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**CHOKSH**

**CHOKSH INFOTECH LIMITED**

**9th  
ANNUAL  
REPORT  
2002-2003**

CHOKSH**CHOKSH INFOTECH LIMITED**

**Board of Directors** : Shri. Bharat C. Sutaria Chairman  
: Shri. Vijay S. Chokshi Managing Director  
: Shri. Darshan Majmudar Director

**Auditors** : M/s S. P. Merchant Associates Chartered Accountants

**Bankers** : The Lakshmi Vilas Bank Ltd.  
Central Bank of India  
Canara Bank

**Solicitors & Advocates** : Matubhai Jamietram

**Registered Office** : 106, Mhada Shopping Comp.,  
New Link Road, Oshiwara,  
Next to Oshiwara Police Stn.,  
Jogeshwari (West),  
Mumbai – 400 102.


**NINTH ANNUAL GENERAL MEETING :**

<b>DATE</b>	: SATURDAY, SEPTEMBER 27, 2003.
<b>TIME</b>	: 11:00 A.M.
<b>VENUE</b>	: 106, Mhada Shopping Comp., New Link Road, Oshiwara, Next to Oshiwara Police Station, Jogeshwari (West), Mumbai – 400 102..

CHOKSH**CHOKSH INFOTECH LIMITED****NOTICE**

NOTICE is hereby given that the Ninth Annual General Meeting of the Shareholders of CHOKSH INFOTECH LIMITED, will be held at Company's Registered Office 106, Mhada Shopping Complex, New Link Road, Oshiwara, Next to Oshiwara Police Station, Jogeshwari (West), Mumbai-400 102, on Saturday 27th September 2003, at 11:00 a.m. to transact with or without modification(s) the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31.03.2003 and Profit & Loss Account of the company for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint Director in Place of Shri. Bharat C. Sutaria, who retires at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

**Registered Office:**

106, Mhada Shopping Comp.,  
New Link Road, Oshiwara,  
Jogeshwari (West),  
Mumbai - 400 102.  
Dated: - August 28, 2003.

**For and On Behalf of the Board.**

**Vijay S. Chokshi**  
**Managing Director**

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books will remain closed from 26th September 2003 to 30th September 2003. (Both days inclusive).
3. Members are requested to notify the change of address, if any to the Company's Registered Office, 106, Mhada Shopping Complex, Oshiwara, Jogeshwari (West), Mumbai 400 102.
4. For the convenience of Members and for proper conduct of the meeting, entry to the place of Meeting will be regulated by attendance card, which is attached herewith.
5. Members are requested to kindly bring their copies of Annual Report to the Meeting.

**DIRECTORS REPORT**

Your Directors have pleasure in presenting their Ninth Annual Report and Audited Accounts of the Company for the year ended March 31, 2003.

**FINANCIAL RESULTS :**

	(Rs. In lacs) (Rs. In lacs)	
	2002-03	2001-02
Income from operations (Including Interest & Dividend Income)	7.10	14.80
Total Expenditure	12.10	12.03
Depreciation	7.06	6.67
Provision for Taxation	Nil	Nil
Profit / (Loss) available for appropriation	(12.06)	(3.90)
Surplus / (Deficit) carried to Balance Sheet	(12.06)	(3.90)

**DIVIDEND :**

In view of the incurred losses, your directors do not recommend any dividend for the accounting year under review.

**FUTURE PROSPECTS :**

Your Company has been able to withstand the depression and was able to sustain mainly due to cost cutting measures adopted by the Management. Your company has obtained connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) electronic connectivity since as per the SEBI Guidelines it is compulsory to have physical & electronic connectivity at single point. We therefore see that lot of public limited companies would outsource their total Share Accounting. We expect number of companies to whom we cater would increase, resulting in increase in revenue for your company. The company is also looking out for opportunities in BPO segment mainly related to Accounting Functions, for which your company has developed capabilities. The company will embark on expansion based on assured business.

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

During the year under review, the company's activities are in nature of service industry. Therefore the particulars of conservation of energy, technology absorption, and foreign exchange earnings and outgo are not applicable.

**DEPOSITS :**

During the year under review the company has not accepted any Fixed Deposits.

**DIRECTORS :**

Shri. Bharat C. Sutaria, director of the Company retires by rotation at the ensuing Annual General Meeting, and being eligible offer himself for re-appointment.

**CHOKSH**

**CHOKSH INFOTECH LIMITED**

**DIRECTORS RESPONSIBILITY STATEMENT:**

As required under section 217 of the Companies Act, 1956, the Directors hereby confirm that:

1. In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The Directors had selected such accounting policies and 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;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis.

**AUDITORS REPORT :**

The notes to the account referred to in the Auditors Report are self-explanatory and therefore do not call for any further explanation.

The qualifications mentioned in the Auditors Report regarding non provision of gratuity and non observance of NBFC Prudential Norms (RBI) have been explained in the Notes to Accounts No.8 & 9 respectively.

**PARTICULARS OF EMPLOYEES:**

There are no employees falling within the purview of section 217 (2A) of the Companies Act, 1956.

**AUDITORS :**

M/s. S. P. Merchant Associates, Chartered Accountants, the auditors of the company hold office until the conclusion of the ensuing Annual General Meeting and the Board recommends their re-appointment.

**APPRECIATION :**

Your Directors wish to place on record their appreciation of the wholehearted and continued support extended by its bankers, its clients, its employees and its Investors.

**FOR AND ON BEHALF OF THE BOARD**

Place: Mumbai  
Date: August 28, 2003.

**Bharat C. Sutarla**  
*Chairman*

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS**

1. We have audited the attached Balance Sheet of CHOKSH INFOTECH LIMITED, as at 31-March 2003 and also the Profit and Loss Account of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have 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 the management as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit and Loss Account together with the notes thereon and attached thereto, give in the prescribed manner, the information required by the Companies Act, 1956 and also gives respectively, *subject to paragraphs 3.1 to 3.2 below alongwith the related notes to the financial statements referred to therein, the impact whereof on the assets, loss for the year reserves and surplus is not ascertainable a true and fair view*, in conformity with the accounting principles generally accepted in India of the state of the Company's affairs as at March 31, 2003 and the loss for the year ended on that date.
  - 3.1 *Note No. 8 regarding non-provision in the accounts for liability towards gratuity.*
  - 3.2 *Note No. 9 regarding non-observance of the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.*
4. We have obtained all the information and explanation, which, to the best of our knowledge and belief were necessary for the purpose of our audit. 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 and the above mentioned Balance Sheet and Profit and Loss Account are in agreement therewith.
5. In our opinion, these financial statements have been prepared in compliance with the applicable accounting standards referred to in section 211(3C) of the Companies Act, 1956.
6. On the basis of written representations received from the Directors of the Company as on March 31, 2003 and taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on March 31, 2003 from being appointed as a director in terms clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
7. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further report that:

- i. The Company had undertaken a process for maintaining proper records showing therein-full particulars including quantitative details and situation of fixed assets and which is still continuing. The management during the year has physically verified all the fixed assets. In our opinion, the frequency of verification of fixed assets is at reasonable intervals having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
- ii. None of the fixed assets have been revalued during the year. The Company is engaged in the business of providing services and hence, has no stock-in-trade. The work-in-progress for incomplete jobs have been valued and certified by the management.
- iii. The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 save and except an amount of Rs. 238585/- by way of temporary advance from a director of the Company. We are of the opinion that the terms and conditions of such advance are prima facie prejudicial to the interests of the Company.
- iv. The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies act, 1956 and / or to companies under the same management as defined under section 370(1B) of the Companies Act, 1956 *save and except a sum of the Rs. 8 lacs by way of an advance. In the absence of stipulated terms and conditions, we are unable to state whether the granting of such advance is prima facie prejudicial to the interests of the Company.*
- v. In respect of parties to whom loans or advances in the nature of loans have been given by the Company, no stipulation as regards recovery of principal and interest has been made. However, wherever possible, the Company is taking steps to recover the said loan.
- vi. In our opinion and according to the information and explanation 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 purchase of consumables, plant and machinery, equipments and other assets.
- vii. During the year, no transaction of purchase of goods and materials and sale of goods, materials and services aggregating during the year to Rs. 50000/- or more were made in respect of each party in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956.
- viii. The Company had not accepted any deposits from the public during the year. *However, during the year, the Company has not complied with the directions of the Reserve Bank of India contained in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 as applicable to the Company.*
- ix. The Company does not have an internal audit system.
- x. Except in certain instances, the Company has been generally regular in depositing provident fund and employees state insurance dues during the year with the appropriate authorities.