

**25<sup>th</sup>**  
**ANNUAL REPORT**  
**2017 - 2018**

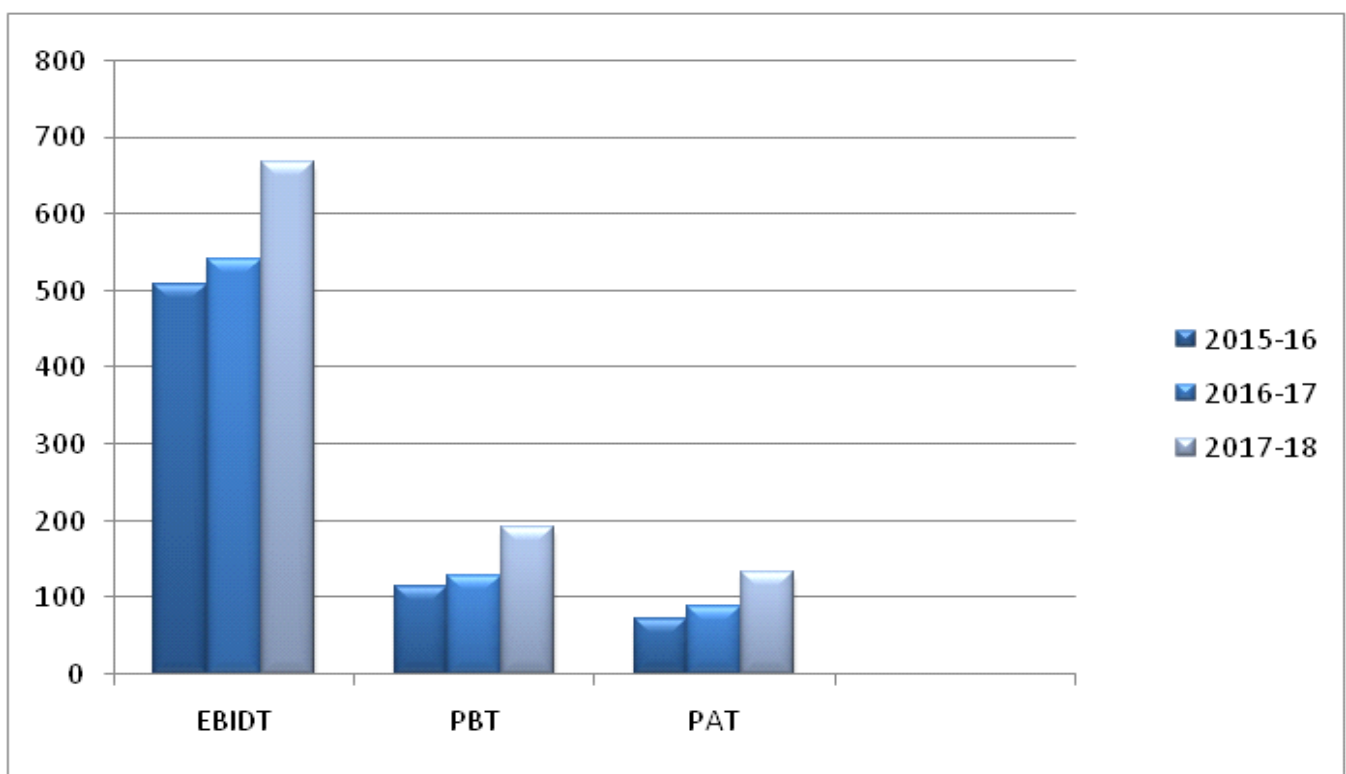


6/3, Manoramaganj, Indore - 452 001 (M. P.)



FINANCIAL PERFORMANCE

(Rs. in lac)	2015-16	2016-17	2017-18
EBIDT	509.81	564.11	668.63
PBT	113.91	130.95	193.29
PAT	72.18	89.26	134.71



MAP





**“RESOLVED THAT** pursuant to the Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as inserted by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 (to be effective from 1st April, 2019), Section 149, 152 of the Companies Act, 2013 read with Schedule IV to the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendment thereto or modification thereof for the time being in force) Mr. SUDARSHAN SHASTRI (DIN: 00155105), Independent Director of the Company be and is hereby re-appointed as Non Executive- Independent Director of the Company to hold office for a term of Five consecutive Years with effect from 1st April, 2019 to 31st March, 2024;

**RESOLVED FURTHER THAT** this resolution shall have overriding effect and shall substitute any other earlier resolution passed in entirety with effect from 1st April, 2019 to 31st March, 2024”

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

#### **6. RE-APPOINTMENT OF NON-EXECUTIVE-INDEPENDENT DIRECTOR**

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

**“RESOLVED THAT** pursuant to the Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as inserted by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 (to be effective from 1<sup>st</sup> April, 2019), Section 149, 152 of the Companies Act, 2013 read with Schedule IV to the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory amendment thereto or modification thereof for the time being in force) Mr. N.K. Mani (DIN: 02783996), Independent Director of the Company be and is hereby re-appointed as Non Executive- Independent Director of the Company to hold office for a term of Five consecutive Years with effect from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024;

**RESOLVED FURTHER THAT** this resolution shall have overriding effect and shall substitute any other earlier resolution passed in entirety with effect from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024

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

BY ORDER OF BOARD  
FOR CHOKSI LABORATORIES LIMITED

SD/-  
**SANJAY CHOUREY**  
COMPANY SECRETARY & COMPLIANCE OFFICER

Place: INDORE  
DATE: 13th August 2018

#### **Notes:**

1. A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of this meeting. Members/ Proxies should bring their attendance slip duly filled in order to attend the meeting. A person can act as proxy on behalf of members' not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company.
2. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed hereunder and forms part of the Notice.
3. Brief resume of Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanship of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing obligation and Disclosure Requirements) Regulation 2015, with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Book of the Company shall remain closed from Wednesday, September 26, 2018 to Friday, September 28, 2018 (both days inclusive).
6. Members are requested to bring their copies of the Annual Report with them, since separate copies will not be distributed at the venue of the Annual General Meeting.

7. The shareholders are hereby informed that all the correspondence in connection with the shares is addressed to the Registrar & Share Transfer Agent M/S LINK INTIME PRIVATE LIMITED, at C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.
8. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
9. Members are requested to send their queries, if any, at least seven days in advance of the meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Link Intime Private Limited.
11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
12. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend.
13. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
14. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the Concerned Depository Participant and holdings should be verified.
15. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
16. Electronic copy of the Notice of the 25th Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 25th Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
17. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website at [www.choksilab.com](http://www.choksilab.com) for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours (11.00 A.M. to 5.00 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [compliance\\_officer.com](mailto:compliance_officer.com).
18. **E-voting (E-VOTING PROCESS)**
  - (I) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, and SEBI (Listing obligation and Disclosure Requirements) Regulation 2015, the Company is pleased to provide its members facility to exercise their right to vote at the annual general meeting by electronic means and the business may be transacted through the e-voting services provided by Central Depository Services (India) Limited.

The instructions for shareholders voting electronically are as under:

    - (i) The voting period begins on 25th September 2018, 9.00 am and ends on 27th September 2018, 5.00pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19th September 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
    - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).













## BOARD'S REPORT

Dear Members,

The Directors are pleased to present herewith the Twenty fifth Annual Report along with Financial Statement of the Company for the financial year ended March 31, 2018

### FINANCIAL SUMMARY/HIGHLIGHTS

*The summarized financial result for the year are as under:*

(Rs. In lacs)

Particulars	2017-18	2016-17
Total Revenue (Including other operating revenue)	3,154.83	2,962.11
Profit before Tax (PBT)	193.29	130.95
Less: a) Current Tax	53.11	59.89
b) Deferred Tax	5.47	(18.20)
Net Profit/ (Loss) for the period	134.71	89.26
Total Comprehensive Income	126.86	88.57
Add : Surplus brought forward	1,261.07	1,151.65
Add : Ind - AS Adjustments	-	20.85
Surplus carried to Balance Sheet	1,387.93	1,261.07
Bais & Diluted EPS per equity share of face value Rs. 10 each (in Rs.)	1.93	1.28
Equity shares of face value of Rs. 10 each (In Rs.)	696.52	696.52

### COMPANY'S PERFORMANCE REVIEW

The Company continued to maintain its upward trend by registering Sales of Rs. 3119.63 lacs as against Rs. 2876.11 lacs in the previous year. However, Profit before Finance Costs, Depreciation, and Tax has increased from Rs. 564.11 lacs to Rs. 668.63 lacs. After providing for finance costs and Depreciation amounting to Rs. 159.03 lacs and Rs.316.31 lacs respectively, the Profit before Tax for the year under review has amounted to Rs.193.29 lacs as compared to Rs.130.95 lacs in the previous year. Net profit after tax for the year is Rs. 134.71 lacs as compared to Rs. 89.26 lacs in the previous year.

### EXTRACT OF ANNUAL RETURN

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

### Dividend

In order to conserve the resources of the Company and retain internal accruals for funding growth and maximizing capacity so that Company generates a good return for shareholders in the long run, the Board of Directors do not propose dividend for the year ended 2017-18.

### Adoption of Indian Accounting Standards (Ind As)

Transition from Indian GAAP to Ind AS: In February 2015, Ministry of Corporate Affairs (MCA) notified the final roadmap on Ind AS with implementation in a phased manner to be complied by the specified class of companies effective from 1st April 2016. Post above notification Ind AS has replaced existing Indian GAAP prescribed under Section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 according to applicability on specified entities. Accordingly, this is first year when the Company's financial statements for the year ended 31st March 2018 have been prepared in accordance with Ind AS and the financial statements for the year ended 31st March 2018 and opening balance sheet as at 1st April 2017 (the Company's date of transition) earlier reported in previous IGAAP, have been restated in accordance with Ind-AS to make them comparable

### Goods and Service Tax (GST) – Implementation And Impact

The year 2017-18 started with biggest ever tax reform since independence, rolled out by Government of India on 1st July 2017, i.e. implementation of Goods and Service Tax (GST), followed by changes in GST rates through various notifications in November, 2017. GST implementation has introduced a single system of taxation across the nation absorbing most of the Indirect Taxes. GST is touted to simplify doing business in India, allowing supply chains to be integrated and aligned, as also providing greater transparency. However, the initial implementation phase alike all other industries remained challenging.

Though expecting this new Tax regime to be a game changer for Indian Economy, your Company has stabilized the processes adequately for compliance of law and is embracing this reform positively that unifies India into one market.







Auditors in their report for the year 2017-18 has confirmed the compliances of by the Company as covered in their report.

The Report of the Secretarial Audit for the year 2017-18 in the Form MR-3 is annexed herewith as "Annexure VI". There is no qualification, reservation or adverse remark or in Secretarial Audit Report except the following:

**Internal Auditors**

In compliance with the provisions of Section 138 of Companies Act, 2013, read with Companies (Accounts) Rules, 2014, your Company has appointed as Internal M/s. Tanmay V. Rajurkar & Co., Chartered Accountants for the Financial Year 2017-18.

**Reporting of Fraud by auditors**

During the year under review neither the statutory auditor nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

**Related Party Transactions**

In line with the requirements of the Companies Act, 2013 and SEBI Listing obligation and disclosure Regulation 2015(LODR), your Company has formulated a Policy on Related Party Transactions which is also available on <http://www.choksilab.com>. All Related Party Transactions are placed before the Audit Committee for review and approval of the Committee on a quarterly basis. Also the Company has obtained prior omnibus approval for Related Party Transactions occurred during the year for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at arm's length.

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134 (3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

**OTHER DISCLOSURES**

**Particulars of Loans, Guarantees or Investments:**

The particulars of loans, guarantees and investments as on 31st March 2018 are covered under the provisions of Section 186 of The Companies Act, 2013 is given in the Notes to Financial statements of the Company.

**Significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company:**

There are no significant and material orders passed by the Regulators / Courts / Tribunals, which would impact the going concern status of the Company and its future operations.

**Details of Fixed Deposits**

During the year under review, the Company has not accepted any Deposit under Section 73 of The Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. It is further stated that the Company does not have any deposits which are not in compliance with the requirements of Chapter V of The Companies Act, 2013.

**Prevention of Sexual Harassment at Workplace:**

As per the requirement of the provisions of the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made there under, your Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

**Acknowledgement**

We would like to thank to all our Stakeholders viz. Shareholders, Investors Bankers, customers, Suppliers, Government agencies, stock exchanges and depositories, Auditors, legal advisors, consultants, business associates, service providers for their continued commitment, and invincible enthusiasm which made this year productive and pleasurable.

The Board also places on record, their deep sense of appreciation towards all its Employees at all levels for adopting the values of the Company and their hard work during the year.

**For and on behalf of the Board of Directors  
Choksi Laboratories Limited**

**Place: Indore  
Date: 13th August 2018**

**Sd/-  
Sunil Choksi  
Chairman & Managing Director  
DIN00155078**





**a. Chairman & Managing Director**

The Chairman and Managing Director is in overall control and responsible for the day-to-day working of the Company. He gives strategic directions, lays down policy guidelines and ensures implementation of the decisions of the Board of Directors and its various committees.

**b. Executive Director -**

The executive Directors are looking into purchase and marketing and responsible for o all other functions relating to the day-to-day management of the plant, including all local issues and compliances as applicable at plant level. He is also looking into the marketing, accounts and finance department and reports to the Chairman & Managing Director.

**BOARD OF DIRECTORS**

Board Composition and Category of Director

Name of Directors	Category
<b>A. Executive Director</b>	
Sunil Choksi	Managing Director
Vyangesh Choksi	Whole time Director
Stela Choksi	Whole time Director
Himika Choksi	Whole time Director
<b>B. Non-Promoter</b>	
Sudarshan Shastri	Independent Director
Namo Krishna Mani	Independent Director
Ratnesh Sadoriya**	Independent Director
Mayank Pandey**	Independent Director
Pradip Kamakar*	Independent Director
Satish Chand Joshi*	Independent Director

Note\_\*Resigned From Board on 31st March, 2018

\*\*appointed with effect from 30th May 2018

Shri Sunil Choksi, Mr. Vyangesh Choksi, Mrs. Stela Choksi and Ms. Himika Choksi is relative, None of the other Directors are related to any other Director on the Board.

The Chairman of the Board of Directors is the Executive Chairman.

**Board Meetings held during the Year**

Date of Board Meeting	Total strength of Board	No of Director present
29th May 2017	8	6
15th July 2017	8	7
14th August 2017	8	7
27th Nov 2017	8	6
12th Feb 2018	8	7
31st March 2018	8	5

Attendance of Directors at Board Meetings and Annual General Meeting

Name of Director	Category of Director	Attendance		Directorship in other Public Companies	Committee Composition	
		Board	Last AGM		Chairman	Member
Sunil Choksi	Managing Director	8	Yes	1	0	0
Stela Choksi	Whole Time Director	7	Yes	0	0	0
Vyangesh Choksi	Whole Time Director	6	Yes	0	0	0
Himika Choksi	Whole Time Director	6	Yes	0	0	0
Sudarshan Shastri	Independent Director	8	Yes	1	3	0
Pradip Kamarkar	Independent Director	5	Yes	0	0	1
Satish Chand Joshi	Independent Director	5	Yes	0	0	2
N.K Mani	Independent Director	5	Yes	0	0	3

The Companies Act, 2013 read with the relevant rules made there under, now facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in







(c) Nomination and Remuneration Committee -Mandatory Committee

The Nomination and Remuneration Committee has been constituted in accordance with the requirements of statutes and its terms of reference are in compliance with the governing provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The terms of reference of the Committee inter alia, include the following :

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

In compliance with the provisions of Section 178 of the Companies Act, 2013 and SEBI (Listing obligation and Disclosure Requirements) Regulation 2015, an Independent Director, is the Chairman of the Committee.

The composition of the Nomination and Remuneration Committee as at March, 31, 2018 and the details of Members participation at the Meetings of the Committee are as under:

Name of Member	Category	Attendance at the Nomination and Remuneration Committee meeting held During the Year			
		29th May 2017	14th Aug 2017	27th Nov 2017	12 Feb 2018
Sudarshan Shastri	ID/Chairman	Yes	Yes	Yes	Yes
N. K. Mani	ID/Member	Yes	Yes	Yes	Yes
Pradip Karmakar**	ID/Member	Yes	Yes	Yes	Yes
Mayank Pandey*	ID/Member	NA	NA	NA	NA

\*Appointment w.e.f. 30th May 2018

\*\*Resigned From Board on 31st March 2018

Company Secretary was also present during all the Committee Meetings

(d) Internal Committee for (Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Board has constituted an Internal Committee have been nominated in the committee to look into the complaints of the women employees relating to the Sexual Harassment of Women at Workplace.

(e) Independent Directors’ Meeting

During the year under review, the Independent Directors met on 29th May 2017, under the chairmanship of the Lead Independent Director, Shri Sudarshan Shastri inter alia, to discuss:

- Independent Directors and the Board of Directors as a whole;
- Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Performance of the Chairman & Managing Director Shri Sunil Choksi and Director, Shri Vyangesh Choksi,
- Timelines of flow of information between the Management and the Board that is necessary for the board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

## **POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors, Managing Director, Whole-time Directors, senior management and Key managerial Persons and their remuneration. This Policy is accordingly derived from the said Charter.

### **1. Criteria of selection of Non-Executive Directors**

- a. In case of appointment of Non-executive Directors, the N&R Committee shall satisfy itself with regard to the nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- b. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- c. The N&R Committee shall consider the following attributes/criteria, whilst recommending to the Board the candidature for appointment as Director.
  - i. Qualification, expertise and experience of the Directors in their respective fields;
  - ii. Personal, Professional or business standing;
  - iii. Diversity of the Board.
- d. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

### **2. Remuneration**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee meetings as detailed hereunder:

- i. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- ii. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

### **3. Managing Director - Criteria for selection /appointment**

For the purpose of selection of the MD and WTD the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

#### **Remuneration for the Managing Director & Whole-time Directors**

- i. At the time of appointment or re-appointment, the Managing Director and Whole-time director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the Managing Director and Whole-time Director within the overall limits prescribed under the Companies Act, 2013.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii. The remuneration of the Managing Director and Whole-time director is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises performance bonus.
- iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure / consider the following:
  - a. responsibility required to be shouldered by the Managing Director and Whole-time director, the industry benchmarks and the current trends;
  - b. the Company's performance vis-à-vis the annual budget achievement and individual performance. Remuneration Policy for the Senior Management Employees







The Company has a Risk Management Policy (RM) to deal with instances of fraud and mismanagement, if any. The Vigil Mechanism Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The said policy uploaded on company website; [www.choksilab.com](http://www.choksilab.com)

#### PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

#### COMMUNICATION WITH THE MEMBERS/ SHAREHOLDERS

- The unaudited quarterly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within two months from the close of the financial year as per the requirements of the SEBI (Listing obligation and Disclosure Requirements) Regulation 2015, with the Stock Exchanges/ SEBI (Listing obligation and Disclosure Requirements) Regulation 2015. The aforesaid financial results are sent to BSE Limited (BSE), where the Company's equity shares are listed, immediately after these are approved by the Board. The results are thereafter given by way of a Press Release to news agencies/ and are published in leading English and Marathi daily newspapers. The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting.
- The Company also informs by way of intimation to BSE, all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in regard to the same.
- The Annual Report of the Company, the quarterly and the annual results and the press releases of the Company are also placed on the Company's website: [www.choksilab.com](http://www.choksilab.com) and can be downloaded.
- In compliance with SEBI (Listing obligation and Disclosure Requirements) Regulation 2015, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited, are filed electronically on BSE's on-line portal website [www.listing.bseindia.com](http://www.listing.bseindia.com).
- A separate dedicated section under 'Corporate Governance' on the Company's website gives information on unclaimed dividends, quarterly compliance reports/ communications with the Stock Exchanges and other relevant information of interest to the investors /public.

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

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

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

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

#### GENERAL INFORMATION TO SHAREHOLDERS

1. Annual General Meeting Date/Day : 28th September, 2018, Time : 11.30 AM Venue : 6/3, Manoramganj, Indore, MP.452001	
2. Board Meeting for consideration of Accounts for the financial year ended March, 31, 2017	30th May, 2018
3. Posting of Annual Reports	On or before 5th September, 2018
4. Book Closure Dates	Wednesday, September 26th, 2018 to Friday, September 28th, 2018 (both days inclusive).
5. Last date for receipt of Proxy Forms	26th September, 2018 before 11.00 a.m
6. Financial Year of the Company	1st April, 2017 to 31st March, 2018.
7. Results for the Quarter ending : June 30, 2017 September 30, 2017 December 31, 2017 March 31, 2018	On or before 14th September, 2017 On or before 14th November, 2017 On or before 14th February, 2018 On or before 30th May, 2018 (Audited).







**CEO/CFO CERTIFICATE**

Regulation 17 (8) and part B of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Board of Directors  
Choksi Laboratories Limited

1. We have reviewed financial statements and the cash flow statement of Choksi Laboratories Limited for the year ended 31st March, 2018 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware

**DATE : 13.08.2018**  
**PLACE : INDORE**

**SUNIL CHOKSI**  
**CHIEF EXECUTIVE OFFICER**

**VYANGESH CHOKSI**  
**CHIEF FINANCIAL OFFICE**

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

(Regulations 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To The Members of  
Choksi Laboratories Limited,**

We have examined the compliance of conditions of Corporate Governance by Choksi Laboratories Limited, for the year ended 31 March 2018 as stipulated in Regulations 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

**For Subhash Chand Jain Anurag & Associates**  
**Chartered Accountants**  
FRN: 004733C

**Date: 13.08.2018**  
**Place : Indore**

**(S. C. Jain)**  
**Partner**  
**M.No.: 072062**



Guidelines, Standards, Listing Agreements etc mentioned above.

**We further report that**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committees of the Board, as the case may be.

**We further report that :**

- There are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- There were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

**Place: Indore**  
**Date: July 12th, 2018**

**For Kaushal Ameta & Co.**

**Kaushal Ameta**  
**(Proprietor)**  
**Practicing Company Secretary**  
**Membership No: F 8144**  
**C.P. No.: 9103**

**Annexure to Secretarial Audit Report**

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

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

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

**Place : Indore**  
**Date: July 12th , 2018**

**For Kaushal Ameta & Co.**  
**Kaushal Ameta**  
**(Proprietor)**  
**Practicing Company Secretary**  
**Membership No: F 8144**  
**C.P. No.: 9103**



**ANNEXURE-VII**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31<sup>st</sup> March, 2018**

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

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN:	<b>L85195MP1993PLC007471</b>
ii) Registration Date:	29/01/1993
iii) Name of the Company:	CHOKSI LABORATORIES LIMITED
iv) Category / Sub-Category of the Company:	Company Limited by Shares/ Indian Non-Government Company.
v) Address of the Registered office and contact details:	6/3, Manorama Ganj, Indore, Madhya Pradesh - 452001
vi) Whether listed company:	Listed
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any :	M/s. Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083.

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

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

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

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

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

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

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2017)				No. of Shares held at the end of the year (As on 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	1891754	Nil	1891754	27.16	1892754	Nil	1892754	27.17	0.01
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	300000	Nil	300000	4.31	300000	Nil	300000	4.31	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) AnyOther....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (1):-</b>	<b>2191754</b>	<b>Nil</b>	<b>2191754</b>	<b>31.47</b>	<b>2192754</b>	<b>Nil</b>	<b>2192754</b>	<b>31.47</b>	<b>0.01</b>

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2017)				No. of Shares held at the end of the year (As on 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (2):-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total shareholding of Promoter (A) = (A)(1)+ (A) ( 2)</b>	<b>2191754</b>	<b>Nil</b>	<b>2191754</b>	<b>31.47</b>	<b>2192754</b>	<b>Nil</b>	<b>2192754</b>	<b>31.47</b>	<b>Nil</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) StateGovt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others(specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (B)(1) :-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>2. Non-Institutions</b>									
i) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) NIR & OBC	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
iii) Clearing Member									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1288336	756515	2044851	29.36	1405836	827015	2232851	32.06	3.21
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	195629	207000	2163829	31.06	1789586	125800	1915386	27.50	(3.56)
c) Others (specify)	353821	210000	563829	8.1	414272	210,000	624,272	8.95	0.85
<b>Sub-total (B)(2):-</b>	<b>3609694</b>	<b>1162815</b>	<b>4772509</b>	<b>68.52</b>	<b>3609694</b>	<b>1162815</b>	<b>4772509</b>	<b>68.52</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>	<b>3598994</b>	<b>1173515</b>	<b>4772509</b>	<b>68.52</b>	<b>3609694</b>	<b>1162815</b>	<b>4772509</b>	<b>68.52</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Grand Total (A+B+C)</b>	<b>5802448</b>	<b>1162815</b>	<b>6965263</b>	<b>100</b>	<b>5802448</b>	<b>1162815</b>	<b>6965263</b>	<b>100</b>	<b>0</b>

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Sunil Choksi	523192	7.51	Nil	523192	7.51	Nil	Nil
2	Vyangesh Choksi	447099	6.42	Nil	447099	6.42	Nil	Nil
3	D.G. Choksi HUF (Karta Sunil Kumar Choksi)	400000	5.74	Nil	400000	5.74	Nil	Nil
4	Khyati Choksi	301263	4.33	Nil	301263	4.33	Nil	Nil
5	Choksi Holding Company Private Limited	300000	4.31	Nil	300000	4.31	Nil	Nil
6	Stela Choksi	220200	3.16	Nil	220200	3.16	Nil	Nil
7	Himika Choksi	Nil	Nil	Nil	1000	0.01	Nil	0.01
	<b>Total</b>	<b>2191754</b>	<b>31.47</b>	<b>Nil</b>	<b>2192754</b>	<b>31.48</b>	<b>Nil</b>	<b>0.01</b>

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

Sl No.	Name of Transferor	No. of Shares at the beginning of the year	% of total shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year No. of Shares	Cumulative Share holding during the year: % of total shares of the Company
1.	Nil	Nil	Nil	-	Nil	-	Nil	Nil
	Nil	Nil	Nil	-	Nil	-	Nil	Nil

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

Sl No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Pratap Singh Hardia	243000	3.48	Nil	Nil	Nil	250000	3.48
2	Gaurav Anand	-	-	Nil	200000	Buy	200000	2.87
3	Dheeraj Kumar Lohia	108486	1.55	Nil	45910	Buy	154396	2.21
4	Shantanu Trivedi	-	-	Nil	150000	Buy	150000	2.15
5	Timsy Kapoor	-	-	Nil	150000	Buy	150000	2.15
6	Quest Laboratories Pvt. Ltd.	142200	2.04	Nil	Nil	Nil	142200	2.04
7	Lucky Fofriya	100000	1.44	Nil	Nil	Nil	100000	1.44
8	Purshottam Gupta	100000	1.44	Nil	Nil	Nil	100000	1.44
9	Sakar Gupta	100000	1.44	Nil	Nil	Nil	100000	1.44
10	Sonia Gulati	100000	1.44	Nil	Nil	Nil	76221	1.09
	<b>Total</b>	<b>876907</b>	<b>12.59</b>	<b>-</b>	<b>545910</b>	<b>-</b>	<b>1422817</b>	<b>20.42</b>

(iv) Shareholding of Directors and Key Managerial Personnel:

Sl No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning of the year	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Sunil Choksi	523192	7.51	Nil	Nil	Nil	523192	7.51
2	Vyangesh Choksi	447099	6.42	Nil	Nil	Nil	447099	6.42
3	Stela Choksi	220200	3.16	Nil	Nil	Nil	220200	3.16
4	Sudarshan Shastri	400	0.006	Nil	Nil	Nil	400	0.006
5	Himika Choksi	1000	0.01	Nil	1000	Nil	1000	0.01
	<b>Total</b>	<b>1190891</b>	<b>17.096</b>	<b>-</b>	<b>1000</b>	<b>-</b>	<b>1191891</b>	<b>17.106</b>

V. INDEBTEDNES of the Company including interest outstanding/accrued but not due for payment As on 31st March 2018

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,35,50,715	2,07,64,014	Nil	7,43,14,729
ii) Interest due but not paid	5,17,285	-	Nil	5,17,285
iii) Interest accrued but not due.	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>5,40,68,000</b>	<b>2,07,64,014</b>	<b>Nil</b>	<b>7,48,32,014</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	4,17,67,000	62,00,000	Nil	4,79,67,000
• Reduction	3,48,47,250	45,65,335	Nil	3,94,12,586
<b>Net Change</b>	<b>69,19,749</b>	<b>16,34,665</b>	<b>Nil</b>	<b>85,54,414</b>
Indebtedness at the end of the financial year				
i) Principal Amount	6,04,70,464	2,23,98,679	Nil	8,28,69,143
ii) Interest due but not paid	2,29,841	Nil	Nil	2,29,841
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>5,89,00,250</b>	<b>2,32,64,059</b>	<b>Nil</b>	<b>8,21,64,309</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.N.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Sunil Choksi	Stela Choksi	Vyangesh Choksi	Himika Choksi	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,700,000	2,100,000	2,100,000	2,000,000	8,900,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify					
	<b>Total (A)</b>	<b>2,700,000</b>	<b>2,100,000</b>	<b>2,100,000</b>	<b>2,000,000</b>	<b>8,900,000</b>
	Ceiling as per the Act	As per Schedule V.				

B. Remuneration to other directors:

S.N.	Particulars of Remuneration	Name of Directors				Total Amount
		Sudarshan Shastri	Satish chandra Joshi	Pradip Karmakar	N. K. Mani	
1.	Independent Directors					
	• Fee for attending board committee meetings	34000	8000	6000	30000	78000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	34000	8000	6000	30000	78000
2.	Other Non-Executive Directors					
	• Fee for attending board committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B) = (1+2)</b>	34000	8000	6000	30000	78000
	<b>Total</b>					<b>78000</b>
	<b>Managerial</b>					
	Overall Ceiling as per the Act	34000	8000	6000	30000	78000

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

S.N.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Not Applicable	298680	0.00	298680
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Not Applicable	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Not Applicable	Nil	Nil	Nil
2.	Stock Option	Not Applicable	Nil	Nil	Nil
3.	Sweat Equity	Not Applicable	Nil	Nil	Nil
4.	Commission- as % of profit- others, specify...	Not Applicable	Nil	Nil	Nil
5.	Others, please specify	Not Applicable	Nil	Nil	Nil
	<b>Total</b>	<b>Not Applicable</b>	<b>298680</b>	<b>Nil</b>	<b>298680</b>

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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













BALANCE SHEET AS AT 31ST MARCH 2018

Amount in ₹

PARTICULARS	NOTES	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property plant and equipment	1	254,308,785	193,339,577	147,371,235
Investment Property	1	29,926,734	26,686,368	26,686,368
Capital Work-in-Progress	1	-	42,834,787	89,628,442
Intangible assets	1	1,973,777	2,279,876	2,334,430
Intangible assets under development		-	-	317,871
<b>Financial Assets</b>				
Investments		-	-	-
Loans		-	-	-
Other Financial Assets	2	5,101,251	4,926,395	7,295,681
Other Non-current assets	3	5,294,180	5,913,542	3,289,711
<b>Total Non-Current assets</b>		<b>296,604,727</b>	<b>275,980,545</b>	<b>276,923,738</b>
<b>Current assets</b>				
Inventories	4	2,894,890	2,305,700	-
<b>Financial Assets</b>				
Investments		-	-	-
Trade receivables	5	98,764,156	88,011,555	85,778,923
Income tax assets	6	32,220,921	21,111,656	33,657,856
Cash and cash equivalents	7	9,502,407	5,601,040	7,626,396
Loans		-	-	-
Other Financial Assets	2	76,636	1,835,213	556,155
Deferred tax Asset (Net)		-	-	-
Other Current Assets	8	6,726,569	11,742,245	13,705,118
<b>Total Current assets</b>		<b>150,185,579</b>	<b>130,607,409</b>	<b>141,324,448</b>
<b>Total Assets</b>		<b>446,790,306</b>	<b>406,587,954</b>	<b>418,248,186</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	9	69,652,630	69,652,630	69,652,630
Other Equity	10	154,309,225	141,622,965	130,681,161
<b>Total Equity</b>		<b>223,961,855</b>	<b>211,275,595</b>	<b>200,333,791</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	11	55,207,775	42,725,618	80,644,739
Provisions	12	7,348,364	4,945,807	4,098,391
Deferred tax Liabilities (Net)	13	4,267,358	4,018,799	5,864,622
<b>Total non-current liabilities</b>		<b>66,823,497</b>	<b>51,690,224</b>	<b>90,607,752</b>
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	14	43,431,712	37,603,943	28,238,198
Trade payables	15	56,471,690	48,136,846	40,069,034
Other Financial Liabilities	16	25,622,285	31,589,112	27,883,036
Other Current liabilities	17	13,789,268	12,390,643	16,975,725
Provisions	18	16,689,999	13,901,591	14,140,650
<b>Total current liabilities</b>		<b>156,004,954</b>	<b>143,622,135</b>	<b>127,306,643</b>
Total Liabilities		222,828,451	195,312,359	217,914,395
<b>Total Equity and Liabilities</b>		<b>446,790,306</b>	<b>406,587,954</b>	<b>418,248,186</b>

Significant Accounting Policies : Notes A to C

See accompanying Notes forming Part of the Financial Statements : Notes 1 to 44

In terms of our Report Attached

As per our report of even date

For Subhash Chand Jain Anurag & Associates

Chartered Accountants

FRN: 004733C

(S. C. Jain)

Partner

M.No.:072062

Place : Indore

Date : 30th May, 2018

For and on behalf of the Board of Directors  
of Choksi Laboratories Limited

CIN : L85195MP1993PLC007471

Sunil Choksi

Managing Director

DIN-00155078

Vyangesh Choksi

Chief Finance Officer

DIN-00154926

Mrs. Stela Choksi

Director

DIN-00155043

Abhishek Sharma

Company Secretary

M. No. 37215

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2018

Amount in ₹

PARTICULARS	Note	Year ended 31 March 2018	Year ended 31 March 2017
<b>I) INCOME</b>			
Revenue from operations			
Sale of Products		-	-
Income from Services	19	311,963,600	287,611,657
Total Revenue from operations		311,963,600	287,611,657
Other Income	20	3,606,502	5,048,914
Other Gain/(Loss)	21	-86,700	3,551,256
<b>Total Income</b>		<b>315,483,402</b>	<b>296,211,827</b>
<b>II) EXPENSES</b>			
Cost of Material Consumed	22	34,727,577	29,749,450
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods			
Work-in-Progress and Stock-in-Trade		-	-
Service tax on Revenue Services		7,816,820	35,625,091
Employee Benefits Expense	23	113,972,038	94,539,942
Finance Costs	24	15,903,206	14,680,998
Depreciation / Amortisation and			
Depletion Expense	1	31,631,143	28,634,585
Other Expenses	25	92,103,473	79,886,281
<b>Total Expenses</b>		<b>296,154,257</b>	<b>283,116,347</b>
<b>III) Profit Before Tax</b>		<b>19,329,145</b>	<b>13,095,480</b>
<b>IV) Tax Expenses</b>			
Current Tax	26	5,311,261	5,989,447
Deferred Tax	26	546,970	-1,819,601
<b>V) Profit for the Year</b>		<b>13,470,914</b>	<b>8,925,634</b>
<b>VI) Other comprehensive income:</b>			
Items that will not be reclassified to Statement of Profit and Loss			
Actuarial Gain on defined benefit plans recognised in accordance with IND AS-19	23	-1,083,065	-95,172
Income tax relating to items that will not be reclassified to Statement of Profit and			
Loss (Previous Year )	26	298,411	26,222
Items that will be reclassified to Statement of Profit and Loss			
Income tax relating to items that will be reclassified to Statement of Profit & loss		-	-
<b>VII) Total comprehensive income for the year</b>		<b>12,686,260</b>	<b>8,856,684</b>

VIII) Earnings per equity share of face value of RS 10 each			
Basic (in RS)	27	1.93	1.28
Diluted (in RS)	27	1.93	1.28

Significant Accounting Policies : Notes A to C  
See accompanying Notes forming Part of the Financial Statements : Notes 1 to 44

As per our report of even date

For Subhash Chand Jain Anurag & Associates  
Chartered Accountants  
FRN: 004733C

(S. C. Jain)  
Partner  
M.No.:072062

Place : Indore  
Date : 30th May, 2018

For and on behalf of the Board of Directors  
of Choksi Laboratories Limited  
CIN : L85195MP1993PLC007471

Sunil Choksi  
Managing Director  
DIN-00155078

Mrs. Stela Choksi  
Director  
DIN-00155043

Vyangesh Choksi  
Chief Finance Officer  
DIN-00154926

Abhishek Sharma  
Company Secretary  
M. No. 37215

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018**  
**EQUITY SHARE CAPITAL**

Amount in ₹

Balance at the beginning of the reporting period i.e. 1st April 2016	Changes in equity share capital during the year 2016-17	Balance at the end of the reporting period i.e. 31st March 2017	Changes in equity of the reporting year 2017-18	Balance at the end of the reporting period i.e. 31st March 2018
69,652,630	-	69,652,630	-	69,652,630

**OTHER EQUITY**

Particulars	Reserves and Surplus			Other Comprehensive income	Total
	Capital Reserve	security premium reserve	Retained Earning		
As On 31 March 2017					
Balance At The Beginning Of The Reporting Period i.e. 1st April 2016	2,005,500	13,510,478	115,165,183	-	130,681,161
Profit & Loss for the year			8,925,633		8,925,633
Total Comprehensive Income For The Year			69,950	-68,950	-68,950
Changes In Accounting Policies Or Prior Period Errors			2,085,120		2,085,120
<b>Balance At The End Of The Reporting Period 31ST March 2017</b>	<b>2,005,500</b>	<b>13,510,478</b>	<b>126,245,886</b>	<b>-68,950</b>	<b>141,622,964</b>

Particulars	Reserves and Surplus			Other Comprehensive income	Total
	Capital Reserve	security premium reserve	Retained Earning		
As On 31 March 2017					
Balance At The Beginning Of The Reporting Period i.e. 1st April 2017	2,005,500	13,510,478	126,245,886	-68,950	141,622,964
Profit & Loss for the year			13,470,914		13,470,914
Other Comprehensive Income For The Year			784,654	-784,654	-784,654
<b>Balance At The End Of The Reporting Period 31ST March 2018</b>	<b>2,005,500</b>	<b>13,510,478</b>	<b>139,577,901</b>	<b>-784,654</b>	<b>154,309,224</b>

Significant Accounting Policies : Notes A to C  
See accompanying Notes forming Part of the Financial Statements : Notes 1 to 44

**As per our report of even date**

**For Subhash Chand Jain Anurag & Associates**  
**Chartered Accountants**

FRN: 004733C

**(S. C. Jain)**  
**Partner**  
**M.No.:072062**

Place : Indore  
Date : 30th May, 2018

**For and on behalf of the Board of Directors**  
**of Choksi Laboratories Limited**  
**CIN : L85195MP1993PLC007471**

**Sunil Choksi**  
Managing Director  
**DIN-00155078**

**Mrs. Stela Choksi**  
Director  
**DIN-00155043**

**Vyngesh Choksi**  
Chief Finance Officer  
**DIN-00154926**

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018

Amount in ₹

PARTICULARS	Year ended 31 March 2018	Year ended 31 March 2017
<b>Cash flow from operating activities</b>		
Profit before income tax	19,329,145	13,095,479
Adjustments for		
Depreciation and amortisation expense	31,631,143	28,634,584
Other Comprehensive Income	(1,083,065)	(95,172)
SOCI Adjustments	-	2,085,120
Loss/ (Gain) on disposal of property, plant and equipment	12,436	(3,558,650)
Interest Received	(3,606,502)	(5,048,914)
Finance costs	15,903,206	14,680,998
Net exchange differences	74,264	7,394
<b>Operating Profit before working Capital Changes</b>	<b>62,260,627</b>	<b>49,800,839</b>
Adjustments for :		
(Increase)/Decrease in trade receivables	(10,752,601)	(2,232,632)
(Increase) in inventories	(589,190)	(2,305,700)
Increase in trade payables	8,334,844	8,067,812
(Increase) in other financial assets	1,583,721	1,090,228
(Increase)/decrease in other non-current assets	(2,380,638)	376,169
(Increase)/decrease in other current assets	8,015,676	(1,037,127)
Increase/(decrease) in provisions	(707,478)	173,931
Increase in employee benefit obligations	5,898,443	434,426
Increase/ (decrease) in Working Capital Limits	5,827,769	9,365,745
Increase in other current liabilities	1,398,625	(4,585,082)
Cash generated from operations	78,889,798	59,148,609
Income taxes paid/(refunds) Net	16,421,324	(6,556,000)
<b>Net cash inflow from operating activities</b>	<b>62,468,474</b>	<b>65,704,609</b>
Cash flows from investing activities		
Payments for property, plant and equipment	(48,262,123)	(31,325,794)
Payments for investment property	(3,240,366)	-
Payments for software development costs	(1,220,981)	(1,061,648)
Proceeds from sale of property, plant and equipment	12,000	8,510,000
Interest received	3,606,502	5,048,914
<b>Net cash outflow from investing activities</b>	<b>(49,104,968)</b>	<b>(18,828,528)</b>
Cash flows from financing activities		
Proceeds from LT borrowings	46,767,000	750,000
Repayment of borrowings	(40,251,669)	(34,963,045)
Interest paid	(15,903,206)	(14,680,998)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(9,387,875)</b>	<b>(48,894,043)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3,975,631</b>	<b>(2,017,962)</b>
Cash and cash equivalents at the beginning of the financial year	5,601,040	7,626,396
Effects of exchange rate changes on cash and cash equivalents	(74,264)	(7,394)
<b>Cash and cash equivalents at end of the year (as per Note No. 7)</b>	<b>9,502,407</b>	<b>5,601,040</b>

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Ind AS 7 Statement of Cash Flow.
- Figures for the Previous Year have been re-arranged and re-grouped wherever necessary to confirmation with the Current year classification. And figures in brackets represent outflows.

Significant Accounting Policies : Notes A to C  
See accompanying Notes forming Part of the Financial Statements : Notes 1 to 44

As per our report of even date

For Subhash Chand Jain Anurag & Associates  
Chartered Accountants  
FRN: 004733C

(S. C. Jain)  
Partner  
M.No.:072062

Place : Indore  
Date : 30th May, 2018

For and on behalf of the Board of Directors  
of Choksi Laboratories Limited

CIN : L85195MP1993PLC007471

Sunil Choksi  
Managing Director  
DIN-00155078

Vyangesh Choksi  
Chief Finance Officer  
DIN-00154926

Mrs. Stela Choksi  
Director  
DIN-00155043

Abhishek Sharma  
Company Secretary  
M. No. 37215



















Reconciliation of Total Comprehensive Income for the year ended 31st March 2017

Amount in ₹

PARTICULARS	Pevious GAAP	Adjustments	Ind AS
<b>INCOME</b>			
<b>Revenue from operations</b>			
Income from Services	251,986,566	35,625,091	287,611,657
Other Income	2,737,762	2,311,152	5,048,914
Other GAIN/LOSS	3,558,650	-7,394	3,551,256
<b>Total Income</b>	<b>258,282,978</b>	<b>37,928,849</b>	<b>296,211,827</b>
<b>EXPENSES</b>			
Cost of Material Consumed	29,749,450	-	29,749,450
Service tax on Revenue Services	-	35,625,091	35,625,091
Employee Benifits Expense	94,635,113	-95,170	94,539,942
Finance Costs	12,642,000	2,038,998	14,680,998
Depreciation / Amortisation and Depletion Expense	28,634,584	-	28,634,585
Other Expenses	79,621,523	264,758	79,886,281
<b>Total Expenses</b>	<b>245,282,670</b>	<b>37,833,677</b>	<b>283,116,347</b>
<b>Profit Before Tax</b>	<b>13,000,308</b>	<b>95,172</b>	<b>13,095,480</b>
<b>Tax Expenses</b>			
Current Tax	5,989,447	-	5,989,447
Deferred Tax	-1,845,823	26,222	-1,819,601
<b>Profit for the Year</b>	<b>8,856,684</b>	<b>68,950</b>	<b>8,925,634</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to Statement of Profit and Loss</b>			
Acturial Gain on defined benefit plans recognised in accordance with IND AS-19	-	-95,172	-95,172
Income tax relating to items that will not be reclassified to Statement of Profit and Loss	-	26,222	26,222
<b>Total comprehensive income for the year</b>	<b>8,856,684</b>	<b>-68,950</b>	<b>8,856,684</b>

Reconciliation of Balance Sheet for the year ended 31st March 2017

Amount in ₹

PARTICULARS	Previous GAAP	Adjustments	Ind AS
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property plant and equipment	220,025,945	-26,686,368	193,339,577
Investment Property	-	26,686,368	26,686,368
Capital Work-in-Progress	42,834,787	-	42,834,787
Intangible assets	2,279,876	-	2,279,876
<b>Financial Assets</b>			
Other Financial Assets	-	4,926,395	4,926,395
Other Non-current assets	8,051,352	-2,137,810	5,913,542
<b>Total Non-Current assets</b>	<b>273,191,960</b>	<b>-</b>	<b>275,980,545</b>
<b>Current assets</b>			
Inventories	-	2,305,700	2,305,700
<b>Financial Assets</b>			
Trade receivables	88,232,135	-220,580	88,011,555
Income tax assets	26,185,656	-5,074,000	21,111,656
Cash and cash equivalents	6,836,637	-1,235,597	5,601,040
Other Financial Assets	-	1,835,213	1,835,213
Other Current Assets	15,130,446	-3,388,201	11,742,245
<b>Total Current assets</b>	<b>136,384,874</b>	<b>-</b>	<b>130,607,409</b>
<b>Total Assets</b>	<b>409,576,834</b>	<b>-2,988,880</b>	<b>406,587,954</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	69,652,630	-	69,652,630
Other Equity	139,537,845	2,085,120	141,622,965
<b>Total Equity</b>	<b>209,190,475</b>	<b>-</b>	<b>211,275,595</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	42,725,618	-	42,725,618
Provisions	-	4,945,807	4,945,807
Deferred tax Liabilities (Net)	4,018,799	-	4,018,799
<b>Total non-current liabilities</b>	<b>46,744,417</b>	<b>-</b>	<b>51,690,224</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	37,603,943	-	37,603,943
Trade payables	48,136,846	-	48,136,846
Other Financial Liabilities	31,589,112	-	31,589,112
Other Current liabilities	12,390,643	-	12,390,643
Provisions	23,921,398	-10,019,807	13,901,591
<b>Total current liabilities</b>	<b>153,641,942</b>	<b>-</b>	<b>143,622,135</b>
Total Liabilities	200,386,359	-	195,312,359
<b>Total Equity and Liabilities</b>	<b>409,576,834</b>	<b>-2,988,880</b>	<b>406,587,954</b>



NOTE "01"  
Fixed Assets

	GROSS BLOCK					DEPRECIATION / AMORTISATION / DEPLETION					NET BLOCK		
	As at 01-04-2016	Impact on IND AS Transition	Adjustments / Additions (deductions)	As at 01-04-2017	Impact on IND AS Transition	Adjustments / Additions (deductions)	As at 01-04-2017	For the Year	Impact on IND AS Transition	Adjustments / Deductions	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
<b>1. PROPERTY PLANT &amp; EQUIPMENT</b>													
<b>A. Tangible Assets :</b>													
Free Hold Land	30,382,718	-2,696,350	-	1,000,000	-	-	1,000,000	-	-	-	1,000,000	1,000,000	3,696,350
Buildings	31,957,590	3,211,379	82,935	35,251,904	1,166,537	119,820	36,538,261	-	-	-	32,906,983	33,471,945	31,957,590
Furniture, fittings and equipments	21,453,479	12,187,476	2,548,540	36,189,495	1,867,197	3,589,625	41,646,317	-	-	-	32,379,427	31,653,052	21,453,479
Plant and Machinery	74,357,175	51,004,847	3,080,084	128,442,106	39,863,997	39,172,898	207,369,107	-	-	-	168,886,071	110,189,690	74,357,175
Computers	2,310,149	584,083	1,531,757	4,425,989	4,345,883	8,771,672	10,956,408	-	-	-	5,465,415	3,012,911	2,310,149
Motor Vehicles	8,266,292	1,634,103	9,900,395	19,800,790	1,081,844	-25,831	20,856,803	-	-	-	2,589,719	8,681,779	8,266,292
<b>Sub-Total</b>	<b>168,727,403</b>	<b>40,301,417</b>	<b>6,181,069</b>	<b>215,209,889</b>	<b>42,897,731</b>	<b>48,309,778</b>	<b>306,281,745</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>272,000,512</b>	<b>272,000,512</b>	<b>142,041,035</b>
Leased Assets													
Leasehold Land	5,330,200	-	-	5,330,200	-	-	5,330,200	-	-	-	5,330,200	5,330,200	5,330,200
<b>Total (A)</b>	<b>174,057,603</b>	<b>40,301,417</b>	<b>6,181,069</b>	<b>220,540,089</b>	<b>42,897,731</b>	<b>48,309,778</b>	<b>311,611,945</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>277,330,712</b>	<b>277,330,712</b>	<b>147,371,235</b>
<b>B. Investment Property</b>													
Free Hold Land	26,686,368	26,686,368	-	26,686,368	-	3,240,366	29,926,734	-	-	-	29,926,734	26,686,368	26,686,368
<b>Total (B)</b>	<b>26,686,368</b>	<b>26,686,368</b>	<b>-</b>	<b>26,686,368</b>	<b>-</b>	<b>3,240,366</b>	<b>29,926,734</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,926,734</b>	<b>26,686,368</b>	<b>26,686,368</b>
<b>C. Capital Work-in-Progress</b>													
CAPITAL WIP	89,628,442	-66,987,785	20,194,130	42,834,787	-42,834,787	-	42,834,787	-	-	-	-	42,834,787	89,628,442
<b>Total (C)</b>	<b>89,628,442</b>	<b>-66,987,785</b>	<b>20,194,130</b>	<b>42,834,787</b>	<b>-42,834,787</b>	<b>-</b>	<b>42,834,787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,834,787</b>	<b>89,628,442</b>
<b>D. Intangible Assets :</b>													
Computer Software	2,334,430	973,402	406,117	3,713,949	-	1,220,981	4,934,930	-	-	-	1,434,073	1,434,073	2,334,430
<b>E. Intangible Assets Under Development</b>													
<b>Total (D)</b>	<b>2,334,430</b>	<b>973,402</b>	<b>406,117</b>	<b>3,713,949</b>	<b>-</b>	<b>1,220,981</b>	<b>4,934,930</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,434,073</b>	<b>1,434,073</b>	<b>2,334,430</b>
<b>Grand Total</b>	<b>203,075,401</b>	<b>67,961,107</b>	<b>6,587,186</b>	<b>250,940,406</b>	<b>42,897,731</b>	<b>52,771,125</b>	<b>346,473,629</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>286,209,296</b>	<b>222,305,821</b>	<b>176,709,904</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE "2"

OTHER FINANCIAL ASSETS

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Related Parties	-	-	-	1,793,722	2,000,000	-
Others- considered good	3,775,970	-	3,732,289	-	4,247,545	-
Balances with banks in deposit accounts: with more than 12months maturity	1,325,281	76,636	1,194,106	41,491	1,048,136	556,155
Interest accrued on above	-	-	-	-	-	-
<b>Total</b>	<b>5,101,251</b>	<b>76,636</b>	<b>4,926,395</b>	<b>1,835,213</b>	<b>7,295,681</b>	<b>556,155</b>

NOTE "03"

Other Non-current assets

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>(Unsecured and Considered Good)</b>			
Capital Advances	3,000,000	3,000,000	-
Advances other than capital advances			
Prepayments & others	1,494,180	2,113,542	2,789,711
Other Advances	800,000	800,000	500,000
<b>Total</b>	<b>5,294,180</b>	<b>5,913,542</b>	<b>3,289,711</b>

NOTE "04"

Inventories

(Unsecured and Considered Good)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Raw materials	2,439,790	2,178,500	-
Stores and spares	455,100	127,200	-
<b>TOTAL</b>	<b>2,894,890</b>	<b>2,305,700</b>	<b>-</b>

Inventories are valued at cost or net realisable value, whichever is lower. The cost formulas used are FIFO. The cost of inventories comprises all cost of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), conversion cost and other costs incurred in bringing the inventories to their present location and condition.

NOTE "05"

Trade receivables

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Unsecured Considered Good	98,764,156	88,011,555	85,778,923
b) Considered Doubtful	606,321	220,580	-
Less: Provision for Doubtful Debts	-606,321	-220,580	-
<b>Total Trade Receivables (A + B)</b>	<b>98,764,156</b>	<b>88,011,555</b>	<b>85,778,923</b>

Debts due by directors or other officers of the Company or any of them either severally or jointly with any other persons or debts due by firms or private companies respectively in which any director is a partner or a director or a member as on 31 March 2018-NIL (31.3.2017- NIL, 1.4.2016- Nil)

NOTE "06"

INCOME TAX ASSETS ( NET)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Income Tax Deducted at Source(net of provisions)	12,782,747	9,509,521	8,390,914
Income Tax Refundable (earlier years)	19,438,174	11,602,135	25,266,942
<b>Total</b>	<b>32,220,921</b>	<b>21,111,656</b>	<b>33,657,856</b>

NOTE "07"

Cash and cash equivalents

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Cash on Hand	3,910,316	3,692,485	6,088,291
Unrestricted Balance with bank in Current accounts	3,592,091	1,908,555	1,538,105
Cheques, Draft on Hand	2,000,000	-	-
Other Balances with banks : In deposit accounts	1,401,917	1,235,597	1,604,291
Less: Amount disclosed under "Other financial assets"	-1,401,917	-1,235,597	-1,604,291
<b>Cash and cash equivalents as per balance sheet</b>	<b>9,502,407</b>	<b>5,601,040</b>	<b>7,626,396</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE "08"

Other Current Assets

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Prepayments	4,076,406	4,896,532	3,857,546
Capital Advances (unsecured)	-	-	723,865
Advance to staff	907,698	682,137	517,075
GST Advance & unutilised inputs Credit	384,440	-	-
Service Tax Advance & unutilised inputs Credit	-	853,470	3,556,139
Other Advances	292,840	4,423,195	3,950,176
Advance to suppliers	1,065,185	886,911	1,100,317
<b>Total</b>	<b>6,726,569</b>	<b>11,742,245</b>	<b>13,705,118</b>

NOTE "09"

Equity Share capital

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Units	Amount	Units	Amount	Units	Amount
<b>SHARE CAPITAL</b>						
Authorised Share Capital						
Equity Shares of Rs 10 each	12000000	120,000,000	12000000	120,000,000	12000000	120,000,000
Preference share capital of Rs 10 each	3000000	30,000,000	3000000	30,000,000	3000000	30,000,000
<b>TOTAL</b>	<b>15000000</b>	<b>150,000,000</b>	<b>15000000</b>	<b>150,000,000</b>	<b>15000000</b>	<b>150,000,000</b>
Issued, Subscribed and Paid up:						
Equity Shares of Rs. 10 each fully paid up	6965263	69,652,630	6965263	69,652,630	6965263	69,652,630
<b>Total</b>	<b>6,965,263</b>	<b>69,652,630</b>	<b>6,965,263</b>	<b>69,652,630</b>	<b>6,965,263</b>	<b>69,652,630</b>

The details of shareholders holding more than 5% shares :

Name of the Shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Sunil Choksi	523192	7.51%	523192	7.51%	523192	7.51%
Vyangesh Choksi	447099	6.42%	447099	6.42%	447099	6.42%
Dhansukhbhai Gulabdas Choksi HUF	400000	5.74%	400000	5.74%	400000	5.74%

The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	No. of Shares	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	6965263	6965263	6965263
Add: Shares issued during the year	-	-	-
Equity Shares at the end of the year	6,965,263	6,965,263	6,965,263

Terms/ Rights attached to equity shares :

The Company has only one class of shares i.e. equity shares with equal rights for dividend and repayment. Each holder of the shares is entitled to one vote per share. Dividend on equity shares whenever proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE "10"

Other Equity

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Capital Reserve</b>			
As per last Balance Sheet	2,005,500	2,005,500	2,005,500
Less: Transferred to retained earnings	-	-	-
<b>Total</b>	<b>2005500</b>	<b>2005500</b>	<b>2005500</b>
<b>Security Premium Reserve</b>			
As per last Balance Sheet	13,510,478	13,510,478	13,510,478
Less: Transferred to retained earnings	-	-	-
<b>Total</b>	<b>13510478</b>	<b>13510478</b>	<b>13510478</b>
<b>Retained Earnings</b>			
As per last Balance Sheet	126,106,987	115,165,183	115,165,183
Add: Profit for the year	13,470,914	8,925,634	-

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Add/(Less): Prior Period adjustments	-	2,085,120	-
	<b>139,577,901</b>	<b>126,175,937</b>	<b>115,165,183</b>
Less: Appropriations	-	-	-
Transfer to General reserve	-	-	-
	<b>139,577,901</b>	<b>126,175,937</b>	<b>115,165,183</b>
<b>Other Comprehensive Income (OCI)</b>			
As per last Balance Sheet	-	-	-
Add: Movement in OCI (Net) during the year	-784,654	-68,950	-
Total Retained Earnings	138,793,247	126,106,987	115,165,183
<b>TOTAL OTHER EQUITY</b>	<b>154,309,225</b>	<b>141,622,965</b>	<b>130,681,161</b>

Notes :

- a) Securities Premium is used to record the Premium on issue of Shares. The same is utilized in accordance with the Provision of Sec. 52 of the Companies Act, 2013.  
b) Retained earning represent the Profit that the Company has earned till date less any dividend or other distribution to the Shareholders.

Note "11"

Financial liabilities

Non-current borrowings

Particulars	Maturity date	Terms of repayment	Coupon/ Interest rate	31/03/2018	31/03/2017	01/04/2016
<b>Secured Term Loan From Banks:</b>						
Axis bank	Term Loan (4)_30th Jun' 2018	Principle Repay in FY 18-19_1100000	8.40 + 4.25%	1,100,000	4,400,000	7,425,000
Axis bank	Term Loan (5)_ 31st Dec' 2019	Principle Repay in FY 18-19_12228000 & FY 19-20_7063673	8.40 + 4.25%	19,291,673	31,558,756	40,853,756
Axis bank (TL (1))				-	-	4,824,231
Axis bank (TL (2))				-	698,000	5,054,000
Axis bank (TL (3))				-	9,838,570	11,500,000
Bank of India TL (2)	Term Loan (2)_ 31st Mar2020	Principle Repay in FY 18-19_2144599 & FY 19-20 2144599 & FY 20-21_103939	8.4+0.3+1.50%	4,393,137	6,190,010	7,500,000
Bank of India TL (3)				-	-	6,725
Bank of India TL (4)	Term Loan (4)_31st May2021	Principle Repay in FY 18-19_ 5000004 & FY 19-20 5000004/- & FY 20-21_5000004 & FY 21-22_833318	8.40+0.3+2.45%	15,833,330	-	-
Bank of India TL (5)	Term Loan (5) 31st Dec2024	Principle Repay in FY 18-19_ 1142857.20 & FY 19-20 1142857.20 & FY 20-21_1142857.20 & FY 21-22 1142857.20 & FY 22-23_1142857.20 & FY 23-24 1142857.20 & FY 24-25_857142.80	8.40 + 0.3 + 2.45%	7,714,286	-	-
<b>Vehicle Loans</b>						
HDFC Bank	Honda Jazz_070518	Principle Repay in FY 18-19 Rs. 88687	9.50% p.a	88,687	592,411	-
HDFC Bank	Honda WR-V_050818	Principle Repay in FY 18-19 Rs. 370195	8.50% p.a	370,195	-	-
ICICI bank	Force Traveller_221017		10.60% p.a	-	225,360.00	584,136
BMW India Financial Ser.	BMW CAR			-	-	437,070
Pvt Ltd						
HDFC Bank	Swift Dzire			-	47,608	316,466

Term Loans From NBFC :

Reliance Commerical Finance Limited	Principle Repay in FY 18-19_265827.37 & FY 19-20_304019.95 & FY 20-21_347699.86 & FY 21-22_192157.52.	13.50% p.a	1,109,705	-	-
Reliance Commerical Finance Limited	Principle Repay in FY 18-19_874947.16 & FY 19-20_304019.95 & FY 20-21_347699.86 & FY 21-22_192157.52.	13.50% p.a	3,652,521	-	-
Reliance Commerical Finance Limited	Principle Repay in FY 18-19_ 1508865.80 & FY 19-20_1725651.24 & FY 20-21_1973583.22 & FY 21-22_1090721.87.	13.50% p.a	6,298,822	-	-
Reliance Commerical Finance Limited	Principle Repay in FY 18-19_ 138706.09 & FY 19-20_158634.63 & FY 20-21_181426.36 & FY 21-22_100257.94.	13.50% p.a	579,025	-	-

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Unsecured From NBFC's :

Magma Fincorp Limited	Loan (3)			-	-	1,478,991
Magma Fincorp Limited	Loan (4)_07042018	Principle Repay in FY 18-19 Rs. 91882.01	22.00% p.a	91,882	1,073,590	1,862,998
Bajaj Finance Limited	Loan (2)			-	176,541	1,124,198
Bajaj Finance Limited	Loan (3)_02122018	Principle Repay in FY 18-19 Rs. 706797.70	17.50% p.a	706,798	1,516,735	2,197,501
Religare Finvest Limited	Loan (3)			-	687,009	1,564,860
Tata Capital Financial Ser Ltd	Loan (3)			-	110,140	1,297,843
Viji Finance Ltd	Loan (3)			-	-	2,500,000
From Related parties: Directors						
Mr.Sunil Choksi	Long Term	One time	Nil	13,200,000	15,200,000	15,600,000
Mrs. Stela Choksi	Long Term	One time	Nil	6,400,000	2,000,000	2,400,000
Total non-current borrowings				80,830,061	74,314,729.19	108,527,774
Less: Current maturities of long-term debt (included in note 13(b))				25,622,285	31,589,112	27,883,036
Less: Interest accrued (included in note 13(b))				-	-	-
Non-current borrowings (as per balance sheet)				55,207,776	42,725,617	80,644,738

The Term Loan from Axis Bank is secured by hypothecation of Indore & Goa fixed assets

The above loans are also personally guaranteed by the directors Mr. Sunil Choksi, Mr.Vyangesh Choksi

Term Loan from Bank of India is secured by Freehold Land at Kumedi in Indore and Land & Building situated at GIDC, Industrial Estate, Makarpura, Vadodara.

Term Loan from Reliance Commercial Finance Limited is Secured by hypothecation of lab instruments at Indore & is also personally guaranteed by the directors shri Sunil Choksi & Smt. Stela Choksi.

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

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

**NOTE "12"**

**Provisions**

**PROVISIONS NON CURRENT**

**Provision for Employee Benefits**

Provision for Gratuity

**Total**

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Gratuity	7,348,364	4,945,807	4,098,391
<b>Total</b>	<b>7,348,364</b>	<b>4,945,807</b>	<b>4,098,391</b>

**NOTE "13"**

**Deferred tax liabilities (Net)**

**Component of Deferred Tax Liabilities as at 31st March 2018 as follows :**

The movement on the deferred tax account is as follows :

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Deferred Tax Liability</b>			
Related to Fixed Assets	7,644,098	7,909,065	8,663,143
<b>Deferred Tax Assets</b>			
Disallowances under the Income Tax Act	1,961,320	2,439,930	1,263,682
Others	1,415,420	1,450,336	1,534,839
<b>Net Deferred Tax Liability</b>	<b>4,267,358</b>	<b>4,018,799</b>	<b>5,864,622</b>
<b>At the start of the year</b>	4,018,799	5,864,622	
Charge/(credit) to Statement of Profit and Loss	248,559	-1,845,823	
<b>At the end of year</b>	<b>4,267,358</b>	<b>4,018,799</b>	<b>5,864,622</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE "14"

Borrowings

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>BORROWING - CURRENT</b>			
<b>Secured - At Amortised Cost</b>			
<b>Working Capital Loans</b>			
<b>From Banks *</b>			
Cash Credit from Axis Bank	29,596,439	30,000,000	28,238,198
Overdraft from Bank of India	11,835,273	7,603,943	-
<b>Unsecured Loans</b>			
From Related Parties : Directors *			
Mr. Sunil Choksi	2,000,000	-	-
<b>Total</b>	<b>43,431,712</b>	<b>37,603,943</b>	<b>28,238,198</b>

Cash Credit from Axis Bank is sanctioned for Rs.300 Lakh and is secured by joint hypothecation of running stocks of consumable and all book debts both present and future alongwith Indore and Goa Fixed Assets

The said cash credit is also personally guaranteed by the directors Mr. Sunil Choksi & Mr.Vyangesh Choksi

Overdraft from Bank of India is sanctioned for Rs.120 Lakhs against primary Security of land at Kumedi & is also personally guaranteed by the directors Mr. Sunil Choksi & Mrs. Stela Choksi.

NOTE "15"

Trade Payables

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Micro, Small and Medium Enterprises	374,487	58,741	137,526
Others (Other than Micro & Small Enterprises)	56,097,203	48,078,105	39,931,508
Trade payables to related parties	-	-	-
<b>Total</b>	<b>56,471,690</b>	<b>48,136,846</b>	<b>40,069,034</b>

NOTE "16"

Other Financial Liabilities

Other Financial Liabilities measured at Amortization Cost

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current maturities of Long Term Debt (Refer Note 11)	25,622,285	31,589,112	27,883,036
<b>Total</b>	<b>25,622,285</b>	<b>31,589,112</b>	<b>27,883,036</b>

NOTE "17"

Other Current Liabilities

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Credit balances of staff	1,361,243	333,016	34,626
Credit balances of others	222,231	-	-
Advance payment from Customers	8,018,101	2,167,287	1,450,800
Statutory tax payables	4,187,693	9,890,340	15,490,299
<b>TOTAL</b>	<b>13,789,268</b>	<b>12,390,643</b>	<b>16,975,725</b>

NOTE "18"

Provisions

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>PROVISIONS - CURRENT</b>			
Provisions for Employee Benefits	14,676,102	11,180,216	11,593,206
Other Provisions	2,013,897	2,721,375	2,547,444
<b>Total</b>	<b>16,689,999</b>	<b>13,901,591</b>	<b>14,140,650</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE "19"

REVENUE FROM OPERATIONS

	2017-18	2016-17
Rendering of services	311,957,720	287,588,459
Other operating revenues	5,880	23,198
<b>Total</b>	<b>311,963,600</b>	<b>287,611,657</b>

Revenue from rendering of services includes Service Tax upto 30.6.2017 amounting to Rs.7816820 (Previous year Rs.35625091) wef 1.7.2017 onwards for nine months GST on rendering of services amounts to Rs.4,01,11,296/-, which is not included in the above revenue

NOTE "20"

Other Income

	2017-18	2016-17
Interest Received	129,978	146,334
Interest on Income Tax Refund	657,659	2,591,428
Interest income from financial assets mandatorily measured at fair value through profit or loss	2,818,865	2,311,152
<b>Total</b>	<b>3,606,502</b>	<b>5,048,914</b>

NOTE "21"

Other GAIN/LOSS

	2017-18	2016-17
Net gain on disposal of property, plant and equipment	-12,436	3,558,650
Net foreign exchange losses	-74,264	-7,394
<b>Total</b>	<b>-86,700</b>	<b>3,551,256</b>

NOTE "22"

COST OF MATERIAL CONSUMED

	2017-18	2016-17
Raw materials at the beginning of the year	2,305,700	-
Add: Purchases	35,316,767	32,055,150
Less: Raw materials at the end of the year	2,894,890	2,305,700
<b>Total</b>	<b>34,727,577</b>	<b>29,749,450</b>

NOTE "23"

Employee Benefit Expense

EMPLOYEE BENEFITS EXPENSE

	2017-18	2016-17
Salaries and Wages	88,736,981	75,040,240
Bonus to employees	3,259,300	2,576,000
Exgratia to employees	1,069,232	698,559
Administration charges to LIC for Group Gratuity scheme	92,860	69,574
Directors Remuneration	8,900,000	6,900,000
Staff welfare expenses	649,891	489,194
Contribution to Provident Fund and Other Funds	7,955,379	7,009,553
Gratuity	3,308,395	1,756,822
<b>Total</b>	<b>113,972,038</b>	<b>94,539,942</b>

Particulars

	2017-18	2016-17
Employer's Contribution to Provident Fund	6,095,262	5,560,892
Employer's Contribution to ESIC	1,601,065	1,226,774
Employer's Contribution to employee deposit linked insurance scheme	259,052	221,887

### Ind AS 19 Disclosures

#### Background :

Gratuity is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits, subject to minimum benefits as subscribed by the Payment of Gratuity Act, to plan members. Actuarial & Investment risks are borne by the enterprise.

The Net Defined Benefit Liability/(Asset) is the Net (Surplus)/Deficit in the plan netted off by effect of Asset Ceiling, if any. It is arrived by deducting Fair Value of Plan Assets from the Defined Benefit Obligation as on the date of valuation.

As required under Para 67 of Ind AS 19 actuarial valuation is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are to be considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and project the benefit till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the future date of payment to the date of valuation using the assumed discount rate.

'Service Cost' is calculated separately in respect of benefit accrued during the current period using the same method as described above. However, instead of all accrued benefits, benefit accrued over the current reporting period is considered.

#### Recognition of Actuarial Gains/Losses :

All the remeasurements, comprising of actuarial gains/losses on DBO & Fair value of assets, arising during the reporting period have been recognized in full through outside of Profit & Loss account through Other Comprehensive Income.

#### Discount Rate :

Discount Rate for this valuation is based on Government bonds having similar term to duration of liabilities. Due to lack of a deep & secondary bond market in India, government bond yields are used to arrive at the discount rate.

#### Risk Posed by the Plan :

Gratuity is a multiple of last drawn salary paid at the time of retirement/resignation/death. The actuarial risk i.e. unusual (typically high) salary growth or turnover rate can increase the cost of providing the benefit. It can also alter timing of cashflows. This risk is borne by the employer. Gratuity is paid as lumpsum and hence there is no longevity risk involved.

#### Asset Information :

The scheme is funded through an 'Approved Trust'. The Trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the fund is undertaken by the LIC. We have been provided with the fund size of Rs.3,677,505 as of the valuation

#### Funding Requirements :

Currently there are no minimum funding requirements in India. The investments made by the trust are regulated by the Income Tax Act. The enterprise and the trustees should ensure compliance with the provisions of the said act.

#### Special Events :

We have not been informed about any benefit improvements, curtailments & settlements during the inter-valuation period.

Amount Recognized in Statement of Financial Position at Period-End	31-Mar-17	31-Mar-18
Present Value of Unfunded Defined Benefit Obligation	8,985,547	12,725,869
Fair value of Plan Assets	3,039,740	3,677,505
	5,945,807	9,048,364
Present Value of Funded Defined Benefit Obligation	-	-
Unrecognised Asset due to the Asset Ceiling	-	-
Net Defined Benefit (Asset)/Liability Recognised in Statement of Financial Position	5,945,807	9,048,364

#### Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End

	31-Mar-17	31-Mar-18
Service Cost	1,341,592	1,605,008
Net Interest Cost	415,230	452,459
Past Service Cost	-	1,250,928
Administration Expenses	-	-
(Gain)/Loss due to Settlements/Curtailments/Terminations/Divestitures	-	-
<b>Total Defined Benefit Cost/(Income) included in Profit &amp; Loss</b>	<b>1,756,822</b>	<b>3,308,395</b>
<b>Current / Non-Current Bifurcation</b>	<b>31-Mar-17</b>	<b>31-Mar-18</b>
Current Benefit Obligation	2,185,156	2,750,587
Non - Current Benefit Obligation	6,800,391	9,975,282
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>8,985,547</b>	<b>12,725,869</b>



Ind AS 19 Disclosures

Actual Return on Plan Assets	31-Mar-17	31-Mar-18
Interest Income on Plan Assets	238,909	243,179
Remeasurements on Plan Assets	-	2,760
<b>Actual Return on Plan Assets</b>	<b>238,909</b>	<b>245,939</b>

Analysis of Amounts Recognised in Other Comprehensive (Income)/Loss at Period-End

	31-Mar-17	31-Mar-18
Amount recognized in OCI, Beginning of Period	(1,292,711)	(1,197,539)
Remeasurements due to :		
Effect of Change in financial assumptions	-	205,581
Effect of Change in demographic assumptions	-	-
Effect of experience adjustments	95,172	880,244
(Gain)/Loss on Curtailments/Settlements	-	-
Return on plan assets (excluding interest)	-	(2,760)
Changes in asset ceiling	-	-
<b>Total remeasurements recognized in OCI</b>	<b>95,172</b>	<b>1,083,065</b>
<b>Amount recognized in OCI, End of Period</b>	<b>(1,197,539)</b>	<b>(114,474)</b>

Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income

	31-Mar-17	31-Mar-18
Amount recognized in P&L, End of Period	1,756,822	3,308,395
Amount recognized in OCI, End of Period	95,172	1,083,065
<b>Total Net Defined Benefit Cost/(Income) Recognized at Period-End</b>	<b>1,851,994</b>	<b>4,391,460</b>

Change in the Unrecognised Asset due to the Asset Ceiling During the Period

	31-Mar-17	31-Mar-18
Unrecognised Asset, Beginning of Period	-	-
Interest on Unrecognised Asset Recognised in P&L	-	-
Other changes in Unrecognised Asset due to the Asset Ceiling	-	-
Unrecognised Asset, End of Period	-	-

Change in Defined Benefit Obligation during the Period

	31-Mar-17	31-Mar-18
Defined Benefit Obligation, Beginning of Period	8,176,730	8,985,547
Net Current Service Cost	1,341,592	1,605,008
Interest Cost on DBO	654,139	695,638
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	95,172	1,085,825
Changes in Foreign Currency Exchange Rates	-	-
Acquisition/Business Combination/Divestiture	-	-
Benefits Paid	(1,282,086)	(897,077)
Past Service Cost	-	1,250,928
Losses / (Gains) on Curtailments/Settlements	-	-
<b>Defined Benefit Obligation, End of Period</b>	<b>8,985,547</b>	<b>12,725,869</b>

Ind AS 19 Disclosures

Change in Fair value of Plan Assets during the Period

	31-Mar-17	31-Mar-18
Fair value of Plan Assets, Beginning of Period	3,226,866	3,039,740
Interest Income Plan Assets	238,909	243,179

	31-Mar-17	31-Mar-18
Actual Company Contributions	856,051	1,288,903
Actual Plan Participants' Contributions	-	-
Actual Taxes Paid	-	-
Actual Administration Expenses Paid	-	-
Changes in Foreign Currency Exchange Rates	-	-
Actuarial Gains/(Losses)	-	2,760
Benefits Paid	(1,282,086)	(897,077)
Acquisition/Business Combination/Divestiture	-	-
Assets extinguished on Settlements/Curtailments	-	-
<b>Fair value of Plan Assets, End of Period</b>	<b>3,039,740</b>	<b>3,677,505</b>

Reconciliation of Balance Sheet Amount

	31-Mar-17	31-Mar-18
Balance Sheet (Asset)/Liability, Beginning of Period	4,949,864	5,945,807
True-up	-	-
Total Charge/(Credit) Recognised in Profit and Loss	1,756,822	3,308,395
Total Remeasurements Recognised in OC (Income)/Loss	95,172	1,083,065
Acquisitions/Business Combinations/Divestitures	-	-
Benefits Paid	(856,051)	(1,288,903)
Other Events	-	-
<b>Balance Sheet (Asset)/Liability, End of Period</b>	<b>5,945,807</b>	<b>9,048,364</b>

Financial Assumptions Used to Determine the Defined Benefit Obligation

Discount Rate	8.00%	7.58%
Salary Escalation Rate	7.00%	7.00%

Financial Assumptions Used to Determine the Profit & Loss Charge

Discount Rate	8.00%	7.58%
Salary Escalation Rate	7.00%	7.00%
Expected Return on Plan Assets	N.A.	N.A.

Demographic Assumptions Used to Determine the Defined Benefit Obligation

Withdrawal Rate	22.50%	22.50%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Retirement Age	70 years	70 years

Asset Category	31-Mar-18	31-Mar-18	31-Mar-18
	Quoted Value	Non-Quoted Value	Total
Government of India Securities (Central and State)	0.00%	0.00%	0.00%
High quality corporate bonds (including Public Sector Bonds)	0.00%	0.00%	0.00%
Equity shares of the Company	0.00%	0.00%	0.00%
Insurer Managed Funds & T-bills	0.00%	100.00%	100.00%
Cash (including Bank Balance, Special Deposit Scheme)	0.00%	0.00%	0.00%
Others	0.00%	0.00%	0.00%
<b>Total</b>	<b>0.00%</b>	<b>100.00%</b>	<b>100.00%</b>

The scheme is funded through an 'Approved Trust'. The Trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the fund is undertaken by the LIC. We have been provided with the fund size of Rs.3,677,505 as of the valuation date.

Ind AS 19 Disclosures

Expected Cashflows for the Next Ten Years	31-Mar-18
Year - 2019	2,852,930
Year - 2020	2,394,682
Year - 2021	2,062,176
Year - 2022	1,800,985
Year - 2023	1,547,626
Year - 2024 to 2028	4,772,900

Defined Benefit Obligation by Participant Status	
a. Actives	12,725,869
b. Vested Deferreds	-
c. Retirees	-
<b>Total Defined Benefit Obligation</b>	<b>12,725,869</b>

Sensitivity Analysis	
Defined Benefit Obligation - Discount Rate + 100 basis points	(476,105)
Defined Benefit Obligation - Discount Rate - 100 basis points	522,946
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	499,180
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(426,082)

Summary of Plan Provisions

The following is a summary of benefits provided by the plan sponsor.

Eligibility & Applicability

Plan Coverage	All employees
Plan Salary	Monthly Basic
Plan Service	Completed year of service, service of six months and above is rounded off as one year
Normal Retirement Age	70 years
Vesting Period	5 years on Retirement & Withdrawal.

Benefits Payable

Retirement Benefit	15/26* Plan Salary * Plan Service
Withdrawal Benefit	Same as Retirement Benefit
Death Benefit	Same as Retirement Benefit
Maximum Ceiling	INR 20,00,000

Breakdown of Actuarial (Gains)/Losses

Note : The information contained in the following pages do not form a part of the Ind AS 19 disclosure requirements. However, the same have been produced to aid better understanding of results of the actuarial valuations.

Breakup of Actuarial (Gains)/Losses

Change in Defined Benefit Obligation	31-Mar-17	31-Mar-18
Defined Benefit Obligation, Beginning of Period	8,176,730	8,985,547
Service Cost	1,341,592	1,605,008
Interest Cost	654,139	695,638
Actual Plan Participants' Contributions	-	-
Total Actuarial (Gains)/Losses	95,172	1,085,825
a. Effect of Change in Financial Assumptions	-	205,581
b. Effect of Change in Demographic Assumptions	-	-
c. Experience (Gains)/ Losses	95,172	880,244
Changes in Foreign Currency Exchange Rates	-	-
Acquisition/Business Combination/Divestiture	-	-
Benefits Paid	(1,282,086)	(897,077)
Past Service Cost	-	1,250,928
Losses / (Gains) on Curtailments/Settlements	-	-
<b>Defined Benefit Obligation, End of Period</b>	<b>8,985,547</b>	<b>12,725,869</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

**NOTE "24"**

**Finance Cost**

	2017-18	2016-17
Interest on Term Loans & Working Capital Loans	13,270,471	15,686,271
Interest and finance charges on financial liabilities not at fair value through profit or loss	2,502,653	2,038,998
Bank Charges	167,543	190,964
Loan Processing Charges	280,877	460,134
<b>TOTAL</b>	<b>16,221,544</b>	<b>18,376,367</b>
Less: Amount capitalised	318,338	3,695,369
<b>Finance costs expensed in profit or loss</b>	<b>15,903,206</b>	<b>14,680,998</b>

**NOTE "25"**

**Other Expenses**

	2017-18	2016-17
Laboratory Expenses	9,810,305	8,867,930
Power & Fuel Charges	7,275,909	7,390,554
Insurance: Instruments & Building	210,312	220,583
Freight / Transportation Charges	267,244	93,068
Testing Charges	2,514,250	1,822,537
NABL/BIS/NPL - Asstt. Charges	431,588	562,649
Repair & Maintenance – Instruments	12,957,949	10,071,666
Repair & Maintenance – Building	2,694,942	2,146,507
Training & Certification Charges	239,539	313,406
Business Promotion & Advertisement Expenses	1,428,476	2,952,236
Commission & Brokerages	8,675,565	4,986,633
Discount Allowed	178,243	1,264,437
Bad Debts Written Off	3,069,583	4,709,822
Office Maintenance Expenses	3,279,013	2,592,571
Telephone, Internet & Mobile Expenses	1,463,230	1,840,532
Postage & Courier Charges	1,187,173	1,058,033
Vehicle Running & Maintenance	3,271,862	2,727,884
Computer Expenses	4,199,305	3,504,642
Printing & Stationery Expenses	3,469,310	2,866,984
Books & Periodicals	175,190	187,523
Directors' Sitting Fees	78,000	44,000
Rent Charges	8,443,644	6,440,270
Insurance on Vehicle	122,734	126,407
Insurance on Others	445,116	338,611
Office General Expenses	607,567	634,990
Repair & Maintenance Charges	301,261	412,049
Membership Fees & Subscriptions	15,458	16,250
Placement Expenses	564,055	364,768
Legal Expenses	240,209	174,346
Professional Charges	5,517,286	4,070,003
Payments to auditors (refer note 29 below)	175,000	175,000
Rates & Taxes	860,277	677,841
Registration / Filing / Licence Renewal Fees	501,349	146,124
Listing Fees	295,000	263,000
Penalty Charges	1,735,718	93,947
Provision for Doubtful Debts	606,321	-
Donation	30,500	305,000
Travelling Expenses	4,764,990	5,423,478
<b>Total Other Expenses (A+B+C)</b>	<b>92,103,473</b>	<b>79,886,281</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE "26"		
Taxation	2017-18	2016-17
<b>Income tax recognised in Statement of Profit and Loss</b>		
Current tax on profits for the year	6,043,749	5,074,000
Adjustments for current tax of prior periods	125,251	915,447
Excess Provision written back of previous year	-857,739	-
<b>Total Current Tax</b>	<b>5,311,261</b>	<b>5,989,447</b>
Deferred tax	845,381	-1,793,379
<b>Total income tax expenses recognised in the current year</b>	<b>6,156,642</b>	<b>4,196,068</b>
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate</b>		
Profit before tax	19,329,145	13,095,480
At India Statutory Income Tax rate(27.553%) (Previous year 33.063%)	5,325,759	4,329,759
Adjustments in respect of current income tax of previous years	-732,488	915,447
Effect of non-deductible expenses for tax purposes	717,990	744,241
<b>Total Current Tax reported in the statement of Profit and Loss</b>	<b>5,311,261</b>	<b>5,989,447</b>
<b>NOTE "27"</b>		
<b>Earning Per Share</b>		
	<b>2017-18</b>	<b>2016-17</b>
i) Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	13,470,914	8,925,634
ii) Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	6965263	6965263
iii) Weighted Average Potential Equity Shares	-	-
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	6965263	6965263
v) Basic Earnings per Share (Rs.)	1.93	1.28
vi) Diluted Earnings per Share (Rs.)	1.93	1.28
vii) Face Value per Equity Share (Rs.)	10.00	10.00
<b>28. Value of Imports on CIF basis in respect of :</b>		
	<b>2017-18</b>	<b>2016-17</b>
Capital Goods	28112391	5802057
Spare Parts/ Books & Periodicals	184805	Nil
<b>29. Payment to Auditors as :</b>		
	<b>2017-18</b>	<b>2016-17</b>
Statutory Audit Fees	125000	125000
Tax Audit Fees	50000	50000
Certification & other matters	50000	50000
<b>30. Expenditure in Foreign Currency:</b>		
	<b>2017-18</b>	<b>2016-17</b>
Travelling Expenses	75971	Nil
<b>31. Earnings in Foreign Exchange</b>		
	<b>2017-18</b>	<b>2016-17</b>
FOB value of Exports	8071679	3408651

**32. Segmental Reporting :** The Company is engaged in the sole segment of Analysis and Testing. There are, therefore, no separate segments within the Company as defined by Ind AS-108 (Operating Segments).

**33. Related Party Disclosures :**

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

**1. Related Parties**

**(a) Individual having control & Key Management Personnel**

Mr. Sunil Choksi	Managing Director
Mrs. Stela Choksi	Whole Time Director
Mr.Vyangesh Choksi	Whole Time Director & CFO
Ms.Himika Choksi	Whole Time Director & COO

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(b) Relatives of KMP

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

2. Disclosure of transactions between the Company and Related Parties and the Status of outstanding balances as at March 31, 2018;

Nature of Transactions	Individual having Control and KMP	Relatives of KMP	Outstanding balance as on 31-03-2018
Remuneration	8900000	-	2005239
Commission	-	642327	47756
Salary	-	480000	Nil
Rent	300000	1136820	1665653
Deposit Given	-	Op.Bal. 20 Lacs	Nil
Loan Taken	6200000	-	21600000
Loan Repaid	1800000	-	21600000
Interest Paid / (Received)	25,02,653/ (2502653)	-	-

34. Operating Leases :

i)	Obligation on Non-cancelable operating leases :	
	a) not later than one year	1030229
	b) later than one year and not later than five years	174840
	c) later than five years	655650
ii)	Total of minimum sub-lease payments expected	NIL
iii)	Lease payments recognized in the statement of Profit & Loss for the Period	8443644
iv)	Sub lease payments received or receivable recognized in P&L A/c during the period	NIL
v)	General description of significant leasing arrangements	Various Properties for Commercial use Basis taken as per the lease agreements with the lessor All lease agreements are general and can be renewed after expiry of the lease period. No purchase options specifically mentioned in the agreement. Not to sub-lease
	a) Description of the assets taken on operating lease	
	b) Basis on which contingent rent payments are determined	
	c) Terms of renewal or purchase options and escalation clauses of lease arrangements	
	d) Restrictions imposed by lease agreements, if any	

35 CONTINGENT LIABILITIES AND COMMITMENTS :

S.No	Particulars	2017-18	2016-17
1)	Contingent Liabilities		
	Claims against the Company /disputed liabilities not acknowledged as debts	NIL	NIL
	Guarantees issued by Bank on behalf of the Company.	663064	453064
	Performance Guarantees/ Other money for which the company is contingently liable	NIL	NIL
2)	Commitments :		
	Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances).	4200000	4200000
	Other Commitments	NIL	NIL

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

36. In previous financial statement, an amount of Rs.32,04,212/- has been shown as recoverable from Commissioner of Customs (EPCG) under current assets. This amount was forfeited by the said authority during FY 2012-13 even though the Company has timely fulfilled all export obligations. During the year under audit, the Company has duly received a refund of the said amount of Rs.32,04,212/- from the said authority.
37. On 1.9.2016, the Service Tax Department has conducted a Service Tax inspection on the Company, wherein a Service tax demand was determined to be paid for Rs.2,65,95,454/-(before claiming of the CENVAT) for the period from January 2016 to August 2016. The said amount is already paid by the Company during the period 2016-17. However, a Show Cause Notice dated 19.5.2017 was issued by the Principal Commissioner, Customs, Central Excise & Service Tax for which the Company has filed a Settlement Application with the Customs, Central Excise & Service Tax, Principal Bench, Settlement Commission. As per the Final order dt. 26.10.2017 of the Customs, Central Excise & Service Tax, Settlement Commission, Principal Bench, New Delhi, the Company is levied a Penalty of Rs.17,00,000/- for the same. It has been duly paid on 15.11.2017
38. During the year, Borrowing Costs amounting of Rs.3,18,338/- has been Capitalized to Fixed assets.
39. Disclosure in terms of Accounting Standard "Impairment Losses":

	PARTICULARS	31.3.2018	31.3.2017
i)	Amount of impairment Losses recognized in the Profit & Loss A/c	Nil	Nil
ii)	Amount of reversal of impairment losses recognized in the Profit & Loss A/c	Nil	Nil
iii)	Amount of impairment losses recognized directly against revaluation surplus	Nil	Nil
iv)	Amount of reversals of impairment losses recognized directly in revaluation surplus	Nil	Nil

40. Remuneration to Directors

Sr. No.	Name of the Director	Relation	Year ended 31.03.2018		Year ended 31.03.2017	
			Remuneration	Sitting Fees	Remuneration	Sitting Fees
1	Shri Sunil Choksi	Managing Directors	27,00,000	-	27,00,000	-
2	Smt. Stela Choksi	Whole Time Directors	21,00,000	-	21,00,000	-
3	Shri Vyangesh Choksi	Whole Time Directors	21,00,000	-	21,00,000	-
4	Ms. Himika Choksi	Director	20,00,000	-	-	-
5	Shri Sudarshan Shastri	Director	-	34,000	-	19,000
6	Shri Pradip Karmakar	Director	-	6,000	-	3,000
7	Shri N. K. Mani	Director	-	30,000	-	19,000
8	Shri Satish Joshi	Director	-	8,000	-	3,000

41. The Balance Confirmation from the suppliers, customers as well as to various loans or advances given have been called for but the same are awaited till the date of Audit. Thus the balances of receivable, Trade Payable as well as Loan & Advances have been taken as per Books of Accounts submitted by the Company and are subject to confirmation from the respective Parties.
42. The Company has no subsidiary. Hence requirement of Consolidated Financial Statement is not applicable to the Company. TDS Default on Traces for the Previous period of Rs. 5245/- However the company is under the process to rectify the same.
43. In the opinion of the Board Current Assets, Loans & Advances are approximately of the value stated if released in the ordinary course of Business. The provision for Depreciation and all known liability are adequate. There is no Contingent Liability other than stated.
44. The previous year figures have been regrouped/ reclassified, wherever necessary to conform to current year presentation.

As per our report of even date

For Subhash Chand Jain Anurag & Associates  
Chartered Accountants  
FRN: 004733C

(S. C. Jain)  
Partner  
M.No.:072062

Place : Indore  
Date : 30th May, 2018

For and on behalf of the Board of Directors  
of Choksi Laboratories Limited  
CIN : L85195MP1993PLC007471

Sunil Choksi  
Managing Director  
DIN-00155078

Mrs. Stela Choksi  
Director  
DIN-00155043

Vyangesh Choksi  
Chief Finance Officer  
DIN-00154926

Abhishek Sharma  
Company Secretary  
M. No. 37215









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