

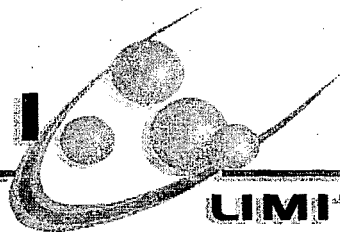
16th ANNUAL REPORT 2008-2009

For CHOKSI LABORATORY LTD.


Director.

CHOKSI

LABORATORIES



LIMITED

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

BOARD OF DIRECTORS :

Mr. Sunil Choksi
Mrs. Himika Choksi Varma
Mrs. Stela Choksi
Mr. Vyangesh Choksi
Mr. Sudarshan Shastri
Mr. Kiranbhai Desai
Mr. Pradip Karmakar
Mr. Satish Joshi

- Managing Director
- Jt. Managing Director
- Wholetime Director
- Wholetime Director
- Director
- Director
- Director
- Director

BANKERS

UCO Bank, Jawahar Marg, Indore
HDFC Bank
Union Bank of India, Geeta Bhawan, Indore

AUDITORS

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

REGISTERED OFFICE & LABORATORY

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

BRANCHES

1. 829, GIDC Makarpura,
Vadodara – 390 010 (Gujrat)
2. Gokul Chambers, IInd Floor,
101/8 GIDC Vapi – 396195 (Gujrat)
3. Plot No. 362, Industrial Area
Phase II, Panchkula
Hariyana - 134 113

Share Transfer Agent

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mill Compound,
L.B.S. Marg, Bhandup (W),
Mumbai -400 078
Tel. No. 25963838 Ext. : 2303
Fax : No. 25946969

NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the members of the Company will be held on Saturday 1st August, 2009 at 11.00 A.M. at the Registered Office of the Company to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss account of the Company for the year ended on 31st March 2009 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Satish Joshi who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit to pass with or without modification the following resolution Ordinary Resolution.
RESOLVED THAT in accordance with the provisions of section 198, 269, 309, 310 and other applicable provisions, if any of the Companies Act, 1956 for the reappointment of Shri Vyangesh Choksi as Whole Time Director of the Company be and is hereby approved for a period of 5 (Five) years w.e.f. 01.08.2009 on the terms and conditions as set out in the explanatory statement and with liberty to the Board of Directors to sanction and/or vary the terms as they in their discretion deem fit in conformity with any amendments to relevant provisions of the Companies Act and/or the Rules and Regulations made thereunder and/or such guidelines as may be announced by the Central Government from time to time.

By order of the Board of Directors
For CHOKSI LABORATORIES LIMITED

Place : **Indore**
Date : **05.06.2009**

SUNIL CHOKSI
Managing Director

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****Item No. 4**

Shri Vyangesh Choksi was appointed as Whole Time Director for a period of 5 years from 01.08.2004. The Board of Directors of the Company has considered it desirable to reappoint him as Whole Time Director for a period of 5 (Five) years from 01/08/2009 on the terms and conditions mentioned hereunder :

- | | | |
|------------------------|---|----------------------------------|
| 1. Period of Agreement | : | 5 (Five) years w.e.f. 01.08.2009 |
| 2. Salary | : | Rs. 55000 - 5000 - 70000 |

Perquisites and Allowances

In Addition to the salary payable to the Whole Time Director, he shall also be entitled to perquisites like commission, accommodation (furnished or otherwise) or house rent allowance in lieu thereof. House maintenance allowance together with reimbursement of expenses or allowances for utilities such as Gas, Electricity, Water, Furnishing and repairs, medical reimbursement, leave concession for himself and his family, Club fees, medical insurance and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board and such perquisites and allowances to be restricted to 50% of the annual salary of the Whole time Director.

Company's contribution to Provident Fund and superannuation fund to the extent these either singly or together are taxable under the Income Tax Act, Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure shall not be included in the company of limit for the remuneration or perquisites aforesaid.

Minimum Remuneration

Where in any financial year during the tenure of the Whole Time Director, the Company has not made any profit or its profits are inadequate, the remuneration proposed to be paid to the Managing Director by way of salary and perquisites as above shall be paid as minimum remuneration.

The proposed resolution is recommended for passing.

This may be treated as an abstract of the draft agreement between the company and Shri Vyangesh Choksi pursuant to Section 302 of the Act.

Except Shri Sunil Choksi, Smt. Stela Choksi, Smt. Himika Choksi Verma, Shri Vyangesh Choksi none of the Directors are interested in the above resolution.

NOTES :-

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member.
2. The register of members and transfer books of the closed from 30.07.09 to 01.08.09 (both days inclusive) for the purpose of Annual General Meeting.
3. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring copies to the meeting.
4. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
5. Members/Proxies should bring their attendance slip duly filled in for attending the meeting. Members are also requested to inform the company of any change in their address immediately so as to enable the company to dispatch any further communication at their correct address.

By order of the Board of Directors

SUNIL CHOKSI
Managing Director

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure presenting the 16th Annual Report alongwith Audited Accounts for the year ended 31st March, 2009.

Financial Results

	(Rs. In lacs)	
	(31.03.2009)	(31.03.2008)
Operational Receipts	956.18	945.89
Other Income	8.88	12.46
Profit/(Loss) on Sale of Fixed Assets	59.31	(2.11)
Profit before Depreciation, Interest & Tax	359.77	326.79
Depreciation	111.64	102.79
Interest	94.24	81.44
Provision for tax	36.21	34.98
Income Tax Earlier year	(0.96)	0.89
Deferred Tax Liability for Current Year	(20.97)	15.31
Fringe Benefit Tax	2.70	2.66
Prior Period Adjustments	0.25	0.02
Net Profit	136.66	88.70
Balance brought forward	515.07	426.37
Balance carried to Balance Sheet	651.73	515.07

OPERATIONS :

In spite of depressed market conditions your company has improved the turnover and achieved significant growth, and directors are hopeful to give good results in the current year.

DIVIDEND :

The Board of Directors, in order to conserve the resources of the Company and to maintain the liquidity have decided not to declare dividend for the year ended 31st March, 2009.

PUBLIC DEPOSITS

The Company has not invited/accepted public deposit within the meaning of section 58A of the Companies Act, 1956 and rules made thereunder, during the year under review.

DIRECTORS

Shri Satish Joshi Director of the Company retires by rotation and is eligible for reappointment.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 217 (2AA) of the Companies Act, 1956, the Directors confirm that :-

- (i) In the preparation of the annual accounts, the applicable accounting standard have been followed and that there are no material departures.
- (ii) They have, in the selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- (iii) They have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- (iv) They have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange(s) separate section titled 'Corporate Governance Report' has been included in this Annual Report as Annexure 1.

A Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance is annexed to this report as Annexure 2.

DEMAT STATUS

The Company's shares are Presently held in both electronic and physical mode.

PARTICULARS OF EMPLOYEES

There was no employee in the Company who was employed throughout the financial year or for part of the financial year was in receipt of remuneration whose particulars, if so employed, are required to be included in the report of Directors in accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975.

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

The requisite particulars required to be furnished under Section 217(a) (e) of the Companies Act, 1956 regarding energy conservation technology absorption and R & D are not applicable, since the Company is not engaged in any manufacturing or processing activities.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Earnings out go : a. Imports Rs. 5054751/- b. Travelling Rs. 606078/-

Foreign Earnings : Rs. 109444/-

AUDITORS

M/s. Prateek Jain & Co. Chartered Accountants, Indore, Statutory Auditors of the Company retire at the ensuing Annual General Meeting of the Company and being eligible offer themselves for reappointment.

ACKNOWLEDGEMENT

The Directors acknowledge with gratitude the co-operation and confidence reposed by the Company's Bankers, Shareholders, Customers and Suppliers. Your Directors also wish to place on record their sincere appreciation of devoted services rendered by the employees of the Company for its success.

By order of the Board

Place : Indore
Date : 05.06.2009

SUNIL CHOKSI
Managing Director

ANNEXURE 1**CORPORATE GOVERNANCE REPORT**

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

Board of Directors**Composition of the Board**

Board comprises of 4 independent, 2 Executive Promoter Director (including Executive Chairman) and 2 Executive Directors.

Director	Executive/Non-executive/Independent	No. of outside Directorship(s) held		
		Public Companies	Pvt. Companies	Section 25 Companies
Mr. Sunil Choksi	Executive/Promoter	---	---	---
Mrs. Stela Choksi	Executive/Promoter	---	---	---
Mr. Sudarshan Shastri	Independent	1	3	---
Mr. Kiran Bhai Desai	Independent	---	---	---
Mrs. Himika Choksi Varna	Executive	---	---	---
Mr. Vyangesh Choksi	Executive	---	1	---
Mr. Pradip Karmakar	Independent	---	---	---
Mr. Satish Joshi	Independent	---	---	---

Director's Interests in the Company and Attendance Record

Particulars of relationship between Directors inter-se, sitting fees paid to them and details of meetings attended by them are as under :

Director	Category	Sitting Fees paid during the year	No. of Board Meeting during the year		Attended Last AGM held on 19-09-2008
			Held	Attended	
1. Mr. Sunil Choksi	Promoter	NIL	5	5	Yes
2. Mrs. Stela Choksi	Promoter	NIL	5	5	Yes
3. Mr. Sudarshan Shastri	Independent	Rs. 12000/-	5	5	Yes
4. Mr. Kiran Bhai Desai	Independent	NIL	5	1	No
5. Mrs. Himika Choksi Varna	Executive	NIL	5	-	No
6. Mr. Vyangesh Choksi	Executive	NIL	5	5	Yes
7. Mr. Pradip Karmakar	Independent	NIL	5	1	No
8. Mr. Satish Joshi	Independent	NIL	5	NIL	No

Remuneration of Directors for the financial year :	2008-2009
1. Shri Sunil Choksi : Managing Director	Rs. 9,55,000/-
2. Smt. Stela Choksi : Whole time Director	Rs. 6,60,000/-
3. Smt. Himika Choksi Varma	Rs. 5,80,000/-
4. Shri Vyangesh Choksi	Rs. 5,20,000/-
5. Shri Kiran Bhai Desai	Rs. 1,17,500/-

Audit Committee

The composition of the Committee is as follows :

Shri Sudarshan Shastri - Chairman

Shri Satish Joshi - Member

Shri Kiran Bhai Desai - Member

The audit committee comprises of 3 independent Non - executive Directors. The audit committee meet 3 times during the year.

Remuneration Committee

The composition of Board and quantum of remuneration being paid to Managing Director & whole time Directors do not warrant formation of separate remuneration committee. This function will be carried out by the Board of Directors.

Shareholders Committee

The Company has set up a "Shareholders Committee" to look into various issues relating to investors Grievances. The composition of committee is as follows :

Shri Sudarshan Shastri - Chairman

Shri Satish Joshi - Member

Shri Kiran Bhai Desai - Member

Disclosures

There are some transactions entered into by the Company as disclosed in schedule - 15 Notes of Accounts.

GENERAL SHAREHOLDERS INFORMATION**(1) Address for Investor's Correspondence :**

6/3, Manoramaganj, Indore - 452 001

(2) Listing on Stock Exchanges

The Equity Shares of the Company are presently listed with

The Bombay Stock Exchange Ltd., Mumbai

M. P. Stock Exchange, Indore

Initially the Equity Shares were also listed with Ahmedabad stock exchange. but in the year 1998 company has passed a special resolution for voluntary delisting of share with the said stock exchange as per prevailing guidelines & matter is still pending with the Ahmedabad Stock Exchange.

(3) Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mill Compound,

L.B.S. Marg, Bhandup (W),

Mumbai -400 078

Tel. No. 25963838 Ext. : 2303 Fax : No. 25946969

(4) Share Transfer System

The shares are held both in Physical & demat Form :

The share transfer in physical form are processed and the Demat option letter is dispatched to shareholders. If the Demat option letter is not received form DP for dematrilization the share certificates are returned within stipulated time. Demat requests are normally confirmed within 15 days from date of receipt.

(5) Share price

Month	Year	High (Rs.)	Low (Rs.)
April	2008	18.37	12.00
May	2008	21.45	18.20
June	2008	18.90	14.35
July	2008	14.80	11.62
August	2008	16.89	12.76
September	2008	14.50	9.50
October	2008	11.92	5.14
November	2008	7.82	5.55
December	2008	8.38	5.08
January	2009	7.66	6.37
February	2009	7.12	5.91
March	2009	6.96	5.41

(6) Distribution of shareholding as on 29.05.09

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Share Holding
1 to 500	3396	77.3050	850427	17.5310
501 – 1000	552	12.5650	484616	9.9900
1001 – 2000	235	5.3490	370827	7.6440
2001 – 3000	69	1.5710	180689	3.7250
3001 – 4000	26	0.5920	95803	1.9750
4001 – 5000	31	0.7060	148757	3.0670
5001 – 10000	47	1.0700	356810	7.3550
10001 – 999999999	37	0.8420	2363071	48.7130
Total	4393	100.0000	4851000	100.0000

(7) Categories of Shareholding as on 29.05.09

S.No.	Category	No. of Shares	%
1.	Promoters & Directors	1458899	30.0742
2.	Individuals / Others	2857456	58.9045
3.	Body Corporate	505690	10.4244
4.	Mutual Funds & Nationalized Banks	---	--
5.	NRI's OCB's	28955	0.5969
	TOTAL	4851000	100.0000

(8) Annual General Meetings

The Annual General Meetings of the Company for the last three years were held at Registered Office. On the following dates:

Year	Date	No. of Special Resolutions
31.03.2008	19.09.2008	NIL
31.03.2007	26.09.2007	NIL
31.03.2006	12.08.2006	NIL

In the above meetings, no postal ballots were used/invited.

(9) Financial Calendar

Board meeting for consideration of Accounts for the year ended 31-03-2009	05-06-2009
Posting of Annual Reports	On or before 6th July, 2009
Book Closure Dates	30.07.09 to 01.08.09 (Both days inclusive)
Last date for receipt of Proxy Forms	30.07.09 up to 11 A.M.
Date time & Venue of the Annual General Meeting of the Company - At the Registered office on 01.08.09 at 11:00 A. M.	

Annexure 2**AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CORPORATE GOVERNANCE**

To,
The Members of
Choksi Laboratories Ltd.,

We have examined the compliance of the conditions of Corporate Governance by Choksi Laboratories Limited for the year ended 31st March, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management.

Our review was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements.

In our opinion and according to the explanations given to us, we state that to the best of our knowledge, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For PRATEEK JAIN & CO.
Chartered Accountants

Place : **Indore**
Date : **05-06-2009**

Prateek Jain
Proprietor
M. No. 79214

**AUDITORS' REPORT
TO THE MEMBERS OF CHOKSI LABORATORIES LIMITED**

1. We have audited the attached Balance Sheet of Choksi Laboratories Limited, as at 31st March 2009, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
 - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;
 - (iii) The Balance Sheet , Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts ;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account, and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956 ;
 - (v) On the basis of written representations received from the Directors, as on 31st March 2009, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - (b) in the case of Profit and Loss Account, of the "Profit" of the Company for the year ended on that date; and
 - (c) in the case of Cash Flow Statement, of the cash flows of the company for the year ended on that date.

For PRATEEK JAIN & CO.
Chartered Accountants

Prateek Jain
Proprietor
M.No. 79214

Place : Indore
Date : 05.06.2009

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 3 thereof)

1.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification have been properly dealt with in the books of accounts.
 - c) In our opinion and according to the information and explanations given to us, no substantial part of fixed assets has been disposed off by the Company during the year.
2. This being a service rendering Company, there are no Manufacturing Activities in the Company, the only inventory for the Company is Chemicals which are used & consumed for testing purposes. Since its inception, the Company follows the practice of charging to revenue, the purchases of chemicals in the year of purchase itself. Due to this reason, and considering the nature of volatility of the item, as per the explanations given to us, no inventory register is maintained for the same. Hence we are unable to express our opinion on Clause 2 of the CARO, 2003.
3. The Company has not granted any loans, secured or unsecured, from parties listed in the Register maintained under Section 301 of the Companies Act, 1956, but during the year, the Company has taken loans amounting to Rs. 67 Lacs from 2 such parties. The rate of interest and other terms and conditions of the above loans taken by the Company are not prima facie prejudicial to the interest of the Company. However, the Company has given a deposit of Rs. 20 Lacs to a party listed in the register maintained under Section 301 of the Companies Act as deposit for office building on rent, which is interest free.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the rendering of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5.
 - a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956, have been entered in the register required to be maintained under that Section.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements aggregating during the year to Rs. 5 Lacs or more in respect of each party, have been made at prices which are reasonable having regard to the prevailing market prices.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956, and the rules framed thereunder.
7. The Company has an internal audit system, which in our opinion, is commensurate with the size of the Company and the nature of its business.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, for this Company.
9.
 - a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, customs duty, service tax, cess and other material statutory dues as applicable with the appropriate authorities. According to the information and explanation given to us, there are no arrears of outstanding statutory dues as mentioned above as at 31st March, 2009 for a period of more than six months from the date they become payable.

- b) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
10. The company has no accumulated losses as at March 31, 2009 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution, bank or to debenture holders during the year.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute as specified under paragraph 13 of the Order are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long term investment, and vice-versa.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 during the year.
19. The Company has not issued any debentures.
20. The Company has not raised any money by public issue during the year.
21. Based upon the audit procedures performed and the information and explanations provided to us by the management, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

For PRATEEK JAIN & CO.
Chartered Accountants

Place : **Indore**
Date : **05.06.2009**

Prateek Jain
Proprietor
M. No. 79214

BALANCE SHEET AS AT 31ST MARCH 2009

PARTICULARS	SCH. NO.	AS AT 31.03.2009		AS AT 31.03.2008	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	1	48,510,000		48,510,000	
Reserves & Surplus	2	65,566,386	114,076,386	51,900,056	100,410,056
LOAN FUNDS					
Secured Loans	3	43,471,227		71,978,301	
Unsecured Loans	4	1,623,381	45,094,608	595,559	72,573,860
DEFERRED TAX LIABILITY (NET)			16,499,662		18,596,554
TOTAL			175,670,656		191,580,470
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	5	186,466,058		189,880,630	
Less:- Depreciation		53,802,813		49,527,152	
Net Block		132,663,245		140,353,478	
Capital Work in Progress	6	1,409,720	134,072,965	13,014,481	153,367,959
Current Assets, Loans & Advances					
Sundry Debtors	7	36,509,033		32,989,001	
Cash & Bank Balances	8	12,277,097		11,338,269	
Loans & Advances	9	15,031,631		14,664,499	
		63,817,761		58,991,769	
Less:- Current Liabilities & Provision					
Current Liabilities	10	22,220,069		20,779,258	
		22,220,069		20,779,258	
Net Current Assets			41,597,691		38,212,511
TOTAL			175,670,656		191,580,470
Accounting Policies & Notes	13				

Schedules 1 to 13 form an integral part of these accounts

As per our report of even date

For PRATEEK JAIN & CO.

Chartered Accountants

For and on behalf of the Board

Prateek Jain

Proprietor

Sunil Choksi

Managing Director

Stela Choksi

Whole - Time Director

Place : Indore

Date : 05.06.2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

PARTICULARS	SCH. No.	For the year ended 31.03.2009 Rupees	For the year ended 31.03.2008 Rupees
INCOME			
Income from Operations		95,618,162	94,589,351
Interest & Other Income		887,888	1,245,676
Profit/(Loss) on Sale of Fixed Assets		5,931,361	(210,924)
Total		102,437,411	95,624,103
EXPENDITURE			
Operating Expenditure	11	38,447,163	30,812,879
Administrative & Other Expenses	12	28,013,303	32,131,561
Interest Expenses		9,424,366	8,144,375
Depreciation		11,163,659	10,278,929
Total		87,048,492	81,367,744
Profit Before Tax		15,388,919	14,256,359
Provision for Taxation			
-Income Tax Earlier Years		(96,115)	88,805
-Current Tax		3,620,500	3,498,200
-Deferred Tax		(2,096,892)	1,531,022
-Fringe Benefits Tax		270,470	265,800
Profit After Tax		13,690,956	8,872,532
Less : Prior Period Adjustments		24,626	2,537
Net Profit		13,666,330	8,869,995
Previous Year Balance Brought Forward		51,507,056	42,637,061
Balance Carried to Balance Sheet		65,173,386	51,507,056
Notes of Accounts	13		
Earnings Per Share-basic and diluted (Rs.) (Note 12)		2.82	1.83

Schedules 1 to 13 form an integral part of these accounts

As per our report of even date

For PRATEEK JAIN & CO.
Chartered Accountants

For and on behalf of the Board

Prateek Jain
ProprietorSunil Choksi
Managing DirectorStela Choksi
Whole - Time DirectorPlace : Indore
Date : 05.06.2009

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

A. CASH FLOW FROM OPERATING ACTIVITIES	This Year	Previous Year
Profit / (Loss) before Income Tax & Extraordinary Items	15389	14256
Add: Adjustment for		
a) Depreciation	11164	10279
b) Interest Paid	9424	8144
c) Loss on Sale of Fixed assets	(5931)	211
Operational Profit before working capital changes	30046	32891
Adjustments for:		
a) Trade and other receivables	(3520)	(1828)
b) Trade and other payables	1314	(2060)
c) Other current assets	1988	(786)
Cash generated from Operations	29828	28217
Direct Taxes Paid (Net)	(6023)	(6980)
Prior Period Adjustment	(25)	(3)
Net Cash from Operating Activities	23780	21234
B. CASH FLOW FROM INVESTING ACTIVITIES		
a) Acquisition of Fixed Assets	(13833)	(8078)
b) Sale of Fixed Assets	28606	300
c) Capital Work in Progress	(710)	(13014)
d) Sale of Investments	0	1325
Net cash used in investing activities	14063	(19467)
C. CASH FLOW FROM FINANCING ACTIVITIES		
a) Proceeds from Borrowing (Net)	(27479)	6936
b) Interest Paid	(9424)	(8144)
Net cash (Used in)/generated from financing activities	(36904)	(1208)
Net Increase (Decrease) in cash and cash equivalents (A+B+C)	939	558
Cash and cash equivalents at the commencement of the year	11338	10780
Cash and cash equivalents at the close of the year	12277	11338

Note: (1) Figure in-brackets represent outflows

(2) Previous year's figures have been regrouped wherever necessary to confirm to this year's classification.

As per our report of even date

For PRATEEK JAIN & CO.
Chartered Accountants

For and on behalf of the Board

Prateek Jain
Proprietor

Sunil Choksi
Managing Director

Stela Choksi
Whole - Time Director

Place : Indore
Date : 05.06.2009

**SCHEDULES 1 TO 13 FORMING PART OF THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
31ST MARCH 2009**

PARTICULARS	AS AT 31.03.2009 Rupees	AS AT 31.03.2008 Rupees
-------------	-------------------------------	-------------------------------

SCHEDULE 1 : SHARE CAPITAL**AUTHORISED**

50 Lacs Equity Share of Rs. 10/- Each	50,000,000	50,000,000
--	------------	------------

ISSUED

4999100 Equity share of Rs. 10/- Each	49,991,000	49,991,000
--	------------	------------

SUBSCRIBED, CALLED UP AND PAID UP

4851000 (Previous Year 4851000) Equity Shares of Rs. 10/- Each	48,510,000	48,510,000
---	------------	------------

Add : Shares Forfeited

—	—
48,510,000	48,510,000

SCHEDULE 2 : RESERVE & SURPLUS

Profit & Loss Account	65,173,386	51,507,056
Capital Reserve	393,000	393,000
	65,566,386	51,900,056

SCHEDULE 3 : SECURED LOANS

* Term Loan From UCO Bank	31,166,947	56,847,295
* Cash Credit From UCO Bank	11,537,434	14,519,030
 ** Others	 766,846	 611,976
	43,471,227	71,978,301

* The Term Loan from UCO Bank is secured by hypothecation of all fixed assets and movables, Both present and future.
Cash Credit from UCO Bank is secured by joint hypothecation of running stocks of Consumables and all Book debts, both present and future.

The above loans are also personally guaranteed by the directors Mr. Sunil Choksi, and Mrs. Stela Choksi.

** These loans are personally guaranteed by Directors Mr. Sunil Choksi and Mrs. Stela Choksi and have been obtained from Finance Companies for purchase of vehicles.

SCHEDULE 4 : UNSECURED LOANS

Deposit from Franchisees	673,381	595,559
Unsecured Loan from Directors	950,000	—
	1,623,381	595,559

Unsecured loans includes deposits from the parties who have been appointed as franchisees for handling Company's operations in the various parts of the Country.

SCHEDULE 5: FIXED ASSETS

Name of the Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Total As on 01.04.2008	Additions during the Year	Deductions during the Year	Total As on 31.03.2009	Up to 31.03.2008	For the Year	Deductions during the Year	Total As on 31.03.2009	As on 31.03.2009	As on 31.03.2008
Land (Freehold) Indore	1,000,000	-	-	1,000,000	-	-	-	-	1,000,000	1,000,000
Land (Leasehold) Vapi	2,710,605	-	2,710,605	---	-	-	-	-	-	2,710,605
Land (Leasehold) Goa	---	5,330,200	-	5,330,200	-	-	-	-	5,330,200	-
Instruments	104,456,769	15,584,200	2,353,734	117,687,235	26,076,101	5,573,058	875,547	30,773,612	86,913,623	78,380,668
Computers	14,162,193	128,368	1,847,586	124,429,75	8,218,147	2,026,849	1,797,697	8,447,299	3,995,676	5,944,046
Air Conditioners	3,043,340	78,000	1,709,956	1411384	866,508	166,819	751,216	282,111	1,129,273	2,176,832
Electrical Installation	7,348,672	439,555	1,221,079	6567148	1,527,902	531,153	266,647	1,792,408	4,774,740	5,820,770
Furniture & Fixtures	19,034,499	2,640,361	5,412,523	16262337	3,755,281	1,265,338	983,280	4,037,339	12,224,998	15,279,218
Buildings	27,955,886	913,321	12,733,851	16135356	5,777,825	921,608	1,384,033	5,315,400	10,819,957	22,178,061
Office at Vapi	1,949,479	-	-	1949479	350,632	65,113	-	415,745	1,533,734	1,598,847
Office Equipment	1,987,448	320,566	51,550	2256464	477,511	105,183	8,497	574,197	1,682,267	1,509,937
Cycle	6,035	-	-	6035	2,844	427	-	3,271	2,764	3,191
Motor Car	5,721,608	676,292	1,521,351	4876549	2,308,417	457,810	821,081	1,945,146	2,931,403	3,413,191
Motor Cycle	504,096	36,800	-	540896	165,984	50,303	-	216,287	324,609	338,112
Total	189,880,630	26,147,663	29,562,235	186,466,058	49,527,152	11,163,659	6,887,998	53,802,813	132,663,245	140,353,478
Previous Year	182,594,571	8,077,567	791,508	189,880,630	39,528,807	10,278,929	280,584	49,527,152	140,353,478	143,065,764

PARTICULARS	AS AT 31.03.2009 Rs.	AS AT 31.03.2008 Rs.
<u>SCHEDULE 6 : CAPITAL WORK IN PROGRESS (AT COST)</u>		
Building & Others	59,720	300,703
Furniture & Fixtures	—	1,648,955
Electrical Installation	—	88,227
Office Equipment	—	78,057
Instruments	—	10,198,539
Computer Software	1,350,000	700,000
	1,409,720	13,014,481
<u>SECHDULE 7 : SUNDRY DEBTORS</u>		
(Unsecured Considered good)		
Debts Outstanding for a period exceeding six months	16,458,272	16,560,160
Other Debts	20,050,761	16,428,841
	36,509,033	32,989,001
<u>SECHDULE 8 : CASH & BANK BALANCES</u>		
Cash in Hand	356,121	116,366
Balance with Scheduled Banks :		
In Current Accounts	1,690,034	1,468,561
In Deposit Accounts	10,230,942	9,753,342
	12,277,097	11,338,269
<u>SECHDULE 9 : LOANS AND ADVANCES</u>		
(Unsecured considered good)		
Recoverable in cash or in kind or for value to be received		
Deposits	4,049,728	4,491,515
Loans & Advances	808,644	2,165,966
Advance Income Tax & Fringe Benefit Tax	550,000	1,250,000
Tax Deducted at Source	5,581,442	5,457,658
Income Tax Refundable	2,931,520	—
Prepaid Expenses	1,110,297	1,299,360
	15,031,631	14,664,499
<u>SCHEDULE 10 : CURRENT LIABILITIES</u>		
Sundry Creditors	7,657,344	9,787,521
Advance payments from Customers	2,329,710	2,027,981
Provision for Income Tax & FBT	3,890,970	3,764,000
Others Liabilities & Provision for Expenses	8,342,045	5,199,756
	22,220,069	20,779,258

PARTICULARS	AS AT	AS AT
	31.03.2009 Rs.	31.03.2008 Rs.

SCHEDULE 11 : OPERATING EXPENDITURE**Purchases :-**

Glassware	321,133	376,018
Chemicals	7,736,545	6,069,960

Total Purchases Rs.**8,057,678****6,445,978****Direct Expenses:-**

Wages & Other Benefits	14,473,614	10,847,478
Site Expenses	166,700	489,227
Laboratory / Consumable Expenses	6,089,347	4,697,522
Power & Fuel Charges	3,206,236	2,824,884
Water Charges	52,377	35,114
Insurance: Instruments & Building	156,248	218,573
Freight / Transportation Charges	151,891	102,245
Testing Charges (Calibration/Building /Soil)	608,736	795,968
NABL/BIS/NPL - Asstt. Charges	242,056	186,057
Repair & Maintenance – Instruments & Building	5,242,280	4,169,833

Total**30,389,485****24,366,901****Grand Total Rs.****38,447,163****30,812,879****SCHEDULE 12 : ADMINISTRATIVE AND OTHER EXPENSES**

Salaries to Staff and Allowances	5,676,852	5,770,714
Bonus to Staff & Workers	751,148	680,108
Exgratia	694,736	489,049
Group Gratuity Payment of LIC	227,311	240,465
Staff Welfare	145,943	297,563
Director Remuneration & Sitting Fees	2,884,500	2,781,484
Security Service Charges	328,748	366,410
Telephone & Mobile Expenses	556,188	545,901
Internet Expenses	420,388	261,451
Electricity Charges	269,877	359,450
Postage & Courier Charges	457,721	404,697
Conveyance Expenses	332,593	417,248
Vehicle Running & Maintenance	390,403	337,835
Computer Expenses	671,554	1,429,156
Guest House Expenses	104,520	87,200
Printing & Stationery Expenses	931,152	1,114,860
Books & Periodicals	39,023	153,113
Rent	2,955,395	2,332,598
Insurance on Vehicle	74,986	62,079
Insurance on Others	507,966	302,562

PARTICULARS	AS AT	AS AT
	31.03.2009 Rs.	31.03.2008 Rs.
Garden Maintenance Charges	23,596	42,475
Office Expenses / Maintenance Charges	295,467	474,713
Repairs & Maintenance	328,849	902,415
Consultancy Charges	123,015	740,695
Membership Fees & Subscriptions	5,985	19,218
Placement Expenses	5,300	—
Legal / Professional Charges	1,601,391	1,437,758
Auditors Remuneration	100,000	100,000
Tender Expenses	9,400	2,200
Training / Certification Fees	84,000	38,825
Rates & Taxes	250,637	540,467
Licence Renewal / Registration & Filling Fees	48,773	74,547
Listing Fees	36,050	22,500
Bank Charges & Processing Charges	304,420	384,201
Advertisement Expenses	160,920	215,611
Business Promotion Expenses	601,938	938,346
Commission & Brokerages	1,273,003	1,547,624
Discount Allowed	532,108	1,685,427
Penalty Charges	4,800	—
Donation	7,500	11,000
Bad Debts Written Off	1,049,481	1,893,568
Travelling Expenses	2,745,666	2,626,028
Total	28,013,303	32,131,561

SCHEDULE 13 : NOTES ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**PART A: SIGNIFICANT ACCOUNTING POLICIES**

01. Accounting Convention: The financial statements are prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.
02. Use of Estimates: The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.
03. Fixed assets are stated at historical cost of acquisition / construction, net of cenvat less accumulated depreciation and impairment loss, if any. All costs including financial costs and revenue expenditure till commencement of services, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

Grants/ subsidies received, if any, from Government and others towards cost/ part of the cost fixed asset(s) are reduced from the cost of the respective asset(s) and the net cost incurred by the Company only is carried to the fixed assets block.
04. Capital Work-in-Progress: Amounts spent on expansion project are carried at cost under the head Capital Works in Progress. As and when the assets are put to commercial use, cost of the respective asset is capitalized. Besides the direct cost, indirect costs relating to the acquisition and installation of assets incurred till the assets are put to use are capitalized in the proportionate value of assets.
05. Depreciation on fixed assets is provided under straight line method (SLM) at the rates specified in Schedule XIV of the Companies Act, 1956. Depreciation on additions / deletions to assets during the year is provided on pro-rata basis.
06. Impairment of Assets : An asset is treated as impaired when the carrying cost exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in a prior accounting period is reversed if there has been a change in the estimate of recoverable amount.
07. Retirement Benefits : Provident fund cost is accounted as per provisions of the said Act. Provision for value of unutilised leave due to employees is made on accrual basis. For provision of gratuity liability, the Company has adopted Actuarial Valuation.
08. Revenue Recognition: Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Income from operations include Income from services rendered, adjusted for discounts and excludes service tax and other applicable taxes collected.

PART B: NOTES FORMING PART OF THE ACCOUNTS

01. Contingent liability for Bank Guarantee issued by Bank on behalf of the Company Rs.8459212/- (Previous year - 8459212/-)
02. In the opinion of the Board of Directors of the Company, the Current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and the provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.
03. The balances appearing under the heads Debtors, Loans and Advances and Current Liabilities are subject to confirmation from respective parties and reconciliation, if any.

04. The Company has purchased Land for its building which is yet to be registered in the name of the Company.
05. Since its inception, the Company follows the practice of charging to revenue the purchase of chemicals and glassware during the year of purchase itself.
06. As per the accounting standard 22 issued by the ICAI, the Deferred Tax Liability is accounted for in respect of timing differences. The accumulated Deferred Tax Liability comprise of the following:

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Timing difference in Tax effect of depreciation on fixed assets as per Income Tax & Financial books	16499662	18596554

07. **Segmental Reporting :** The Company treats Analytical Charges & Consultancy Receipts as a single segment and therefore details of segments are not separately shown. The Company is a Commercial Testing House engaged in testing of various products and also offers services in the field of pollution control as allied activity. The company is managed organisationally as a unified entity with various functional heads reporting to the top management and is not organised along segments. There are, therefore, no separate segments within the Company as defined by AS-17 (Segmental Reporting) issued by the ICAI.
08. **Related Party Disclosures :**

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

1. Related Parties

(a) Individual having control & Key Management Personnel

Mr. Sunil Choksi	Managing Director
Mrs. Himika Varma	Jt. Managing Director
Mrs. Stela Choksi	Whole Time Director
Mr. Vyangesh Choksi	Whole Time Director

Relatives of KMP

Mrs. Neeta Shah
D. G Choksi HUF

Enterprises over which the One of the Directors exercise significant influence :

Volo Facio Pvt. Ltd.

2. Disclosure of transactions between the Company and Related Parties and the Status of outstanding balances as on March 31, 2009 :

Nature of Transactions	Individual having Control and KMP	Relatives of KMP and Enterprises having their significant influence and other directors	Outstanding balance as on 31-03-2009
Remuneration & Sitting Fees	2767000	129500	380387
Professional Charges	---	18000	---
Commission	---	591706	127911
Salary	---	180000	112760
Interest	---	151027	---
Rent	444000	1136820	291979
Deposit Given	---	Op. Bal. 25 Lacs	2000000

09. There are no amounts payable to any Small Scale Industrial Undertaking in excess of Rs. One lakh which is outstanding for more than thirty days.
10. Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company) : The Management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of Micro, Small & Medium enterprise, as defined under Micro, Small & Medium Enterprises Development Act, 2006. Based on information received and available with the Company, no amount is payable to such enterprises as at 31st March 2009. The Company has not received any claim for interest from any supplier under the said Act.
11. Auditors' Remuneration

	For the year ended March 31, 2009	For the year ended March 31, 2008
	Rupees	Rupees
Audit Fees	100000/-	100000/-
For Certification & other services	2250/-	Nil

12. Earnings Per Share:

Earnings per share has been computed as under:

Profit after taxation(Rs.)	(a) 13666330	8869995
Number of Equity Shares outstanding	(b) 4851000	4851000
Earnings per share	(a)/(b) 2.82	1.83
(Face value Rs.10 per Share)		

13. Capacities and Production

a. Licensed Capacity	:	Not Applicable
b. Installed Capacity	:	Not Applicable.
c. Actual Production	:	Not Applicable.

14. Turnover of Goods Produced / traded

Class of Goods	Qty.		Value (Rupees in Lacs)	
	2008-2009	2007-2008	2008-2009	2007-2008
Misc. Items	Nil	NIL	0.00	0.00
TOTAL	Nil	NIL	0.00	0.00

15. Closing Stock of goods produced / traded

Class of Goods	Qty.		Value (Rupees in Lacs)	
	2008-2009	2007-2008	2008-2009	2007-2008
Misc. Items	NIL	NIL	NIL	NIL

16. Consumption of Raw Materials

Class of Goods	Qty.		Value (Rupees in Lacs)	
	2008-2009	2007-2008	2008-2009	2007-2008
Misc. Items	NIL	NIL	NIL	NIL

17. Expenditure in foreign Currency Rs.1802921/-, Previous Year (Rs.714933/-)
Income in foreign Currency Rs. 109444/-
C.I.F Value of Imports Rs. 3857908/-

18. Figures have been rounded off to the nearest Rupee.

19. Figures of previous year have been regrouped / rearranged / recast wherever necessary to confirm to this year's classification.

20. Balance Sheet Abstract and Company's General Business Profile

i)	Registration Details	
	Registration No.	07471
	State Code	10
	Balance Sheet Date	31.03.2009
ii)	Capital Raised during the year	(Rs.000)
	Public Issue (Allotment Money)	NIL
	Right Issue	NIL
	Bonus Issue	NIL
	Private Placement	NIL
iii)	Position of Mobilisation and Deployment of Funds	(Rs.000)
	Total Liabilities	83814
	Total Assets	197891
	Sources of Funds	
	Paid-up- Capital	48510
	Reserves and Surplus	65566
	Secured Loans	43471
	Unsecured Loans	1623
	Deferred Tax Liability	16500
	TOTAL	175670
	Application of Funds	
	Net Fixed Assets	134073
	Investments	NIL
	Net Current Assets	41597
	Miscellaneous Expenditure	----
	Accumulated Losses	----
	Total	175670
iv)	Performance of the Company	(Rs.000)
	Turn Over	95618
	Total Expenditure	87048
	Profit (Loss) Before Tax	15389
	Profit (Loss) After Tax	13666
	Earnings Per Share (Rs.)	2.82
	Dividend Rate	----
v)	Generic Name of Principal Products / Services of Company (As per Monetary Terms)	Test, Inspection, Certification

As per our report of even date

For PRATEEK JAIN & CO.

Chartered Accountants

For and on behalf of the Board**Prateek Jain**

Proprietor

Sunil Choksi
Managing Director**Stela Choksi**
Whole - Time Director

Place : Indore

Date : 05-06-2009

Choksi Laboratories Limited

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

ATTENDANCE SLIP

16th ANNUAL GENERAL MEETING, 1st August, 2009

*DPID _____

Reg. Folio No. _____

No. of Shares Held _____

I Certify that I am a registered shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the 16th, Annual General Meeting of the Company at 6/3, Manoramaganj, INDORE (M.P.) on Saturday the 1st August, 2009 at 11 A. M.

Member's/Proxy's Name in Block Letters

Member's/Proxy's Signature

Note : Please fill this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL.

----- Tear Here -----

Choksi Laboratories Limited

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

PROXY FORM

*DPID _____

Folio No _____

No. of Shares Held _____

I/We _____

of _____

Being a member(s) **CHOKSI LABORATORIES LIMITED** hereby appoint _____

_____ of

_____ of failing him _____

of _____

as my/our proxy to vote for me/us on my/our behalf at the 16th, Annual General Meeting of the Company to be held on 1st August, 2009 and at any adjournment thereof.

Signed this _____ day of _____ 2009

Note : The proxy from should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. The proxy need not be a member of the Company :

*Applicable to the members whose shares are held in Demat form.

Affix
1 Rs.
Revenue
Stamp

Signature _____

Book - Post

To,

If undelivered, Please return to :

Choksi Laboratories Limited

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

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