgamation will be more cost-efficient with the achievement of greater economies of scale, reduction in overheads, improvement in various other operating parameters and increase in overall turnover and profitability of the Transferee Company. The amalgamation will have beneficial results for the Transferee Company, their stakeholders and all concerned parties. The combined financial strength post amalgamation will result in maximizing overall stakeholder's value, and will improve the competitive position of the combined entity. It will further enhance the organizational capability and leadership, arising from the pooling of human resources who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry. The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits:

- A. Amalgamation to be value accretive to the shareholders of the Transferee Company as the shareholders would have direct access to the core profitable business of the Transferor Company;
- B. Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value;
- C. Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value;
- D. The proposed amalgamation will improve organizational capability arising from the pooling of human capital that has diverse skills, talent, vast experience and goodwill.;
- E. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, the elimination of duplication and rationalization of administrative expenses;
- F. Reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by the Transferor Company and the Transferee Company;



S. A. [Signature]

[Signature]





G. To optimally leverage the larger assets base and cash flow of the amalgamated entity; and

H. Amalgamation will result in the Transferee Company directly controlling and managing the business of the Transferor Company which would lead to simplification of the shareholding structure and reduction of shareholding tiers.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Companies Act, 2013.

**Information relied upon:**

We have prepared the fairness opinion report on the basis of the information provided to us and inter alia the following:

- Share Exchange ratio joint valuation report by Rashmi Shah FCA, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/06/2018/10240 and Nitish Chaturvedi, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/03/2020/12916 (jointly referred to as 'Valuers') dated 22<sup>nd</sup> March, 2023;
- Other information and explanations as provided by the management.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the valuation report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. We understand that the Company has carried independent valuation of the asset of the Company Title to all subject business assets is assumed to be good and marketable and we would urge the company to carry out the independent assessment of the same.

We have been informed that all information relevant for the purpose of issuing the Fairness Opinion report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.



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Dr. Ankur





**Valuation Summary:**

Some of the methods considered by the valuer for arriving at fair value of shares of a company are as under:

Valuation methods are broadly classified into –

**Cost Approach – Net Asset Value (NAV) method**

The value under cost approach is determined based on the underlying value of the assets which could be on book value basis, replacement cost basis or on the basis of realizable value. Under NAV method, total value of the business is based on the Net Assets Value either on book value or realizable value or replacement cost basis. NAV methodology is most applicable for the business where the value lies in the underlying assets and not the ongoing operations of the business. NAV method does not capture the future earning capacity of the business.

**Income Approach – Discounted Cash Flows (DCF) method**

- Under the Income Approach, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalization. DCF Method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. FCFF or free cash flows to the firm ("FCFF") represents the cash available for distribution to both the owners and the creditors of the business. Risk-adjusted discount rate or Weighted Average Cost of Capital ("WACC") is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & bank balance and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the company.

**Market Approach – Market Price method**

- Under the Market Price method, the market price of an equity share as quoted on a recognized Stock Exchange is normally considered as the value of the equity shares of that company, where such quotations are arising from the shares being regularly and frequently traded. Generally, market value is reflective of the investors' perception about the actual worth of the company. However, in certain situations, the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further in case of amalgamation, where the value of shares of one company is required to be evaluated against the value of shares of another company, the volume of shares traded and available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.



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### Market Approach – Comparable Companies' Multiple (CCM) method

- Under CCM Method, the value of shares of the subject company is determined on the basis of multiples derived from valuations of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. The Comparable Companies' Multiple Method arrives at the value of the company by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences, such as growth potential, past track record, size, company dynamics, etc.

### **Basis of Valuation and Assumptions made by the valuers:**

The valuation is based, on the aforesaid methods as described below:

### **VALUATION OF CAPL:**

Drivers in choosing the method of valuation analysis:

- Information
  - Availability
  - Reliability
- Characteristics
- Current and future cash flow status.

To determine the value of CAPL, Valuer has considered Discounted Cash Flow Method under Income Method on going concern assumption.

### **VALUATION OF CIL**

- Since the CIL does not have any recurring nature of operating business, therefore we have not considered Discounted Cash Flows (DCF) method to determine the value of shares of CIL for the said valuation purpose.
- For determining the Fair Value of CIL, Net Assets Value Method & the market prices disseminated on BSE Limited (BSE) were considered, since the shares of CIL is frequently traded share in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.
- The Fair value as per market approach has been considered by complying the provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.
- The Fair value has been arrived at Rs. 54/- per Equity Share of face value of Rs. 10/- Each.



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**Conclusion ratio:-**

**“375 (Three hundred Seventy-five) equity shares of Choksi Imaging Limited for every 1 (one) equity share fully paid-up of Choksi Asia Private Limited”, however consideration will be discharged as below:**

**A) 27,51,000 equity shares having face value of Rs.10/- (Rupees Ten) each fully paid-up of INR 53.991 of the Transferee Company will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs.10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company. These new equity share will be listed on the stock exchange.**

**And**


**B) 9,97,545 Non-Convertible and Non-Cumulative Redeemable Preference Shares of Rs 54 (at par), which will not be listed unless required by extant regulations, will be issued and allotted to the shareholders of Transferor Company shall be in the proportion of their shareholding in the Transferor Company.**

### Exclusions and Limitations

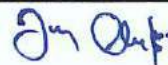
Our opinion and analysis is limited to the extent of review of the valuation report by the valuer and the Draft scheme document. In connection with the opinion, we have

- A) Reviewed the Draft Scheme Document and the valuation report by the valuers dated 22<sup>nd</sup> March, 2023.
- B) Audited financials for CIL and CAPL for the year ended March 31, 2022.
- C) Audited financials for CAPL for the period ended December 31, 2022; and
- D) Limited reviewed financial statements of CIL for the period ended December 31, 2022
- E) Held discussions with the valuer, in relation to the approach taken to valuation and the details of various methodologies utilized by them in preparing the valuation report and recommendations;
- F) Sought various clarifications with the respective senior management teams of CAPL and CIL;
- G) Reviewed historical stock prices and trading volumes of CIL at BSE Limited;
- H) Reviewed such other information and explanations as we have required and which have been provided by the management of CAPL and CIL.



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This opinion is intended only for the sole use and information of CIL and in connection with the Scheme, including for the purpose of obtaining judicial and regulatory approvals for the Scheme or the purpose of complying with the SEBI regulations and requirement of stock exchanges on which the company is listed, and for no other purpose. We are not responsible in any way to any person/party/statutory authority for any decision of such person or party or authority based on this opinion. Any person/party intending to provide finance or invest in the shares/business of either CAPL and/or CIL or their subsidiaries /joint ventures/associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

For the purpose of this assignment, Navigant has relied on the Valuation Certificate for the proposed "Scheme of Amalgamation" of CAPL and CIL and their respective shareholders and information and explanation provided to it, the accuracy whereof has not been evaluated by Navigant. Navigant's work does not constitute certification or due diligence of any past working results and Navigant has relied upon the information provided to it as set out in working results of the aforesaid reports.

Navigant has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of CAPL and CIL and to the Stock Exchanges and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed scheme of Amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Valuation Certificate issued for the proposed Scheme of Amalgamation between CAPL and CIL and their respective shareholders, and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to this date.



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One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover in this case where the shares of the company are being issued as consideration to the shareholders of CAPL, it is not the absolute valuation that is important for framing an opinion but the relative valuation of the company vis-a-vis shares of CAPL.

We have assumed that the Final Scheme will not differ in any material respect from the Draft Scheme Document shared with us.

We do not express any opinion as to any tax or other consequences that might arise from the Scheme on CAPL, CIL and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which CAPL, CIL and/or their associates/ subsidiaries, are or may be party.

The company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion.

Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme or any matter thereto.

**Our Fairness Opinion:**

Based upon valuation work carried out by Rashmi Shah FCA, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/06/2018/10240 and Nitish Chaturvedi, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/03/2020/12916 (jointly referred to as 'Valuers') we are of the opinion that the purpose of the proposed merger by absorption of CAPL into CIL are fair, from a financial point of view.

The fairness of the Proposed Merger is tested by:

- (1) Considering whether the Valuation methods adopted by Rashmi Shah FCA, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/06/2018/10240 and Nitish Chaturvedi, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/03/2020/12916 (jointly referred to as 'Valuers') depict a correct picture on the value of shares of all companies;
- (2) Calculating the fair market value of companies;
- (3) Considering qualitative factors such as economies of scale of operations, synergy benefits that may result from the proposed Merger of CAPL into CIL.



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The rationale for Share Exchange ratio as explained above, will be issued as assumed by Rashmi Shah FCA, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/06/2018/10240 and Nitish Chaturvedi, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/03/2020/12916 (jointly referred to as 'Valuers') is justified.

We are in opinion that, Rashmi Shah FCA, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/06/2018/10240 and Nitish Chaturvedi, Registered Valuer (Securities or Financial Assets) with IBBI Registration No.: IBBI/RV/03/2020/12916 (jointly referred to as 'Valuers') is justified by taking the Fair Value of Companies, and covers each aspect of valuation.

This being of our best of professional understanding, we hereby sign the Fairness Opinion report on valuation.

**For Navigant Corporate Advisors Limited**



**Sarthak Vijlani  
Managing Director**

CERTIFIED TRUE COPY

CERTIFIED TRUE COPY

**For Choksi Imaging Ltd.**

**For Choksi Asia Private Limited**

*S. A. Ch*

*Jay Choksi*

Authorised Signatory

Authorised Signatory



# Annexure VIII

## ABRIDGED PROSPECTUS

**DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION PERTAINING TO CHOKSI ASIA PRIVATE LIMITED IN THE FORMAT PRESCRIBED FOR ABRIDGED PROSPECTUS AS PROVIDED IN PART E OF SCHEDULE VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS 2018, READ WITH THE SEBI CIRCULAR NO. SEBIHO/CFD/SSEP/CIR/2022/14 DATED FEBRUARY 4,2022, TO THE EXTENT APPLICABLE**

**This abridged prospectus (“Document”) contains the salient features of business of Choksi Asia Private Limited (CAPL) and Scheme of Amalgamation between Choksi Imaging Limited and Choksi Asia Private Limited and their respective shareholders and Creditors under Section 230-232 and other applicable provisions of the Companies Act, 2013 (“Scheme”) Read with Companies (Compromise, Arrangements and Amalgamations) Rules,2016. This Abridged Prospectus has been prepared in terms of the requirements specified in SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10,2017, as amended from time to time and Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021 and Master Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (“SEBI Circular”) issued by the Securities and Exchange Board of India (“SEBI”) relating to the Scheme.**

**This Document should be read together with the Scheme, approved by the Board of Directors of Choksi Asia Private Limited vide resolution dated March 22,2023. The shareholders are advised to retain a copy of this Document for their future reference.**

**The Scheme along with the Abridged Prospectus is also available on the website of BSE Limited (“BSE”) i.e. <https://www.bseindia.com>, and Choksi Imaging Limited i.e. <http://www.choksiworld.com>. Nothing in this document constitutes an offer or an invitation by or on behalf of CAPL to subscribe for or purchase any of the securities of CAPL.**

**THIS ABRIDGED PROSPECTUS CONTAINS 13 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.  
FOR PRIVATE CIRCULATION TO THE SHAREHOLDERS OF CHOKSI IMAGING LIMITED ONLY**

**NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS DOCUMENT. HOWEVER, EQUITY SHARES AND NON-CUMULATIVE, NON- PARTICIPATING, NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARE TO THE SHAREHOLDERS OF TRANSFEROR COMPANY PURSUANT TO THE PART III OF THE SCHEME.**

*(Terms not defined herein shall have their meaning ascribed to them under the Scheme)*

**CHOKSI ASIA PRIVATE LIMITED**



**Registered Office** : Ground Floor, Choksi Bhuvan Nehru Road & Nariman Road, Vile Parle East Mumbai, Mumbai City, Maharashtra, India, 400057  
**Contact Person**: Mr. Samir Choksi-Director  
**Phone No**: +91 9821011113  
**Email**: choksindt.samir@gmail.com **Website** : http://choksi-asia.com/  
**Corporate Identity Number** : U93090MH2007PTC168500

#### NAME OF THE PROMOTERS OF CHOKSI ASIA PRIVATE LIMITED

- |                              |                              |
|------------------------------|------------------------------|
| 1. Mr. Samir Kanubhai Choksi | 5. Mrs. Priyam Jay Choksi    |
| 2. Mrs. Bindu Samir Choksi   | 6. Mr. Raj Samir Choksi      |
| 3. Mr. Jay Samir Choksi      | 7. Samir Kanubhai Choksi HUF |
| 4. Mrs. Kruti Raj Choksi     |                              |

(For further details refer to the para titled "PROMOTERS OF THE TRANSFEROR COMPANY" on page 4 of this Abridged Prospectus)

**Details of the Offer to Public** : Not applicable as the offer is not for public at large.

**Details of OFS by Promoter(s)/Promoter Group/Other Selling Shareholders** : Not applicable as the offer is not for public at large.

**Price Band, Minimum Bid Lot and Indicative Timelines** : Not Applicable

**Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP** : Not Applicable

#### SCHEME DETAILS, LISTING AND PROCEDURE

The Scheme of Amalgamation between the Choksi Imaging Limited ("**CIL**" or "**Transferee Company**") and Choksi Asia Private Limited ("**CAPL**" or "**Transferor Company**") and their respective Shareholders and Creditors, for amalgamation is presented under the provisions of Section 230 to 232 read with Sections 52 and 66 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, as may be applicable, for amalgamation of Transferor Company and vesting of the same in the Transferee Company.

The Overview of the Scheme :

(a) Amalgamation of Choksi Asia Private Limited with Choksi Imaging Limited.

Upon coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the sanction of this Scheme by the Tribunal and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and Section 2(1B) of the Income Tax Act, the entire business of the Transferor Company shall be transferred and /or deemed to be transferred to and stand vested in the Transferee Company, as a going concern as and from the Appointed Date i.e 01.04.2023. by virtue of and in the manner provided in this Scheme.

Upon the coming into effect of this Scheme and in consideration of the amalgamation of the Transferor Company with the Transferee Company pursuant to this Scheme, the Transferee Company shall issue and allot equity shares (hereinafter also referred to as the "New Equity Shares") at par on a proportionate basis to each member of Transferor Company, whose name is recorded in the register of members of Transferor Company as

holding shares on the Record Date, in the ratio of 375 (Three Hundred Seventy Five) equity share of Rs. 10/- each fully paid up of Transferee Company for every 1 (one) equity share of Rs. 10/- each fully paid up held in Transferor Company, however consideration will be discharged as below :

A) 27,51,000 equity shares having face value of Rs. 10/- (Rupees Ten) each fully paid-up of the Transferee Company will be issued and allotted to the shareholders holding (total 10,000 in number) equity shares of Rs. 10/- (Rupees Ten) each fully paid-up in the proportion of their shareholding in the Transferor Company. These new equity share will be listed on the Bombay Stock Exchange.

And

B) 9,97,545 Non-Cumulative, Non- Participating, Non-Convertible Redeemable Preference Share of Rs 54 (at par), which will not be listed unless required by extant regulations, will be issued and allotted to the shareholders of Transferor Company shall be in the proportion of their shareholding in the Transferor Company.

The present equity shares of the Transferee Company and such equity shares (issued by the Transferee Company to the relevant equity shareholders of the Transferor Company) will be listed on the BSE Limited ("BSE") (hereinafter referred as "Stock Exchange"), in accordance with the provisions of SEBI Circular No. CFD/OIL3/CIR/2017/21, dated March 10, 2017, as amended from time to time.

The present share capital of Transferee Company is large in amount in relation to the size of the company. It will be beneficial to create a company with share capital in consonance with the size of its operations, so that, the capital is serviced efficiently.

#### **ELIGIBILITY FOR THE ISSUE**

There being no initial public offering. Accordingly, the eligibility criteria of Securities and Exchange of Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, does not become applicable here.

#### **INDICATIVE TIMELINE**

The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

#### **GENERAL RISKS**

Investment in Equity and Equity related securities involved a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, Investors must rely on their own examination of the Resulting Company and the issue, including the risk involved.

The Equity shares in this issue have not been recommended or approved by Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the

contents of the Scheme - **Not Applicable as the offer is not for public at large.**

Specific attention of the readers is invited to the sections titled 'Internal Risk Factors' on pages 11 of this Abridged Prospectus.

#### **PRICE INFORMATION OF LEAD MANAGER**

Not Applicable since the proposed issue is not to public shareholders but to the shareholders of the Transferor Company pursuant to the Scheme.

#### **MERCHANT BANKER**

Expert Global Consultants Private Limited  
1511, RG Trade Tower,  
Netaji Subhash Place,  
Pitampura, Delhi – 110 034, India  
Tel no. : 011 45098234  
Email- id : [info@expertglobal.in](mailto:info@expertglobal.in)  
Web : [www.expertglobal.in](http://www.expertglobal.in)  
SEBI Reg. No. : INM000012874

#### **PROMOTERS OF CHOKSI ASIA PRIVATE LIMITED**

<b>Sr. No.</b>	<b>Name</b>	<b>Individual /Corporate</b>	<b>Experience and Educational Qualification</b>
1	Mr. Samir Kanubhai Choksi	Individual	Mr. Samir Choksi is one of the founder Promoter of the Company since 2007. He is associated with the X ray industry for last 46 years and Industrial Radiography for last 16 Years.
2	Mrs. Bindu Samir Choksi	Individual	Mrs. Bindu Samir Choksi has completed her Secondary Education in the year 1982 and BSC in organic chemistry in the year 1987. She has done diploma in early childhood education in the year 1988-89. She has also worked as HR Manager. She is one of the founder members of the Company since 2007.
3	Samir Kanubhai Choksi HUF	HUF	The HUF was formed in the Year 1995 by Mr. Samir Choksi.
4	Mr. Raj Samir Choksi	Individual	Mr. Raj Choksi is a Bachelor of Architecture, Mumbai university. He is an awardee of dean's scholarship, Member VU Vullies, Vice president VU Project management Club.

5	Mr. Jay Samir Choksi	Individual	Mr. Jay Choksi has completed secondary education from Oak Creek Ranch School, Arizona USA with mathematics and science as major subject. He has accomplished certificate course in Constitution Law from Colombia University, USA. He is graduate in BMS from N M College of Commerce and Economics, Mumbai. Post-graduation he had worked on designing and developing a Mobile based ERP software and successfully ran the same in various renowned colleges. He is associated with industry for last 5 years.
6	Mrs. Priyam Jay Choksi	Individual	She is Bachelors of Arts in Psychology from Himalayan University. She is pursuing Bachelors of Education from Mumbai University.
7	Mrs. Kruti Raj Choksi	Individual	Mrs. Kruti Choksi is B Com graduate and Post Graduation, she has done diploma in Management (MBA) in the year April 2017 from Welingkar Institute of Management. She had handled Social Media Marketing for Grofers Online Grocery store.

#### **COMPANY OVERVIEW AND STRATEGY**

CAPL was incorporated on March 08, 2007 under the provisions of the Companies, Act 1956 vide certificate of incorporation with CIN U93090MH2007PTC168500 issued by the Registrar of Companies, Mumbai. CAPL is a Private Limited company, having its registered office at Ground Floor, Choksi Bhuvan Nehru Road & Nariman Road, Vile Parle East Mumbai City MH 400057. CAPL is authorised by its Memorandum of Association to carry on the main objects of Choksi Asia Private Limited (CAPL) and is in the business of procuring and selling consumable products i.e., X-Ray films and other related products [such as Radiography Camera and Radioactive Sources (some of them being monopolistic), Radiation Shielding Materials, X-Ray Generator, Lead Screens, etc.

#### **PRODUCT/SERVICES OFFERING**

CAPL has been a preferred supplier for General Electric, Oserix, Source Production Company since a substantial period. As on date, CAPL distributes varied products with multiple industrial applications to customers (including distributors). Industrial X-ray & Allied Radiographers (I) Private Limited, M/s Modern Marketing and M/s X-ray Accessories Manufacturing are the top three customers that have been associated with CAPL since a substantial period.

**REVENUE SEGMENT BY PRODUCT /SERVICES OFFERING**

Not Applicable as Company is solely engaged in imaging business and Non-Destructive Testing (NDT) industry. Accordingly, there are no reportable business or geographies segments.

**GEOGRAPHIES SERVED**

The Company serves PAN India.

**REVENUE SEGMENT BY GEOGRAPHY**

Revenue Segmentation FY 2023-2024:

1. Domestic – Rs. 15,58,82,687 (99.95%)
2. Export - Rs. 74,602 (0.050)

**KEY PERFORMANCE INDICATOR**

In the last three years ended Fiscal 2023, Fiscal 2022, Fiscal 2021, Choksi Asia Private Limited has earned total revenue of Rs.1,450 lakhs, Rs. 1,609 lakhs and Rs.2,185 lakhs respectively, and net profit after tax of Rs. 187 lakhs, Rs.134 lakhs and Rs.249 lakhs respectively. It has reported Return on Net Worth of 16.28%, 14.20% and 31.05% for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 respectively. For the nine months ended December 31, 2023, total revenue earned is Rs.980 lakhs, net profit after tax is Rs.207 lakhs and Return on Net Worth is 15.92%.

**CLIENT PROFILE OR INDUSTRIES SERVED**

CAPL is serves industry majorly engaged in the business of oil and gas, defense, aerospace and heavy engineering.

**REVENUE SEGMENTATION IN TERMS OF TOP 5/10 CLIENTS OR INDUSTRIES**


The top 5 customers of our company accounted for 5.74 Crore (approx.) representing 39.59% of total revenue earned for the financial year ended March 31, 2023. For the Nine months ended i.e. December 31, 2023, top 5 customers accounted for 5.11 Crore representing 52.19% of total revenue earned.

**INTELLECTUAL PROPERTY, IF ANY**

**CAPL owns the Registered Trademark [WWW.CHOKSI-ASIA.COM](http://WWW.CHOKSI-ASIA.COM) vide application no. [6033400] under class 38. However, there are few trademarks under different class has been filed with the Registrar of Trademark and the same is under the processing stage of registration. The details of the same are as follows :**

Trademark	Class	Status
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	36	Approval from registrar is in progress
<a href="http://WWW.CHOKSI-ASIA.COM">WWW.CHOKSI-ASIA.COM</a>	38	Registered
<a href="http://CHOKSI.ASIA">CHOKSI.ASIA</a>	35	Approval from registrar is in progress
<a href="http://CHOKSI.ASIA">CHOKSI.ASIA</a>	16	Approval from registrar is in progress
<a href="http://CHOKSI.ASIA">CHOKSI.ASIA</a>	1	Approval from registrar is in progress
<a href="http://CHOKSI.ASIA">CHOKSI.ASIA</a>	9	Approval from registrar is in progress
	1	Approval from registrar is in progress
	9	Approval from registrar is in progress
	16	Approval from registrar is in progress
	1	Approval from registrar is in progress
	9	Approval from registrar is in progress
<b>MARKET SHARE</b>		
There is no published data regarding the market share of imaging business and Non Destructive Testing (NDT) industry.		
<b>MANUFACTURING PLANT, IF ANY</b>		

CAPL is engaged in the trading business of the imaging business and Non Destructive Testing (NDT) industry and therefore there are no manufacturing plant of the Company.

#### **EMPLOYEE STRENGTH**

As on December 31, 2023, CAPL has 6 employees at various levels of the organization.

#### **BOARD OF DIRECTORS**

##### **Details of Board of Directors of Choksi Asia Private Limited**

<b>Sr. No</b>	<b>Name</b>	<b>PAN / DIN</b>	<b>Designation</b>	<b>Other directorship</b>
1	Mrs. Bindu Samir Choksi	00286875	Director	1. Tim Tom Food Products Pvt Ltd 2. Shreyas Trading Company Private Limited
2	Mr. Samir Kanubhai Choksi	00049416	Director	1. Choksi Brothers Pvt. Ltd. 2. Shreyas Trading Company Private Limited 3. Choksi Imaging Limited 4. Western India Automobile Association
3	Mr. Jay Samir Choksi	07151509	Director	1. Choksi Imaging Limited 2. Shreyas Trading Company Private Limited

#### **BRIEF EXPERIENCE OF THE DIRECTORS**

1. Mrs. Bindu Samir Choksi : Mrs. Bindu Samir Choksi has completed her Secondary Education in the year 1982 and BSC in organic chemistry in the year 1987. She has done diploma in early childhood education in the year 1988-89. She has also worked as HR Manager. She is one of the founder members of the Company since 2007.
2. Mr. Samir Kanubhai Choksi : Mr. Samir Choksi is one of the founder Promoter of the Company since 2007. He is associated with the X ray industry for last 46 years and Industrial Radiography for last 16 Years.
3. Mr. Jay Samir Choksi : Mr. Jay Choksi has completed secondary education from Oak Creek Ranch School, Arizona USA with mathematics and science as major subject.  
He has accomplished certificate course in Constitution Law from Colombia University, USA. He is graduate in BMS from N M College of Commerce and Economics, Mumbai. Post-

graduation he had worked on designing and developing a Mobile based ERP software and successfully ran the same in various renowned colleges. He is associated with industry for last 5 years.

#### **OBJECTS - RATIONALE OF THE SCHEME**

The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits:

- (a) Amalgamation to be value accretive to the shareholders of the Transferee Company as the shareholders would have direct access to the core profitable business of the Transferor Company;
- (b) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value;
- (c) Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value;
- (d) The proposed amalgamation will improve organizational capability arising from the pooling of human capital that has diverse skills, talent, vast experience and goodwill.;
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, the elimination of duplication and rationalization of administrative expenses;
- (f) Reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by the Transferor Company and the Transferee Company;
- (g) To optimally leverage the larger assets base and cash flow of the amalgamated entity; and
- (h) Amalgamation will result in the Transferee Company directly controlling and managing the business of the Transferor Company which would lead to simplification of the shareholding structure and reduction of shareholding tiers.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Companies Act, 2013.

#### **SHAREHOLDING PATTERN**

##### **Pre-Scheme Share Capital of Transferor Company as on December 31, 2023.**

Sr. No.	Particulars	Amount (Rs.)
1.	Authorized, Issued and Paid-up Capital 10,000 Equity Shares of Rs. 10/- each	1,00,000
<b>Total</b>		<b>1,00,000</b>

<b>Post-Scheme Share Capital of Transferor Company</b>		
<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount (Rs.)</b>
1.	Pursuant to the Scheme, Choksi Asia Private Limited shall dissolve without Winding up	NIL
<b>Total</b>		<b>NIL</b>

<b>Pre-Scheme Shareholding Pattern of Transferor Company as on December 31, 2023</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Pre-Scheme number of shares</b>	<b>% holding - Pre Scheme</b>
1.	Promoter and Promoter Group	10,000	100
2.	Public	NIL	NIL
<b>Total</b>		<b>10,000</b>	<b>100</b>

<b>Post-Scheme Shareholding Pattern of Transferor Company*</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Post-Scheme number of shares</b>	<b>% holding - post Scheme</b>
1.	Promoter and Promoter Group	NIL	NIL
2.	Public	NIL	NIL
<b>Total</b>		<b>NIL</b>	<b>NIL</b>

\* Please note that post scheme paid up share capital will be NIL as the company will get amalgamated )

<b>Pre-Scheme Shareholding Pattern of Transferee Company as on December 31, 2023</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Pre-Scheme number of shares</b>	<b>% holding - pre Scheme</b>
1.	Promoter and Promoter Group	24,74,134	63.44
2.	Public	14,25,866	36.56
<b>Total</b>		<b>39,00,000</b>	<b>100.00</b>

<b>Post-Scheme Shareholding Pattern of Transferee Company*</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Post-Scheme number of shares*</b>	<b>% holding - post Scheme</b>
1.	Promoter and Promoter Group	42,75,238	74.99%
2.	Public	14,25,866	25.01%
<b>Total</b>		<b>57,01,104</b>	<b>100.00%</b>

\* subject to rounding off

**STATUTORY AUDITORS OF CHOKSI ASIA PVT. LTD.**

Parikh and Amin Associates  
Chartered Accountants  
205, 2nd Floor, B wing Abhinav Apartment, Shraddhanand Road, Vile Parle East, Mumbai -  
400057  
Contact Person Name : Krishnakant Parikh  
Ph: : 022-26155050/ 9820-150-396  
Email id: admin@caparikhandamin.com  
Firm registration No. : 107520W

**AUDITED FINANCIALS**

(Rs. In Million except EPS)

	As on December 31, 2023 Unaudited	As on March 31, 2023 Audited	As on March 31, 2022 Audited	As on March 31, 2021 Audited
Total Income from operations (net)	93.83	141.60	155.63	204.92
Net Profit / Loss before tax and extraordinary items	20.69	25.02	17.61	29.87
Net Profit / Loss after tax and extraordinary items	20.71	18.71	13.43	24.94
Equity Share Capital (Issued Subscribed & Paid Up)	0.10	0.10	0.10	0.10
Reserves and Surplus (other equity)	129.99	109.50	91.25	80.33
Net Worth	130.09	109.60	91.35	80.43
Basic Earnings per Share (INR)	2071	1,871	1,343	2,494
Diluted Earnings Per Share (INR)	2071	1,871	1,343	2,494
Return on Net Worth %	15.92	17.07	14.70	31.00
Net Asset Value per Share (INR)	13,000.00	10,960.00	9,135.00	8043.00

Note:

1. Information has been taken from Annual Reports of Choksi Asia Private Limited for all the above periods and data for December 31, 2023, the Company had provided signed copy of Financial Statement.
2. Net worth has been calculated by for the year ended – Networth is the sum of Equity capital + Preference Capital + Reserves & Surplus. For other years – Networth is the sum of Equity capital + Other Equity

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3. Basic EPS and Diluted EPS has been calculated by – Net profit/(Loss) for the year divided by Weighted Average No. of Equity shares.
4. Return on Net Worth % - Net profit/(Loss) for the period divided by Net Worth X 100
5. Net Asset Value per Share (INR) calculated – Net worth less preference capital , if any, divided by No of Equity shares

#### INTERNAL RISK FACTORS RELATED TO CHOKSI ASIA PRIVATE LIMITED

1. The proposed Scheme is subject to the approval of NCLTs and requisite approvals of Shareholders and creditors. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme will not be achieved.
2. The new equity shares issued by CIL pursuant to the scheme of shall remain frozen in the depository system until listing/trading permission is given by the Stock Exchange for the equity shares of CIL.
3. Changing laws, rules and regulations and legal uncertainties, including the withdrawal of certain benefits or adverse application of tax laws, may adversely affect our business, prospects and results of operations.

#### SUMMARY OF OUTSTANDING LITIGATION

A.

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (in Million)
<b>Company</b>						
By the Company	NIL	NIL	NIL	NIL	NIL	-
Against the Company	NIL	NIL	NIL	NIL	NIL	-
<b>Directors</b>						
By our Directors	NIL	NIL	NIL	NIL	NIL	-
Against the Directors	NIL	NIL	NIL	NIL	NIL	-
By Promoters	NIL	NIL	NIL	NIL	3	NA
Against Promoters	NIL	NIL	NIL	NIL	5	NA
<b>Subsidiaries</b>						
By Subsidiaries	NIL	NIL	NIL	NIL	NIL	-

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Against Subsidiaries	NIL	NIL	NIL	NIL	NIL	-
<b>Group Companies</b>						
By Group Companies	NIL	NIL	NIL	NIL	NIL	-
Against Group Companies	NIL	NIL	NIL	NIL	NIL	-

- B. Brief details of top 5 material outstanding litigations against the company: NIL
- C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the promoters/Group Companies in the last 5 financial years including outstanding action, if any - NIL
- D. Brief details of outstanding criminal proceedings against Promoters – NIL

**ANY OTHER IMPORTANT INFORMATION AS PER ISSUER**

Nil

**DECLARATION**

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder as the case may be. We further certify that all statements in this document are true and correct.

For **CHOKSI ASIA PRIVATE LIMITED**

**SAMIR**

**KANUBHAI**

**CHOKSI**

Samir Choksi

Director

DIN: 00049416

Digitally signed by  
SAMIR KANUBHAI  
CHOKSI  
Date: 2024.05.22  
14:08:40 +05'30'

Place: Mumbai

Date : May 22, 2024

May 22, 2025

To,  
The Board of Directors,  
Choksi Imaging Limited,  
163/164, Choksi Bhuvan,  
Nehru Road, Vile Parle East,  
Mumbai, Maharashtra, 400057

To,  
The Board of Directors,  
Choksi Asia Private Limited  
Ground Floor, Choksi Bhuvan,  
Nehru Road & Nariman Road,  
Vile Parle East Mumbai,  
Maharashtra, India, 400057

**Subject:**

**Certificate on adequacy and accuracy of disclosure of information pertaining to Choksi Asia Private Limited, in respect of Scheme of Amalgamation between Choksi Imaging Limited (“Transferee Company” or “CIL” or “Company”) and Choksi Asia Private Limited (“Transferor Company” or “CAPL”) and their respective shareholders (“the Scheme”) under the provisions of Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 and the rules made there under.**

Dear Sir,

We, Expert Global Consultants Private Limited (“EGCPL”), A SEBI Registered Category I, Merchant Banker refer to our engagement letter dated November 15, 2023 for the purpose of amalgamation and consolidation of the entire Undertaking and business and operations of Choksi Asia Private Limited into and with that of Choksi Imaging Limited as per the provisions of Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 and the rules made there under.

**Scope and purpose of the Certificate**

SEBI vide its Circular bearing no. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 and Master Circular bearing no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (“SEBI Circular”) prescribed requirements to be fulfilled by the listed entities when they propose a Scheme of Amalgamation. The SEBI Circular, amongst other things, provide that in the event a listed entity enters into a Scheme of Amalgamations with an unlisted entity, the listed entity shall disclose to its shareholders applicable information pertaining to the unlisted entity in the format specified for Abridged Prospectus as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”), in the explanatory statement or notice or proposal accompanying resolution to be passed, sent to the shareholders while seeking approval of the Scheme. SEBI Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process.

**Certification**

Based on the information, undertaking, certificates, confirmations and documents provided to us by the management of the Company and CAPL, we hereby confirm that the information contained in the Abridged Prospectus is accurate and adequate, in terms of the requirements under the SEBI Circular.



**Expert Global Consultants Private Limited**

**Corporate Office:** 1511, RG Trade Tower, Netaji Subhash Place, Pitampura, Delhi 110034 • +91 11 45098234  
**Branch Office:** 516 A Wing, Dattani Plaza, Andheri Kurla Road, Safeed Pool, Mumbai, Maharashtra 400072 • +91 22 35210873  
info@expertglobal.in • CIN: U74110DL2010PTC205995

**Disclaimer and Limitation:**

This certificate is a specific purpose certificate issued in terms of and in compliance with SEBI circular and hence it should not be used for any other purpose or transaction whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

This certificate contains the certification on adequacy and accuracy of disclosure of information pertaining to the unlisted entity viz., CAPL and is not an opinion on the Scheme of Amalgamation or its success.

This certificate is issued on the basis of examination of information and documents provided by the management of the Company and CAPL and information which is available in the public domain and wherever required, the appropriate representation or undertakings from CAPL has also been obtained.

In no event, will EGCP, its Directors and Employees be liable to any party for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of or reliance on the information set out here in this report.

Our opinions are not, nor should it be constructed as our opining or certifying the compliance of the proposed Scheme of Amalgamation with the provision of any law including companies, taxation, capital market, related laws or as regards any legal implications or issues arising thereon, in their respective jurisdiction except for the purpose expressly mentioned herein.

The above confirmation is based on the integrity of the information furnished and explanation & representations provided to us by the Management of the Company and CAPL assuming the same is complete and accurate in all material aspects on an as is basis and have not carried out an audit or independent verification of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express an opinion on the fairness of any such financials information referred to in the Abridged Prospectus.

We understand that the Management of the Company and CAPL during our discussion with them would have drawn our attention to all such information and matters, which may have impact on our certificate.

The fee for our services is not contingent upon the result of the proposed Amalgamation.

Our Scope of Work did not include carrying out a market survey / financial feasibility for the Business of CAPL.

This certificate is based on the information as at May 22, 2024. We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate.

We express no opinion whatsoever and make no recommendation at all as to the Company's underlying decision to affect the scheme or as to how the holders of equity share of both the companies should vote at their respective meetings held in connection with the Scheme.

We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the equity shares of the Company will trade following the Scheme for or as to financial performance of the Company or PCAPL following the consumption of the Scheme.

A handwritten signature in blue ink, followed by a circular blue stamp. The stamp contains the text "EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED" around the perimeter and "DELHI" in the center.

**Expert Global Consultants Private Limited**

**Corporate Office:** 1511, RG Trade Tower, Netaji Subhash Place, Pitampura, Delhi 110034 • +91 11 45098234  
**Branch Office:** 516 A Wing, Dattani Plaza, Andheri Kurla Road, Safeed Pool, Mumbai, Maharashtra 400072 • +91 22 35210873  
info@expertglobal.in • CIN: U74110DL2010PTC205995

We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/investors should buy, sell or hold any stake in the Company or any of its related parties (holding company/subsidiaries /associates etc.).

It is inappropriate to use this certificate for any purpose other than the purpose mentioned above. We are not responsible for the unauthorized use of this certificate. We shall not assume any responsibility to any third party to whom this certificate is disclosed or otherwise made available except expressly mentioned herein. In no event, we assume any responsibility to any third party to whom this certificate is disclosed or otherwise made available.

Trust the above meets your requirements.

Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully,

**For Expert Global Consultants Private Limited**

  
**Director**  
**Place : Delhi**  
**Dated : May 22, 2024**

A circular blue ink stamp with the text "EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED" around the perimeter and "DELHI" in the center.

**Expert Global Consultants Private Limited**

**Corporate Office:** 1511, RG Trade Tower, Netaji Subhash Place, Pitampura, Delhi 110034 • +91 11 45098234  
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info@expertglobal.in • CIN: U74110DL2010PTC205995



# Annexure IX



DCS/AMAL/TL/R37/2931/2023-24

October 04, 2023

The Company Secretary,  
**CHOKSI IMAGING LTD.**  
163/164, Choksi Bhuvan, Nehru  
Road, Vile Parle East, Mumbai,  
Maharashtra, 400057

Dear Sir,

**Sub: Observation letter regarding the Scheme of amalgamation between Choksi Asia Private Limited (Transferor Company) and Choksi Imaging Limited (Transferee Company) and their respective Shareholders and Creditors**

We are in receipt of the Scheme of amalgamation between Choksi Asia Private Limited (CAPL/Transferor Company) and Choksi Imaging Limited (CIL/Transferee Company) and their respective Shareholders and Creditors filed by Choksi Imaging Limited as required under SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 94(2) of SEBI (LODR) Regulations, 2015; SEBI vide its letter dated October 03, 2023 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- a. "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b. "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c. "Company shall ensure compliance with the SEBI circulars issued from time to time."
- d. "The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are duly transferred to the Transferee Company."
- e. "Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g. "Company is advised that the details of the proposed scheme under consideration as provided by Company to the stock exchange shall be prominently disclosed in the notice sent to the shareholders."
- h. "Company is advised to disclose the following as a part of explanatory statement or Notice or Proposal accompanying resolution to be passed to be forwarded by the Company to its shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013:

BSE - PUBLIC

- **Need for Merger, Rationale of the Scheme, Synergies of business of the entities involved in the scheme, Impact of the Scheme on the Shareholders and cost benefit analysis of the scheme**
  - **Value of Assets & Liabilities of CAPL which are being transferred to CIL and Post-Merger Balance Sheet of CIL**
  - **Impact of Scheme on revenue generating capacity of CIL**
  - **Details with respect to Lock-in Period and Voting rights of NCRPS to be issued pursuant to the Scheme**
- i. **“Company is advised that the proposed equity shares to be issued in terms of the ‘Scheme’ shall mandatorily be in demat form only.”**
- j. **“Company shall ensure that the “Scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.”**
- k. **“Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.**
- l. **“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon’ble NCLT and the Company is obliged to bring the observations to the notice of Hon’ble NCLT.”**
- m. **“Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”**
- n. **“It is to be noted that the petitions are filed by the company before Hon’ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its ‘No adverse observation’ at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any



contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the**

**Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,



Prasad Bhide  
Senior Manager



Tanmayi Lele  
Assistant Manager



# CHOKSI IMAGING LIMITED

670

Regd. Off.: 163/164, Choksi Bhuvan, Nehru Road, Vile Parle (E), Mumbai -400057  
Tel: 9821669911 Email: [imaging@choksiworld.com](mailto:imaging@choksiworld.com) Website: [www.choksiworld.com](http://www.choksiworld.com)  
CIN: L24294MH1992PLC388063.

## Annexure X

### Complaints Report from April 21, 2023 to May 15, 2023.

#### Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

#### Part B

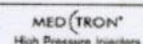
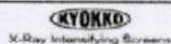
Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable		

For Choksi Imaging Limited

Rishi Dave  
Company Secretary and Compliance Officer  
Membership No. A36389  
Place: Choksi Bhuvan,  
Vile Parle East, Mumbai.



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ANNEXURE V

To,  
The Board of Directors,  
M/s Choksi Imaging Limited,  
163/164, Choksi Bhuvan,  
Nehru Road, Vile Parle East,  
Mumbai-400057

We, the statutory auditors of M/s Choksi Imaging Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 12 of Part IV of the Draft Scheme of AMALGAMATION UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 between CHOKSI ASIA PRIVATE LIMITED ("TRANSFEROR COMPANY") AND CHOKSI IMAGING LIMITED ("TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (IF ANY) in terms of the provisions of section(s) 230 TO 232 read with section 66 OF THE COMPANIES ACT, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

This Certificate is issued at the request of M/s Choksi Imaging Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the **Bombay Stock Exchange**. This Certificate should not be used for any other purpose without our prior written consent.

For KARIA AND SHAH  
(Chartered Accountants)

*Siddharth Vora*

Partner: CA Siddharth Vora

Membership No.170375

Place: Mumbai

Date: 22-03-2023

UDIN: 23170375BGXIKQ3010

