

# CHOICE INTERNATIONAL LIMITED



Report  Junction.com

*Choice*

**14<sup>th</sup> ANNUAL REPORT**  
**2006-07**



BOARD OF DIRECTORS

Mr. Hansraj Goyal  
Mr. Vivek Jain  
Mr. Indresh Goyal  
Mr. Dhananjay Datar

AUDITORS

M/s Gupta Shyam & Co.  
Chartered Accountants.

BANKERS

The Bharat Co-op. Bank (Mumbai) Ltd.

REGISTERED OFFICE

Office No. 305, A.P. Market,  
Dr. C.H. Street, Behind Parsi Diary,  
Marine Lines, Mumbai – 400 002.

REGISTRAR AND  
SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt. Limited  
Unit-I, Luthra Industrial Premises,  
Andheri-Kurla Road, Safed Pool,  
Andheri (E). Mumbai-400072.

Report  junction.com

**NOTICE**

**NOTICE** is hereby given that the Fourteenth Annual General Meeting of the members of **CHOICE INTERNATIONAL LIMITED** will be held on Friday, 31<sup>st</sup> August 2007 at 10 a.m. at Kailash Parbat, 7A/8A, A wing Crystal Plaza, New Link Road, Andheri (W), Mumbai – 400053 to transact the following business: -

**ORDINARY BUSINESS**

- 1 To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2007 and Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
- 2 To appoint a Director in place of Mr. Dhananjay Datar who retires by rotation under Article 131 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
- 3 To appoint Messers Gupta Shyam & Company, Chartered Accountants, as a Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and fix their remuneration.

**SPECIAL BUSINESS**

- 4 To consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED that in accordance of the Provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Hansraj Goyal, who was appointed as an Additional Director and who ceases to hold office as per the provision of Section 260 of the Companies Act, 1956 at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director as per the provisions of Section 257 of the Companies Act, 1956, be appointed a Director of the Company.”

- 5 To consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED that in accordance of the Provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Vivek Jain, who was appointed as an Additional Director and who ceases to hold office as per the provision of Section 260 of the Companies Act, 1956 at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director as per the provisions of Section 257 of the Companies Act, 1956, be appointed a Director of the Company.”

- 6 To consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED that in accordance of the Provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Indresh Goyal who was appointed as an Additional Director and who ceases to hold office as per the provision of Section 260 of the Companies Act, 1956 at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director as per the provisions of Section 257 of the Companies Act, 1956, be appointed a Director of the Company.”

- 7 To Consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

“RESOLVED THAT Pursuant to the provisions of Section 198, 269, 309, 310, Schedule XIII and other applicable provisions if any of Companies Act, 1956 and with the Consent of the Remuneration Committee of the Company, Shri Hansraj Goyal be and is hereby appointed as Managing Director of the Company with effect from 05<sup>th</sup> March 2007 for a period of 5 years, subject to the approval of Members and other requisite approvals as may be necessary, on the following terms:

**Salary:** Rs. 30,000/- per month

**Perquisites:** The Managing Director will be entitled to the following perquisites subject to a ceiling of 125% of Annual Salary

1. Housing: Furnished accommodation/ house rent allowance.
2. Medical reimbursement: As per the rules of the Company
3. Leave Travel Concession: For self and family once in a year as per the rules of Company.

For the purpose of calculating the ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated on actual cost.

**Other Benefits:**

In addition to the above perquisites, the director shall also be entitled for the following benefits. These benefits will not be included in the computation of ceiling on perquisites

1. Gratuity: As per the rules of the Company.
2. Leave: As per the rules of the company.



3. Leave Encashment: Leave accumulated but not availed during the tenure will be allowed to encash at the end of the tenure.
4. Telephone: Re-imbursement of Mobile and internet expenses at residence on submission of bills.
5. Managing Director will be entitled to reimbursement of all actual expenses, including traveling, entertainment and other out of pocket expenses incurred in the course of the Company's business.

#### **Minimum Remuneration**

Where in any year during the currency of the tenure of the Managing Director, the Company has no profits are inadequate, the Company will pay the aforesaid remuneration by way of salary, perquisites and benefits to the Director in accordance with the provisions of Schedule XIII of the Companies Act, 1956 and approval of the Central Government, if and to the extent necessary.

The Director shall so long as he continues to hold the office as Managing Director of the Company will be liable to retire by rotation and shall not be reckoned for the purpose of determining the number of Directors to retire by rotation every year.

Shri Hansraj Goyal is interested to the extent of the remuneration payable to him.

#### **8. AUTHORITY TO THE BOARD TO RE-ISSUE FORFEITED SHARES TO PERSONS OTHER THAN THE EXISTING SHAREHOLDERS**

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

"RESOLVED THAT in accordance to Section 81 and all other applicable provisions, if any of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Memorandum & Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges, and any re-enactment or modification(s) for the time being in force, and subject to any necessary approvals, consent, guidelines, permissions and/or sanction of the Central Government, the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), and other appropriate authorities and subject also to such conditions, alterations and modifications as may be prescribed by them or any of them and agreed by the Board of Directors of the Company (hereinafter referred to as the "Board") and/or a duly authorized committee thereof for the time being exercising the powers conferred by the Board, the consent of the Company be and is hereby accorded to the Board to re-issue, 1,73,900 forfeited partly paid Shares for non payment of allotment money, of Rs.10/- each for cash at par, to such persons as the Board may in its absolute discretion deem fit and proper and upon such terms and conditions as it may deem fit, in order to meet the long term working capital requirements of the Company."

"RESOLVED FURTHER THAT the shares to be re-issued in terms of this resolution shall be subject to lock-in as may be prescribed under the SEBI guidelines / Stock Exchange requirements, the price of the shares being subject to guidelines of SEBI and certification by the Statutory Auditors of the company, the relevant date for the purpose being 1<sup>st</sup> August, 2007, and such certifications by the Statutory Auditors of the Company as to pricing issue and confirming that the issue is being made in accordance with the requirements contained in the SEBI guidelines as placed before the meeting and taken note of by the members."

"RESOLVED FURTHER THAT the equity shares re-issued as above shall rank pari passu in all respects with the existing equity shares of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/Committee be and is hereby authorized to do all such acts, deeds matters and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in regard to the offer/issue, re-issue allotment and utilization of the proceeds of issue and to finalise and execute all documents and writings as may be necessary, desirable or expedient."

Place: Mumbai,  
Dated: 8<sup>th</sup> August, 2007

On behalf of the Board of Directors

Hansraj Goyal  
Chairman



CHOICE INTERNATIONAL LIMITED

**Notes:**

- 1) **A MEMBER ENTITLED TO ATTEND AND 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. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.**
- 2) Explanatory Statement pursuant to the provisions of section 173(2) of the Companies Act 1956 is annexed hereto.
- 3) The Transfer Register and the Register of Members shall remain closed from Tuesday 28<sup>th</sup> August 2007 to Friday, 31<sup>st</sup> August 2007 (both days inclusive).
- 4) All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, Sharex Dynamic (India) Pvt. Ltd. or to their depository participants in case shares are held in electronic form.
- 5) All documents referred to in the notice are open for inspection at the Registered Office of the Company during office hours.
- 6) As a measure of economy, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the annual report to the meeting.
- 7) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries at least seven days before the date of the Meeting to the Company so that information required may be made available at the Meeting.
- 8) Members are requested to sign at the space provided on the attendance sheet annexed to the proxy form and hand over the slip at the entrance of the Meeting Hall.
- 9) At this Annual General Meeting Shri. Dhananjay Datar retires by rotation, and being eligible, offer himself for re-appointment. The brief background and functional experience of the director proposed for re-appointment are given below along with the details of the companies in which he is a director and committee of which he is a member.  
Mr. Dhananjay Datar is a commerce graduate and fellow Chartered Accountant from ICAI, New Delhi having 18 years experience in the field of Corporate Finance and Taxation. The Details of other directorship and committee membership held by him are.

Directorship	Committee Membership
NIL	NIL

Place: Mumbai  
Dated: 8<sup>th</sup> August 2007

On behalf of the Board of Directors

Chairman



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

#### Item No. 4 and 7

Mr. Hansraj Goyal was appointed as an Additional Director of the Company w.e.f 5<sup>th</sup> March 2007 and subsequently, pursuant to the approval of the Remuneration Committee at its meeting held on 5<sup>th</sup> March 2007 and subject to the approval of the members appointed Mr. Hansraj Goyal as Managing Director of the Company and approved the remuneration payable to Mr. Goyal on a basic salary of Rs. 30000/- p.m. and allowances and perquisites as set out in the special resolution under item no 7. The Company had already sent the Shareholders an abstract of terms of his appointment as required under Section 302 of the Companies Act, 1956.

Your Directors recommend passing of this resolution as a special resolution by the members.

Mr. Hansraj Goyal is a Commerce Graduate from the university of Rajasthan & Chartered Accountant from ICAI, New Delhi having 16 years of experience in Finance and Portfolio Management. He also looks after the Investments in Capital market, Financing to the Corporate and non Corporate and building customer relationship.

Apart from Mr. Goyal, none of the other directors is concerned or interested in this item of business

#### Item No. 5

Mr. Vivek Jain was appointed by the Board as an Additional Director of the Company with effect from 5<sup>th</sup> March, 2007. Mr. Vivek Jain is a Commerce Graduate and Chartered Accountant from ICAI, New Delhi. Mr. Jain has a broad background in finance working for number of companies in diverse areas, undertaking numerous professional assignments in finance, management and accountancy has facilitated him the big achievements.

Mr. Jain does not hold any shares in the Company.

None of the Directors of the Company other than Mr. Jain is deemed to be concerned or interested in this resolution.

#### Item No. 6

Mr. Indresh Goyal was appointed by the Board as an Additional Director of the Company with effect from 5<sup>th</sup> March, 2007. Mr. Indresh Goyal is a qualified dental doctor (holds BDS Degree). After obtaining BDS Degree, Shri Goyal entered into the business of Pharmaceutical in Jaipur, Rajasthan. He has 5 years of experience in trading in Pharma Products. He has good knowledge of the Pharmaceutical area and also conversant in marketing of Pharma Products.

Mr. Goyal does not hold any shares in the Company.

None of the Directors of the Company other than Mr. Goyal is deemed to be concerned or interested in this resolution.

#### Item No. 8

The Board of Directors of the Company at its meeting held on 23<sup>rd</sup> July, 2007, considered and approved in order to meet the long term working capital requirements of the Company re-issue of 173900 forfeited Equity Shares of Rs. 10/- each for cash at par, the price of the shares being subject to guidelines of SEBI and certification by the Statutory Auditors of the company

This resolution is proposed since re-issue of forfeited Equity Shares require approval of the shareholders at a General Meeting of the Company under the provisions of section 81 of the Companies Act, 1956. Your Directors recommend the passing of the resolution.

None of the Directors is deemed to be concerned or interested in this resolution, except as shareholders of the Company.

Place: Mumbai  
Dated: 8<sup>th</sup> August 2007

On behalf of the Board of Directors

Chairman

**DIRECTOR'S REPORT**

To,  
The Members,  
Your Directors have pleasure in presenting their fourteenth Annual Report and Audited Financial Statement of the Company for the year ended 31<sup>st</sup> March 2007.

(Rs. in Lakhs)

**FINANCIAL RESULTS**

	Year ended 31.03.2007	Year ended 31.03.2006
Total Income	29.22	173.12
Total Expenditure	27.46	140.56
Profit before Depreciation and Tax	1.76	32.56
Less: Depreciation	0.90	1.53
Profit after depreciation	0.86	31.03
Less: Provision for Income tax & FBT	0.51	10.52
Profit after tax	0.35	20.50
Add: Balance brought forward	(32.07)	(52.52)
Add / (Less) Adjustments:		
Earlier year Income Tax w/off	(0.45)	(0.04)
Balance Carried forward to next year	(32.17)	(32.06)

**DIVIDEND**

In view of insufficient profit, the Directors have not recommended any dividend for the year.

**REVIEW OF OPERATIONS**

The Company's gross revenue for the year under review amounted to Rs.29.22 lacs as compared to Rs. 173.12 lacs for the last year. The net profit after tax for the year amounted to Rs. 0.35 lacs as compared to profit of Rs. 20.50 lacs in the previous year.

**CHANGE IN MANAGEMENT CONTROL OF THE COMPANY**

During the year under review M/s Tenet Bio Pharma Pvt. Ltd. has acquired the Controlling stake from the erstwhile promoters of the company. Consequent to change in controlling stake Management of the Company has also been changed w.e.f. 5<sup>th</sup> March 2007.

**DIRECTORS**

Mr. Hansraj Goyal was appointed by the Board as an Additional Director of the Company with effect from 5<sup>th</sup> March 2007 and holds office up to the date of the Annual General Meeting. Mr. Goyal was also appointed as a Managing Director of the Company with effect from 5<sup>th</sup> March 2007 for a period of 5 years for which the members approval is being sought by the Company

Mr. Vivek Jain was appointed by the Board as an Additional Director of the Company with effect from 05<sup>th</sup> March 2007 and hold office up to the date of the Annual General Meeting.

Mr. Indresh Goyal was also appointed by the Board as an Additional Director of the Company with effect from 05<sup>th</sup> March 2007 and hold office up to the date of the Annual General Meeting.

Due to change in controlling stake of the company during the year, Mr. Mehul Mehta, Mr. Mahendra Patole, Mr. Sunil Goyal and Mrs. Kamlesh Goyal ceased to be the directors of the company with effect from 5<sup>th</sup> March 2007. Consequently they ceased to be Chairman / members of all other committee meetings.

Mr. Dhananjay Datar retires by rotation and being eligible, offer himself for re-appointment.

**MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed review of the future outlook of the company and its business, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a seprate section forming part of the Annual Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- 1 In the preparation of the annual accounts, the applicable accounting standards have been followed;
- 2 Appropriate accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the affairs at the end of the financial year and of the profit of the Company for the Financial year ended 31<sup>st</sup> March, 2007;
- 3 Proper and sufficient care has been taken 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;
- 4 The annual accounts have been prepared on a going concern basis.





## CHOICE INTERNATIONAL LIMITED

**AUDITORS**

M/s Gupta Shyam & Co., Chartered Accountants, retire as Auditors at conclusion of this Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if reappointed. The remarks in their Report are self-explanatory.

**PUBLIC DEPOSITS**

The Company has not accepted any deposits from Public within the meaning of Section 58 A of The Companies Act, 1956.

**PARTICULARS OF EMPLOYEES**

There are no employees whose particulars are required to be given under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

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

Since the Company's operations are not energy intensive, the Company continues to conserve energy by keeping control over expenses on power/electricity. Regarding technology absorption, the Company continues to focus on technology and quality upgradation in respect of all its activities. Please refer to Schedule 'O' to the Balance Sheet for earnings & expenditure in foreign currency.

**CORPORATE GOVERNANCE**

Pursuant to Clause 49 of Listing Agreement with the Stock Exchange, a separate report on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to the Directors' Report.

**CAUTIONARY STATEMENT**

Statements in the report on Management Discussion & Analysis describing the Company's projections and estimates may be forward looking and are based on certain assumptions and expectations of future events. Actual Results would differ from Projections due to demand-supply conditions, prices of share/stocks & other commodities, Interest rate and changes in Government regulations, tax structure and other factors.

The Company assumes no responsibility in respect of forward looking statements which may undergo change on the basis of subsequent developments or events.

**ACKNOWLEDGEMENTS**

Your Directors wish to place on record their appreciation of the continuous support received by the Company from its Customers, Bankers, Business Associates, Shareholders as well as the Employees of the Company.

Place: Mumbai  
Dated: 8<sup>th</sup> August, 2007

For and on behalf of the Board

Hansraj Goyal  
Chairman