

AVI PHOTOCHEM LIMITED

110, Manish Ind Est No. 4, Navghar Rd, Vasai (E),
Dist: Thane - 401210, Maharashtra, India

Twenty Third Annual Report 2011 - 2012

AVI PHOTOCHEM LIMITED
TWENTY THIRD ANNUAL REPORT 2011-12

BOARD OF DIRECTORS: Mr. Avinash Vora : Executive Chairman
Mr. Vikram A Vora : Executive Director
Mr. Pradeep Joshi : Independent Director
Mr. Ray Almeida : Independent Director

AUDITORS: M/s. J.H. Ghumara & Co.
Chartered Accountants

BANKER'S: THE COSMOS CO-OPERATIVE BANK LIMITED
PUNJAB & MAHARASTRA BANK LIMITED

REGISTERED OFFICE: 110, Manish Ind Est No. 4,
Navghar Rd, Vasai (E)
Dist: Thane - 401210, Maharashtra India
Email: avichem@vsnl.com

REGISTRAR TRANSFER AGENTS: System Support Services
209 Shivai Ind. Estates, 89, Andheri Kurla Road,
Saki Naka, Andheri (E), Mumbai -400 072
Ph 022- 28500835, Fax 022-28501438,
email: syss72@yahoo.com

AVI PHOTOCHEM LIMITED

Regd Office: 110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane, Pin 401210, India

NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the members of Avi Photochem Limited will be held on Saturday, the 29th day of September, 2012 at 11.00 A.M. at 110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane, Pin 401210, India to transact the following business as:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2012 and Profit & Loss for the period ended on that date along with Reports of Directors, Company Secretaries and Auditors thereon.
2. To appoint a Director in place of Mr. Avinash Dhirajlal Vora, who retires by rotation and being eligible offers himself for re - appointment.
3. To consider if thought fit, to pass with or without modification the following resolution as an ordinary resolution.

“RESOLVED THAT M/s S.Shah & Associates, Chartered Accountant, Mumbai, be and are hereby appointed auditors of the company to fill the casual vacancy caused by the resignation of M/s J.H. Ghumara & Co Chartered Accountant, Mumbai and to hold office until the conclusion of next Annual General Meeting and they are remunerated by way of such fees as the Board of Directors may determine.”

By the order of the Board of Directors
For AVI PHOTOCHEM LIMITED

Date: 01.09.2012
Place: Mumbai

Sd/-
Chairman

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
2. The Register of Members will remain closed from Tuesday, 25th September, 2012 to Saturday, 29th September, 2012 (Both days inclusive).
3. The Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956, setting out material facts in respect of the business under Item No. 3 is annexed hereto.
4. Please intimate the changes, if any, in your registered address, to the Company's Registrar & Share Transfer Agent at the following address:-
System Support Services
209 Shivaji Ind. Estates, 89, Andheri Kurla Road, Saki Naka, Andheri E,
Mumbai-400072, Ph 122-28500835, Fax 022-28501438, Email: [sysss72@yahoo.com](mailto:syss72@yahoo.com)

Shareholders who have multiple folios in identical names or joint names in the same order are requested to intimate to the Company to consolidate all such share holding into a single folio.

5. Shareholders desiring any information as regards the Accounts are requested to write to the Company at any early date so as to enable the Management to keep the information ready.
6. Green initiative in Corporate Governance: The Government of India, Ministry of Corporate Affairs (MCA) vide its circular no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 has taken a "Green Initiative" and has allowed companies to make services of documents including Annual Report, Audited Financial Statements, Director's Report, Auditor's Report, etc. to the members through the electronic mode, to the registered email addresses of the members. This is a golden opportunity to contribute to our Nation at large. All you have to do is to register your e-mail address with the Company to receive communication through the electronic mode.

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

ITEM NO. 3

The Existing Auditors of the company has resigned due to personal reasons. Thus, the board has recommended the appointment of M/s. S. Shah & Associates, Chartered Accountants, as the new Auditors of the Company.

Thus it is proposed that M/s. S. Shah & Associates, Chartered Accountants, Mumbai be appointed as statutory auditors of the company to fill up the casual vacancy caused by the resignation of M/s J.H.Ghumara & Co., Chartered Accountants for the financial year 2012-13 till the conclusion of the next Annual General Meeting.

Pursuant to the provisions of the Companies Act, 1956, any changes in the Auditors of the company need the shareholders approval. Thus, the resolution is placed for the members approval.

None of the directors are interested in the said resolution.

By the order of the Board of Directors
For AVI PHOTOCHEM LIMITED

Date: 01.09.2012
Place: Mumbai

Sd/-
Chairman

AVI PHOTOCHEM LIMITED

Regd Office: 110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane, Pin 401210, India

DIRECTOR'S REPORT

To,
The Shareholders,

Your Directors have pleasure in presenting the Twenty Second Annual Report of the company with the audited statement of accounts for the year ended 31st March, 2012.

1. Financial results

	For the Year ended on 31.03.2012	For the Year ended on 31.03.2011
Total Income	21,717,432	23,35,191
Total Expenditure	16,361,933	2,807,135
Profit/(Loss) before taxation	273,267	(471,943)
Provision for Tax	-	-
Profit/(Loss) after Taxation	273,267	(471,943)
Balance b/f from Previous Year	(37,266,473)	(36,794,530)
Balance carried forward to Balance Sheet	(36,993,207)	(37,266,473)

2. Working Results:

During the year, the company has earned profit of Rs. 273,267 (Previous Year loss of Rs. 471,943). We have amicably settled the dues owed by the company to M/s Bank of Baroda and there are no dues pending as of date.

3. Dividend:

In view of past losses, directors have not proposed declassification of dividend for the year.

4. Fixed Deposits:

The Company has not accepted any deposits from the public during the year under review.

5. Particulars of Employees:

Details of remuneration paid to employees as required by Section 217(2A) of the Companies Act, 1956, are not applicable, since the Company has not employed any person drawing salary of more than Rs. 60,00,000/- per annum or Rs. 5,00,000/- per month.

6. Management Discussion & Analysis:

As required by clause 49 of the Listing Agreement with the Stock Exchange, a Management Discussion and Analysis Report are appended.

7. Director's Responsibility Statement:

In compliance of Section 217(2AA) as incorporated by the Companies (Amendment) Act, 2000, your Directors confirm that:

- i. In the preparation of annual accounts, the applicable accounting standards have been followed and that there were no material departures.
- ii. The accounting policies selected by them have been applied consistently and judgements and estimates that are reasonable and prudent have been made so as to give

a true and fair view of the state of affairs of the company as at 31st March, 2012 and of the profit of the Company for the year ended on that date.

- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The annual accounts have prepared on a going concern basis.

8. Conservation of energy, technology absorption & foreign exchange earnings and outgo:

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 has not been furnished as the same is not applicable to the Company during the year.

9. Auditors:

The Auditors M/s J.H. Ghumara & Co. Chartered Accountants, Mumbai who held the office until the conclusion of ensuing Annual General Meeting. However due to personal reasons, M/s J.H. Ghumara & Co. has resigned and the Board of Directors has recommended appointment of M/s. S. Shah & Associates as new auditors for the year 2012-13. The Board accordingly considered the matter and decided to seek the approval of the members at the ensuing Annual General Meeting for appointment of M/s S.Shah & Associates as auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting.

The Company has received a letter from the Auditors proposed to be appointed to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

10. Auditors Remarks:

Remarks in the Auditors Report are self explanatory and hence need no further clarification as it is also mentioned in the notes to accounts.

11. Directors:

In accordance with the provisions of the Companies Act, 1956, Mr Avinash Dhirajlal Vora Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

12. Corporate Governance:

A separate report on the Corporate Governance and Management Discussion & Analysis is attached as a part of the Annual Report. The Auditors' Certificate regarding compliance of the conditions of Corporate Governance is also annexed.

13. Secretarial Audit Report:

The Company has obtained compliance certificate from practicing company secretary mr. Anish Gupta & Associates under section 383A of the Companies Act, 1956 and is being form part of the Balance Sheet.

14. Appreciation:

Your Board of Directors wishes to express its deep appreciation and gratitude to the bankers, shareholders and clients for their sustained support, without which the continuing progress of the company would not have been possible.

FOR AVI PHOTOCHEM LIMITED

Sd/-

Place: Mumbai

Date: 01.09.2012

CHAIRMAN

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2012.

After many years of inactivity due to financial difficulties we have finally sorted out our liability with the bank against assets. .

INDUSTRY STRUCTURE, DEVELOPMENT:

The Company is operating from 110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane-401210, Maharashtra, India

PERFORMANCE

The Company is doing trading business in chemicals. Company is looking for trying to explore the overseas market for its business.

SEGMENT-WISE PERFORMANCE:

The Company is into trading in specialty chemicals.

OPPORTUNITIES AND THREATS

The fundamental growth drivers of the country's economy as well as our company continue to remain strong despite the pressures of slowdown and inflationary conditions prevalent till recently in the nation and also globally. We are also in talks with reputed chemicals companies to import speciality chemicals.

The threats to the segments in which the company operates are volatility in Exchange rate, pricing pressure arising due to competition from low cost suppliers, technology upgradation, severe competition among competitor and newly emerging competitive nations and stricter environment laws. Further, the Indian economy is now integrated with the world economy to a very large extent and therefore vulnerable to the direct impact of such a slowdown; such an impact could adversely affect the Company's performance as well. Therefore, the company has decided to close down the manufacturing activity, concentrate on the trading, and look for other opportunities in the Export market.

MANAGEMENT TEAM

The existing management has a strong technical and management knowledge and experience in the chemical business.

Mr. Avinash Vora, Chairman and Executive Director of the Company is an entrepreneur and is having vast knowledge and expertise in handling various business including the business of the Company.

Mr. Vikram Vora, Executive Director is an engineer and MBA in Marketing. Having past experience of working for India's largest private bank, he brings in great value to the company.

Mr. Ray Almeida, Director brings in vast experience in administration and manufacturing processes which adds great value to the company

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. The management is ensuring an effective internal control system to safeguard the assets of the company.

Efforts for continued improvement of internal control system are being consistently made in this regard. The company has cleared secured bank liability against assets.

HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The industrial relations with workers at plant and officers are cordial during the year under review. All issues pertaining to staff matters are resolved in harmonious and cordial manner.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws, and other statutes and other incidental factors.

FOR AVI PHOTOCHEM LIMITED

Sd/-

Place: Mumbai
Date: 01.09.2012

CHAIRMAN

CORPORATE GOVERNANCE REPORT

The company pursuant to the code on Corporate Governance introduced by the Securities and Exchange Board of India [SEBI] furnishes its report as under:

COMPANY PHILOSOPHY ON CODE OF GOVERNANCE :

The company philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity in all fact of its operations, and in all its inception with its stakeholders, including shareholders, employees and the government. AVI Photochem Limited believes in enhancing shareholders value, over a period of time.

The company firmly believes in and has consistently practiced good corporate governance for the efficient conduct of its business and for meeting its obligations towards all its shareholders.

The company has tuned up its corporate governance practice so as to bring them in conformity with requirements of clause 49 of the listing agreement.

COMPOSITION OF BOARD OF DIRECTORS:

During the year the Board Meetings Held on 30/04/2011, 31/07/2011, 04/09/2011, 31/10/2011 and 31/01/2012.

Sr. No.	Name of the Director	Category of Director	No. of Board meetings attended	Attendance at the last AGM	No. of other directorship held (Excl. Pvt Company)	No. of committee / membership* * held in other company
1.	Avinash D Vora	Executive Chairman	5	Yes	1	Nil
2.	Pradeep H Joshi	Non-Executive Independent	5	Yes	Nil	Nil
3.	Vikram A Vora	Executive	1	Yes	Nil	Nil
4.	Ray F Almeida	Non-Executive Independent	5	Yes	Nil	Nil

The information required to be given for the Directors seeking reappointment at the Annual General Meeting as per clause 49 (VI) is as under:

Name of the Director	Mr. Avinash Dhirajlal Vora
Father Name	Mr. Dhirajlal Vora
Date of Birth	09/03/1951
Date of Appointment	17/03/1989
Qualification	SSC
Name of the Companies in which he is a director other than AVI PHOTOCHEM LIMITED	AVI GRAPHIC LIMITED
Specific functional Areas	He has rich experience in the field of chemical industry.

AUDIT COMMITTEE:

The company has constituted audit committee consisting of Shri Ray F Almeida (Chairman), Shri Pradeep H Joshi and Shri Avinash D Vora.

The terms of reference are as specified in Section 292A of the Companies Act, 1956 and clause 49 of the Listing agreement. During the year the committee met on 30/04/2011, 31/07/2011, 04/09/2011, 31/10/2011 and 31/01/2012.

Sr. No.	Name of the Director	Category of Membership	No. of Committee meetings held / attended
1	Ray F Almeida	Chairman Independent	5/5
2	Pradeep H Joshi	Non Executive Member	5/5
3	Avinash D Vora	Director	5/5

The minutes of the Audit committee are circulated to the Board members.

SHAREHOLDERS COMMITTEE:

The Shareholders committee consists of Shri Ray F Almeida (Chairman), Shri Pradeep H Joshi and Shri Avinash D Vora.

Sl. No.	Name	Category of Membership
1.	Ray F Almeida	Chairman Independent
2.	Pradeep H Joshi	Non Executive Member
3.	Avinash D Vora	Director

Name and Designation of the Compliance Officer: **Shri Avinash D Vora** , Executive Chairman.
During the year under the review no investor's complaints was received.

REMUNERATION COMMITTEE:

The remuneration committee consists of Shri Ray F Almeida (Chairman), Shri Pradeep H Joshi and Shri Avinash D Vora.

The remuneration committee has been constituted to recommend / review the remuneration package of the Managing / Whole time Director based on the performance and defined criteria. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is consistent with the industry practice.

The Non-executive Directors are not paid commission nor the sitting fees for attending meetings of the Board or Committee thereof.

GENERAL BODY MEETINGS:

The date, time and venue of last three annual general meetings are as follow:

YEAR	LOCATION	DAY & DATE	TIME
2010-2011	110, Manish Ind Est No. 4, Navghar Rd, Vasai(E), Dist: Thane-401210	Friday 30 th September, 2011	10.00 A.M.
2009- 2010	Lote Parshuram, Ratnagiri- 415 709	Thursday 30 th September, 2010	10.00 A.M.
2008 - 2009	Lote Parshuram, Ratnagiri- 415 709	Wednesday 30 th September, 2009	11.30 A.M.

(ii) The particulars of Extra-Ordinary General Meetings held during the last three years are as under:

Year	Date and Time	Resolution Passed
2011	-- N. A.--	-- N. A. --
2010	30.11.2010 at 11.00 A.M.	Change of Registered office from Lotepersuram, Ratnagiri to 110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist Thane -401210
2009	-- N.A.--	-- N.A.--

(iii) No special resolution was put at vote during the last three AGM.

(iv) No resolution was proposed to be passed through postal ballot. No resolution is proposed to be passed through postal ballot at this annual general meeting.

DISCLOSURES:

a) Disclosure on materially significant related party transaction i.e. transaction of the Company of the material nature, with the promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.
There have been no materially related party transactions adversely affecting the interest of the company.

b) Details of non-compliance by the company, penalties and strictures imposed on the Company by stock Exchange or SEBI or other authority on any matter related to capital markets during last three years:

There was no non compliance by the company on any matter related to capital market, SEBI or any other statutory authority and no penalties were imposed or no strictures were passed on the company by such authorities during the last 3 years ended 31.03.2012

c) Code of Conduct

The Board has laid down a code of conduct for all the Board Members and senior Management of the company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis.

d) Whistle Blower Policy

The Company does not have any Whistle Blower Policy as of now but no personnel are being denied any access to the Audit Committee.

e) Secretarial Audit

A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Company has submitted an application with CDSL and NSDL for admission of its securities with them.

f) Details of Companies with mandatory requirements and adoption of the non -mandatory requirements of this clause :

The Company has complied with all the mandatory requirements. As regards the non - mandatory requirements they are complied with to the maximum extent.

g) CEO CERTIFICATION

As provided under Listing Agreement with the Stock Exchanges the Director of the Company has certified to the Board in compliance with the CEO/CFD certification.

GENERAL INFORMATIONS TO SHAREHOLDERS

(i)	Annual General Meeting Date, Time and Venue	Saturday Date : 29 th September 2012 Time: 11.00 A.M. Venue : Registered Office
(ii)	Financial Calendar Year	1 st April, 2011 to 31 st March, 2012
(iii)	Date of Book Closure	Tuesday, 25 th September 2012 to Saturday, 29 th September 2012 (both days inclusive)
(iv)	Dividend Payment Date	Not applicable
(v)	ISIN No. for ordinary shares of the company in Demat form	NOT ALLOTTED
(vi)	Registered Office	110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane, Pin-401210, India
(vii)	Registrar and Transfer Agent	System Support Services 209, Shivai Industrial Estate 89, Andheri Kurla Road, Saki Naka, Andheri East, Mumbai -400 072
(viii)	Plant Locations	Not applicable
(ix)	Investor Correspondence	110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane, Pin -401210, India
(x)	Means of Communication	The company sends its quarterly results to Stock Exchanges.
(xi)	Any Website where it displays official releases	www.aviphoto.in
(xii)	Any presentation made to the institutional investor and analyst	No
(xiii)	Is half yearly report sent to the shareholders	No

(xiv)	Whether Management Discussion and Analysis is a part of this report	Yes
(xv)	Share Transfer System	The work of physical share transfer is handled by Registrar and Transfer Agent. Physical share transfers are normally processed within a period of 25 – 30 days.
(xvi)	Listing and Stock Code	Bombay Stock Exchange (suspended) Scrip Code No 523896 : AVIPHOT Ahmedabad Stock Exchange New Delhi Stock Exchange
(xvii)	Stock Data	Since the Company's shares are suspended, details of trade are not available.
(xviii)	The name and address of Stock Exchanges where Company is listed	Stock Exchange, Ahmedabad, First Floor, Kamdhenu Complex, Panjara Pole, Ambawadi, Ahmadabad –380 015 The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Delhi Stock Exchange Assoc. Ltd Asaf Ali Road, Near Turkman Gate New Delhi - 110006.

Distribution of Shareholdings :as on 31-03-2012

From	To	No. of Shareholders	%	No. of Shares held	%
0	5000	13632	96.62	1960821	56.34
5001	10000	312	2.21	269000	7.73
10001	20000	131	0.93	200100	5.74
20001	30000	24	0.17	59700	1.72
30001	40000	9	0.06	32500	0.94
40001	50000	10	0.07	84800	2.44
50001	100000	8	0.06	216300	6.22
100000 & Above		3	0.02	656852	18.87
TOTAL		14109	100.00	3480076	100.00

Shareholding Pattern as on 31.03.2012

Category	No. Of Shares Held	% Of Holding
A. Promoters and Promoters Group Holding		
1. Individuals /HUF	836476	24.04
2. Bodies Corporate (Including foreign promoter)	-	-
Total (A)	836476	24.04
B. Non Promoters Holding		
1. Financial Institutions/Banks	-	-
2. Foreign Institutional Investors	-	-
3. Non Institution Corporate Bodies	8100	0.23
4. Indian Public/Trusts/Clearing Members	2403500	69.06
5. NRIs & Foreign Nationals	232000	6.67
Total (B)	2643600	75.96
Total (A+B)	3480076	100

FOR AVI PHOTOCHEM LIMITED
Sd/-

Place: Mumbai
Date: 01.09.2012

CHAIRMAN

DECLARATION

ANNUAL DECLARATION BY DIRECTOR PURSUANT TO CLAUSE 49 (i) (d) (ii) OF THE LISTING AGREEMENT

I Avinash D Vora As the Director of AVI PHOTOCHEM LIMITED and as required by Clause 49 (i) (d) (ii) of the Listing Agreement, I, Avinash D Vora, as the Director, hereby declare that all the Board Members and the Senior Management personnel of the Company have affirmed Compliance with the Company's Code of Business Conduct and Ethics, for the Financial Year 2011-12.

FOR AVI PHOTOCHEM LIMITED
Sd/-

Place: Mumbai
Date: 01.09.2012

CHAIRMAN

CEO / CFO CERTIFICATION

To,
The Board of Directors,
AVI Photochem Limited
Mumbai

We certify that:

- a) We have reviewed the financial statements and cash flow statement for the financial year ended 31st March, 2012 and that to the best of our knowledge and belief:
 - (i) these statement do not contain any material untrue statement or omit any material fact or contain statements that might be misleading
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the period, which are fraudulent, illegal or violate the Company's Code of Conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors & the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies
- d) We have indicated to the Auditors and the Audit Committee that:
 - (i) significant changes in the Internal Control Process during the year.
 - (ii) significant changes in Accounting Policies during the year.
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting .

This statement is in accordance with the fact that the Board including the Audit Committee shall provide the necessary superintendence and control over the Managing Director.

FOR AVI PHOTOCHEM LIMITED
Sd/-

Place: Mumbai
Date: 01.09.2012

CHAIRMAN

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
AVI PHOTOCHEM LIMITED

We have examined the compliance of the conditions of corporate governance by AVI PHOTOCHEM LIMITED for the year ended on 31st March, 2012 as stipulated in clause 49 of the listing agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the 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 the opinion of the financial statements of the Company. We further state that the company has not appointed a company secretary.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the management we certify that the company has complied with the conditions of the listing agreement as stipulated by the above mentioned Listing agreement.

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 J. H. Ghumara & Co
CHARTERED ACCOUNTANTS

Place: MUMBAI
Date: 01.09.2012

Sd/-

(J. H. Ghumara)
PRORIETOR
M.SHIP NO. 14320

AUDITORS' REPORT

1. We have audited the accompanying balance sheet of **AVI PHOTOCHEM LIMITED** as at 31st March, 2012 and the statements of profit and loss for the year ended, prepared in conformity with accounting principles generally accepted in India. 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 have conducted our audit in accordance with the 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 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 the 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 (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 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:
 - 4.1 We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 4.2 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 these books.
 - 4.3 In our opinion, the Profit and Loss Account and the Balance Sheet comply with the Accounting standards referred to in Section 211(3C) of the Companies Act, 1956.
 - 4.4 The Balance Sheet and the Profit and Loss Account dealt with by the report are in agreement with the books of account.
 - 4.5 On the basis of the written representation received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2012 from being appointed as Directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - 4.6 In our opinion and to the best of our information and according to the explanations given to us, the said account Except non-compliance in respect of non-appointment of full time company secretary as per note no I , 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.
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012;
 - (ii) in the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.

- (iii) In the case of the Cash Flow Statement of the cash flows of the company for the year ended 31st March 2012 on that date.

For and on behalf of
J.H . Ghumara & Co.
Chartered Accountants
Firm Registration No: 14320

Sd/-
(J.H. Ghumara)
Proprietor
Place : Mumbai
Dated: 1st September, 2012

**ANNEXURE TO THE AUDITORS REPORT OF AVI PHOTOCHEM LIMITED
YEAR ENDED 31ST MARCH, 2012**

(Referred to in paragraph (3) of our report of even dated)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of all fixed assets.
(b) According to the information and explanation provided to us, fixed assets have been physically verified by the management at reasonable intervals during the year. As informed to us by the management, no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanation provided to us, all the fixed assets except leasehold land and factory building have been written off during the year.
- ii. (a) Physical Verification was conducted by the management at reasonable intervals during the year in respect of finished goods.
(b) The procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
(c) The discrepancies noticed on verification between the physical stock and the book records were material and the same have been properly dealt with in the books of accounts.
- iii. (a) According to the records of the Company and according to the information and explanation given to us, the Company has not granted/taken any loans to the companies, firms or other parties listed on the register maintained u/s 301 and to companies under same management.
(b) The company has taken interest free Unsecured Loans from the directors & those amounts are in nature of current account. However, the terms are not prejudicial to the company.
(c) There is no stipulation of payment in case of loans given or taken.
(d) This clause is not applicable in view of (iii) (a).
- iv. In our opinion and according to the information and explanation provided to us, the company has adequate internal control in commensurate with the size and nature of the business purchase of inventory and sale of inventory.
- v. (a) In our opinion and according to the information and explanations given to us, the transactions during the year that need to be entered into Register maintained under Section 301 of the Companies Act, 1956 has been entered.
(b) In our opinion and according to the information and explanations provided to us each of these transactions have been made at the prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. In our opinion and according to explanations given to us, the company has complied with the provisions of sections 58A and 58AA of the act and the rules formed there under for acceptance of deposits. But no interest has been provided for the same.
- vii. The Company is not having any internal audit system.

- viii. This clause is not applicable as maintenance of Cost Records have not been prescribed under section 209(1)(d) of the Companies Act, 1956.
- ix. (a) According to the information and explanation given to us and books and records examined by us there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Custom Duty and Excise Duty Except undisputed sales tax liabilities of Rs. 24,11,526/-
(b) There are no dues of Wealth tax/Custom Duty/Excise Duty/Cess that have not been deposited on account of any dispute.
- x. The Company has accumulated losses at the end of the current financial year exceeding fifty percent of its net worth.
- xi. The Company has not obtained any funds from Financial Institutions or has not raised money by issue of debentures. Hence, the clause is not applicable with regards to Financial Institutions and Debenture Holders.
- xii. The Company has not granted any loans or advances in the nature of loans on the basis of security by way of pledge of any shares, debentures or other securities. Therefore this clause is not applicable.
- xiii. The Company is neither chit fund nor a nidhi/ mutual benefit fund/ society. Thus the provisions of any special statute applicable to chit fund are not applicable to the Company.
(a) The clause is not applicable in view of para (xiii).
(b) The clause is not applicable in view of para (xiii).
(c) The clause is not applicable in view of para (xiii).
(d) The clause is not applicable in view of para (xiii).
- xiv. According to the information and explanations provided to us and on the basis of audit procedure the Company does not deal or trade in shares, securities, debentures and other investments. Thus, further provisions in respect of these transactions are not applicable to the Company and hence no further comments are issued under this clause.
- xv. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. On the basis of audit procedure and according to the information and explanations given to us, the Company has not taken any term loans during the year and therefore this clause is not applicable.
- xvii. Company has not raised any funds during the year therefore this clause is not applicable.
- xviii. As informed by the management, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act.
- xix. The Company has not issued any Debentures. Thus, there is no need for creation of any security.
- xx. The Company has not raised money through public issue. Accordingly, provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.

- xxi. According to the information and explanation given to us, no frauds on or by the Company have been noticed or reported during the period under audit.

For and on behalf of
J.H . Ghumara & Co.
Chartered Accountants
Firm Registration No: 14320

Sd/-
(J.H. Ghumara)
Proprietor
Mumbai Dated: 1st September, 2012

AVI PHOTOCHEM LTD.

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No	31.03.2012	31.03.2011
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	34,800,760	34,800,760
(b) Reserves and Surplus	4	(34,185,907)	(34,459,173)
(c) Money received against share warrants		-	-
(2) Share application money pending			
(3) Non-Current Liabilities			
(a) Long-term borrowings	6	2,411,526	23,285,288
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings	7	777,451	1,474,913
(b) Trade payables	8	2,125,055	1,183,555
(c) Other current liabilities	9	979,600	264,630
(d) Short-term provisions	10	-	680,270
Total		6,908,486	27,230,244
II.Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	5	-	4,424,331
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	11	-	1,482,902
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	12	300,000	13,893,881
(c) Trade receivables	13	6,384,306	7,261,782
(d) Cash and cash equivalents	14	224,180	167,347
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
Total		6,908,486	27,230,244

For and on Behalf of
J.H Ghumara & Co. - Chartered Accountants
Sd/-
(J.H Ghumara) Propreitor
Membership No.: 14320
Mumbai, Dated: 1st September, 2012

For Avi Photochem Limited
Sd/-
Avinash D. Vora
Director

Sd/-
Vikram A. Vora
Director

AVI PHOTOCHEM LIMITED
STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No	31.03.2012	31.03.2011
		RS	RS
I. Revenue from operations	15	2,188,400	1,620,000
II. Other Income	16	19,529,032	715,191
III = Total Revenue (I +II)		21,717,432	2,335,191
IV. Expenses:			
Cost of materials consumed	17	928,481	-
Purchase of Stock-in-Trade	18	1,649,500	1,127,176
Changes in inventories of finished goods,	19	12,965,400	546,229
Employee benefit expense	20	120,000	96,000
Financial costs		706	248
Depreciation and amortization expense		-	756,990
Other expenses	21	697,846	280,493
Total Expenses		16,361,933	2,807,135
V. Profit before exceptional and	(III -	5,355,499	(471,943)
VI. Exceptional Items		5,082,233	-
VII. Profit before extraordinary items and		273,267	(471,943)
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		273,267	(471,943)
X. Tax expense:			
(1) Current tax			-
(2) Deferred tax			-
XI. Profit(Loss) from the period from	(VII-	273,267	(471,943)
XII. Profit/(Loss) from discontinuing		-	-
XIII. Tax expense of discounting		-	-
XIV. Profit/(Loss) from Discontinuing		273,267	(471,943)
XV. Profit/(Loss) for the period (XI +		273,267	(471,943)
XVI. Earning per equity share:			
(1) Basic		0.08	(0.14)
(2) Diluted		0.08	(0.14)

For and on Behalf of
J.H Ghumara & Co. - Chartered Accountants
Sd/-
(J.H Ghumara) Propreitor
Membership No.: 14320
Mumbai, Dated: 1st September, 2012

For Avi Photochem Limited
Sd/-
Avinash D. Vora
Director

Sd/-
Vikram A. Vora
Director

Avi Photochem Limited
Cash Flow Statement For the Year Ended March 31, 2012

	Year ended	Year ended
<u>A. Cash Flow from Operating Activities</u>		
Net Profit before taxation	273,267	(471,943)
<u>Adjustments for:</u>		
Depreciation on fixed assets	-	756,990
Loss on sale of fixed assets	3,749,331	-
Operating Profit before Working Capital changes	4,022,598	285,046
<u>Adjustments for :</u>		
Inventories	13,593,881	546,229
Trade Recievables	877,476	847,387
Loans and Advances	1,482,902	124,300
Trade Payable and Other Liabilities	278,738	(1,644,216)
Net Cash inflow from/ (outflow) from Operating activities	20,255,595	158,746
<u>B. Cash Flow from Investing Activities</u>		
Sale Proceeds from fixed assets	675,000	-
Net Cash inflow from/ (outflow) from Investing activities	675,000	-
<u>C. Cash Flow from Financing Activities</u>		
Repayment of borrowings	(20,873,762)	-
Net Cash inflow from/ (outflow) from Financing activities	(20,873,762)	-
Net increase / (decrease) in cash and cash equivalents	56,832	158,746
Opening Cash and Cash Equivalents		
Cash in hand	151,269	2,837
Bank balances	16,078	5,765
	167,347	8,601
Closing Cash and Cash Equivalents		
Cash in hand	130,775	151,269
Bank balances	93,405	16,078
	224,180	167,347

In terms of our report of even date
For J.H. GHUMARA & CO.
CHARTERED ACCOUNTANTS
 Sd/
 (J.H.GHUMARA)
 Proprietor
 Mem No. : 14320
 Place : Mumbai
 Dated : 01.09.2012

For and on behalf of the Board of Directors
For AVI PHOTOCHEM LIMITED

Sd/	Sd/	Sd/
Director	Director	Director

Place : Mumbai , Dated : 01.09.2012

AVI PHOTCHEM LIMITED
SCHEDULES ATTACHED TO AND FORMING PART OF ACCOUNTS AS OF 31ST MARCH, 2012
SCHEDULES:

SCHEDULE 1 and 2: NOTES FORMING PART OF ACCOUNTS

1. Significant Accounting Policies

- A. Basis of preparation of Financial Statements:
- The Financial Statements have been prepared under the historical cost convention in which the Accounting Standards specified to be mandatory by the Institute of Chartered Accountants of India and the provisions of Companies Act 1956.
 - Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles followed by the Company.
 - Contingent liabilities, if any are taken as certified by the management and are disclosed separately in the notes to accounts.
- B. Inventories:
- Finished goods are valued at cost (net of local taxes).
 - Revenue & Expenses : All income and expenditure items unless otherwise stated are recognised on accrual basis.
 - Material known liabilities are provided for on the basis of available information / estimates. Material items of prior period expenses, non recurring and extra ordinary expenses are disclosed separately.
- C. Sales :
- Sales excludes Sales Tax.
- D. No managerial remuneration or sitting fees have been paid to or provided for any directors of the company.
- E. Previous years figures are regrouped and rearranged wherever necessary as per Schedule VI.
- F. Out of the loans and advances given, advance amount of Rs. NIL (P.Y. Rs. 1,129,547/-) is doubtful of recovery and no provision is made for those advance.
- G. In the opinion of the Board, the Current Assets, Loans and Advances (Except mentioned in point no 4 above) are approximately of the value stated, if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amounts reasonably necessary.No personal expenses have been debited to the Profit and Loss Account.
- H. Sundry Debtors, Creditors, Loans, Advances are subject to confirmationand reconciliation, if any.
- I. The Company does not have a full time Company Secretary as required under Section 383A of the Companies Act,1956. The Company is taking necessary steps to comply with the same.
- J. Debts due by company in which Director is interested:

	(Rupees in Lakhs)	As at 31.03.201	Max. Amt. Outstandin	As at 31.03.201	Max. Amt. Outstandin
i	Advances includes Advances/Deposits given to a firm in which Directors are interested.	NIL	NIL	8.00	8.00
ii	Debts due by firm/ company in which Directors are interested.	52.74	52.74	58.86	58.86

2. As per Accounting Standard 22- Taxes on Income issued by ICAI, working of Deffered Tax Asset/(Liability) is as under: Deffered Tax Asset and Liabilities are attributable to the following items:

	31.3.12	31.3.11
Deffered Tax Liabilities:		
Depreciation	-	963,674
	<u>-</u>	<u>963,674</u>
Deffered Tax Assets:		
Unabsorbed depreciation	1,398,814	2,489,373
Unabsorbed Business Loss		501,454
	<u>1,398,814</u>	<u>2,990,827</u>
Net Deffered Tax Asset	<u>1,398,814</u>	<u>2,027,153</u>

Since there is no virtual or reasonable certainty with the convincing evidence that future taxable income will be available against which such deffered tax asset can be realised , deffered tax asset is not recognised in the books as required by the paragraph 15 and 17 of Accounting Standard 22 issued by ICAI.

- (i) The company is a potentially sick company under clause (o) of Section 3 of Sick Industrial Companies (Special Provisions) Act, 1985 since the accumulated losses of the company exceed 50% of the total Net Worth of the Company.
- (ii) The revised schedule VI has become effective from 1st April 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

SCHEDULE 3 : SHARE CAPITAL:

AUTHORISED CAPITAL

	As at 31st March, 2012	As at 31st March, 2011
35,00,000 Equity Shares of Rs 10/- each	35,000,000	35,000,000
	<u>35,000,000</u>	<u>35,000,000</u>

ISSUED, SUBSCRIBED & PAID UP CAPITAL

34,80,076 Equity Shares of Rs 10/- each	34,800,760	34,800,760
	<u>34,800,760</u>	<u>34,800,760</u>

The Company has only one class of equity shares having a par value of Rs. 10 per share.

Reconciliation of Number of Shares

	As at 31st March, 2012		As at 31st March, 2011	
	No. of	Rs.	No. of	Rs.
Equity Shares				
Opening balance	3,480,076	34,800,760	3,480,076	34,800,760
Issued during the year	-	-	-	-
Closing Balance	3,480,076	34,800,760	3,480,076	34,800,760

Details of shares held by shareholders holding more than 5% of the aggregate shares in

Name of the	As at 31st March, 2012		As at 31st March, 2011	
	No of	% of holding	No of shares	% of
Avinash D. Vora	321,552	9	321,552	9
Vikram Vora	165,000	5	165,000	5

SCHEDULE 4 : RESERVES AND SURPLUS:

	31.03.2012	31.03.2011
RESERVES & SURPLUS		
Capital Reserve (subsidy)		
Opening Balance	2,807,300	2,807,300
Additions	-	-
Closing Balance	A <u>2,807,300</u>	<u>2,807,300</u>
Surplus		
As per last Balance Sheet	(37,266,473)	(36,794,530)
Add /(Less): Net Profit / (Net Loss) for the	273,267	(471,943)
Less: Bonus Shares Issued	-	-
Less: Short Provision for Income-Tax	-	-
	B <u>(36,993,207)</u>	<u>(37,266,473)</u>
	A+B <u><u>(34,185,907)</u></u>	<u><u>(34,459,173)</u></u>

SCHEDULE 5: FIXED ASSETS

NAME OF ASSETS	G R O S S B L O C K			D E P R E C I A T I O N			N E T B L O C K	
	As at	Deductions	As at	Upto		Total	As at	As at
	31.03.2011		31.03.2012	31.03.2011	Deduction	31.03.2012	31.03.2012	31.03.2011
1. Lease Hold Land	463,019	463,019	-	10,605	10,605	-	-	452,414
2. Factory Building	4,200,742	4,200,742	-	2,547,295	2,547,295	-	-	1,653,447
3. Plant & Machinery	11,895,531	11,895,531	-	9,715,352	9,715,352	-	-	2,180,179
4. Electrical Installation	863,653	863,653	-	863,653	863,653	-	-	-
5. Fire Extinguisher	1,710	1,710	-	1,710	1,710	-	-	-
6. Cycle	4,710	4,710	-	4,710	4,710	-	-	-
7. Computer	423,319	423,319	-	423,319	423,319	-	-	-
8. Typewriter	23,761	23,761	-	20,955	20,955	-	-	2,806
9. Furniture & Fixture	390,861	390,861	-	390,861	390,861	-	-	-
10. Pollution Control Equip.	461,782	461,782	-	387,918	387,918	-	-	73,864
11. Air Conditioner	93,114	93,114	-	75,374	75,374	-	-	17,740
12. Fax Machine	72,000	72,000	-	65,556	65,556	-	-	6,444
13. Office Equipment	174,413	174,413	-	139,251	139,251	-	-	35,162
14. Television	8,500	8,500	-	6,224	6,224	-	-	2,276
Total	19,077,115	19,077,115	-	14,652,784	14,652,784	-	-	4,424,331
Previous Year	19,077,115	-	19,077,115	14,652,784	-	14,652,784	4,424,331	5,181,321

SCHEDULE 6: NON CURRENT LIABILITIES

	31.03.2012	31.03.2011
Secured Loans		
<u>From Bank of Baroda</u>		
<u>Term Loans</u>	-	1,576,759
Secured By: Equitable mortgage of Land at Plot No. B-14, MIDC , Ratnagiri & Factory Building Constructed thereon & hypothecation of entire Plants, Machinery & Equipments both present & future & Personal guarantee of all the Directors.		
<u>Cash Credit</u>	-	16,411,912
Secured By: Hypothecation of Raw Materials, Semi		
<u>Book Debts</u>	-	1,500,000
Secured By: All debtors		
<u>Packing Credit</u>	-	1,085,091
Secured By: Letter of Credit received against export		
A	<u>-</u>	<u>20,573,762</u>
Unsecured Deposits		
<u>From Directors</u>		
Daksha A. Vora	-	300,000
from DCKL (sales tax defferement)	2,411,526	2,411,526
B	<u>2,411,526</u>	<u>2,711,526</u>
A+B	<u>2,411,526</u>	<u>23,285,288</u>

SCHEDULE 7: SHORT TERM BORROWINGS:

	31.03.2012	31.03.2011
<u>Directors Current Account</u>		
<u>From Directors & Relatives</u>		
A.D. Vora	-	277,462
Avi Photo Corporation	509,951	509,951
Daksha Vora	-	420,000
<u>From Relatives</u>		
Avi Photo Corporation	167,500	167,500
<u>From Others</u>		
B.D Mehta	100,000	100,000
	<u>777,451</u>	<u>1,474,913</u>

SCHEDULE 8: TRADE PAYABLES:

Bharat Jyoti	1,183,555	1,183,555
Healix Medico	941,500	
	2,125,055	1,183,555

SCHEDULE 9: OTHER CURRENT LIABILITIES:

Statutory Dues	132,550	89,550
Advance from Debtors	838,050	-
Directors Remuneration	-	166,080
Sundry Creditors for Expenses	9,000	9,000
	979,600	264,630

SCHEDULE 10: SHORT TERM PROVISIONS:

Provision for Employee Benefit	-	-
Provision for Others	-	680,270
	-	680,270

SCHEDULE 11: LONG TERM LOANS & ADVANCES:**Deposits****From Government**

Commercial & Industrial Services	-	203,355
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From Others

Electricity Deposits	-	329,547
Godown Deposit (Garden Flowers)	-	800,000
Advance from Evan Construction	-	150,000
Advance from Healix Medico	-	-
	-	1,482,902

SCHEDULE 12: INVENTORIES:**Stock in Trade**

Raw Materials	-	928,481
Finished Goods	300,000	12,965,400

300,000	13,893,881
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SCHEDULE 13: TRADE RECEIVABLES:**Unsecured and considered good**

Exceeding Six Months	6,384,306	6,637,982
Less Than Six Months	-	623,800

6,384,306	7,261,782
------------------	------------------

SCHEDULE 14: CASH AND CASH EQUIVALENTS:

Balances with Banks	93,405	16,078
Cash on hand	130,775	151,269
	224,180	167,347

	<u>31.03.2012</u>	<u>31.03.2011</u>
SCHEDULE 15: REVENUE FROM OPERATIONS	2,188,400	1,620,000
SCHEDULE 16: OTHER INCOME		
Other non-operating income (net of expenses)	19,529,032	715,191
SCHEDULE 17: COST OF MATERIAL		
Opening Stock of Raw Materials	928,481	928,481
Add: Purchases	-	-
	<u>928,481</u>	<u>928,481</u>
Less: Closing Stock of Raw Materials	-	928,481
	928,481	-
SCHEDULE 18: PURCHASE STOCK IN TRADE		
Purchases during the year	1,949,500	1,127,176
Less: Stock in Trade	300,000	
	1,649,500	1,127,176
SCHEDULE 19: CHANGES IN INVENTORIES OF		
Opening Stock of Finished Goods		
Stock-in-trade	12,965,400	13,365,399
Closing Stock of Finished Goods		
Stock-in-trade		12,965,400
	12,965,400	399,999
Opening Stock of LOD		
Stock-in-trade	-	24,239
Closing Stock of LOD		
Stock-in-trade	-	-
	-	24,239
Opening Stock of Packing Material		
Stock-in-trade	-	121,992
Closing Stock of Packing Material		
Stock-in-trade	-	-
	-	121,992
	12,965,400	546,229

SCHEDULE 20: EMPLOYEE BENEFITS

Salaries & Wages	120,000	96,000
	120,000	96,000

SCHEDULE 21: OTHER EXPENSES

Audit Fees	9,000	9,000
AGM Expenses	16,000	14,000
Demat Charges	22,143	-
BSE Listing Fees	19,429	25,051
4Postage & Telegraph	68,550	72,941
Printing & Stationery	43,120	40,001
Professional Fees	30,515	20,000
Registration & Transfer Fees	75,464	25,000
BSE Reinstatement Fees	413,625	-
ROC Filing Fess	-	74,500
Miscellaneous Expenses (Bank Charges)		
	697,846	280,493

For and on Behalf of
J.H Ghumara & Co. - Chartered Accountants
Sd/-
(J.H Ghumara) Propreitor
Membership No.: 14320
Mumbai, Dated: 1st September, 2012

For Avi Photochem Limited
Sd/-
Avinash D. Vora
Director
Sd/-
Vikram A. Vora
Director

AVI PHOTOCHEM LIMITED

110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane - 401210, Maharashtra, India

ATTENDANCE SLIP

Annual General Meeting –29th September 2012

I / We hereby record my / our presence at the TWENTY THIRD ANNUAL GENERAL MEETING of the Company held 110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane - 401210, Maharashtra, India on, Saturday, 29th September 2012 at 11:00 a.m.

Full Name of member _____

Regd. Folio No. _____ No. of Shares held _____

Clint ID No. _____ D. P. ID No. _____

Full Name of Proxy _____

Member's / Proxy's Signature _____

Note: A Shareholder / Proxy wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly filled and signed.

TEAR HERE

AVI PHOTOCHEM LIMITED

110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane - 401210, Maharashtra, India

DP ID	
Client ID	

PROXY FORM

Registered Folio No.	
----------------------	--

I / We _____ of _____ in the district of _____ being a Member / Members of the above named Company, hereby appoint Shri. / Smt. _____ of _____ in the District of _____ as my / our Proxy to attend and vote for me / us and on my / our behalf at the ANNUAL GENERAL MEETING of the Company to be held on Saturday, 29th September 2012 at 11:00 a.m. and at any adjournment thereof.

Signed this _____ day of _____

Affix Rs. 1/- , Revenue Stamp Signature

Note: The Proxy must be deposited at the Registered Office at 110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane - 401210, Maharashtra, India and not less than FORTY EIGHT HOURS before the time fixed for holding this Meeting.

BOOK-POST
PRINTED MATTER

To,

If, undelivered please return to:

AVI PHOTOCHEM LIMITED

110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane, Pin 401210, Maharashtra, India