

AVI PHOTOCHEM LIMITED

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

Twenty Fourth Annual Report 2012-13

AVI PHOTOCHEM LIMITED

TWENTY FOURTH ANNUAL REPORT 2012-13

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. S Shah & Associates
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: sysss72@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 Fourth Annual General Meeting of the members of Avi Photochem Limited will be held on Friday, the 27th day of September, 2013 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, 2013 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. Vikram Avinash Vora, who retires by rotation and being eligible offers himself for re - appointment.
3. To appoint Auditors and fix their remuneration.

By the order of the Board of Directors

For AVI PHOTOCHEM LIMITED

Date: 30th May, 2013

Place: Mumbai

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, 24th September, 2013 to Friday, 27th September, 2013(both days inclusive).
3. 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.
4. 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.
5. 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.

DIRECTOR'S REPORT

To,
The Shareholders,

Your Directors have pleasure in presenting the Twenty Fourth Annual Report of the company with the audited statement of accounts for the year ended 31st March, 2013

1. Financial results

Amount in Rs.

	For the Year ended on 31.03.2013	For the Year ended on 31.03.2012
Total Income	10,906,669	21,717,432
Total Expenditure	5,254,934	16,361,933
Profit/(Loss) before taxation	3,089,554	273,267
Provision for Tax	-	-
Profit/(Loss) after Taxation	3,089,554	273,267
Balance b/f from Previous Year	(36,993,207)	(37,266,473)
Balance carried forward to Balance Sheet	(33,903,653)	(36,993,207)

2. Working Results:

During the year, the company has earned profit of Rs. 3,08,9544/- (Previous Year profit of Rs. 273,267/-).

3. Dividend:

In view of past losses, directors have not proposed declaration 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, 2013 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 Shah & Associates, Chartered Accountants, Mumbai hold the office until the conclusion of ensuing Annual General Meeting. The Board of Directors has recommended their re-appointment as auditors for the year 2013-14. Your company has received the consent of auditor to be re-appointed as the auditor of the company, if made. 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. Directors:

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

11. 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.

12. Secretarial Audit Report:

The Company has obtained compliance certificate from practicing company secretary Mr. Madhukar Apte under section 383A of the Companies Act, 1956 and is being form part of the Balance Sheet.

13. 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.

By the order of the Board of Directors

For AVI Photochem Limited

Date: 30.05.2013

Place: Mumbai

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 2013.

After many years of inactivity due to financial difficulties we have finally sorted out our liability with the bank against assets. The company is now looking to venture in a new direction with entry into trading activities in the healthcare sector & chemicals. Our directors Mr. Vikram A. Vora & Mr. Ray Almeida have good experience in trading in the dental and healthcare industry.

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 specialty 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

Mr. Pradeep Joshi has vast experience in the field of chemical trading

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

Place: Mumbai

Date: 30.05.2013

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 inceptions 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 30.04.2012, 31.07.2012, 1.9.2012, 4.11.2012 and 9.2.2013.

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	5	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. Vikram Aviansh Vora
Father Name	Mr. Avinash Dhirajlal Vora
Date of Birth	05/08/1979
Date of Appointment	3/10/2010
Qualification	BE, MBA
Name of the Companies in which he is a director other than AVI PHOTOCHEM LIMITED	Total Dental Care Private Limited Healix Healthcare Private Limited
Specific functional Areas	Marketing, Operations

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 30.04.2012, 31.07.2012, 1.9.2012, 4.11.2012 and 9.2.2013.

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 20 investor complaints was received and they were resolved.

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
2011-2012	110, Manish Ind Est No. 4, Navghar Rd, Vasai(E), Dist: Thane-401210	Saturday, 29 th September, 2012	11.00 A.M.
2010- 2011	Manish Ind Est No. 4, Navghar Rd, Vasai(E), Dist: Thane-401210	Friday, 30 th September, 2011	10.00 A.M.
2009 - 2010	B-14, Lote Parshuram Indl Area, M. I. D.C, Ratnagiri- 415 709	Thursday, 30 th September, 2010	10.00 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
2012	-- N. A.--	-- N. A. --
2011	-- N. A.--	-- N. A.--
2009	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

(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 structures were passed on the company by such authorities during the last 3 years ended 31.03.2013
- 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	Day : Friday Date : 27 th September, 2013 Time: 11.00 A.M. Venue : Registered Office
(ii)	Financial Calendar Year	1 st April, 2012 to 31 st March, 2013
(iii)	Date of Book Closure	Tuesday 24 th September, 2013 to Friday, 27 th September, 2013 (both days inclusive)
(iv)	Dividend Payment Date	Not applicable
(v)	ISIN No.	INE316001013
(vi)	Percentage of Shares held in physical & dematerialized form	As on 31 st March 2013, 0.04% of Shares was held in dematerialized form and the rest 99.96% in physical form.
(vii)	Registered Office	110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane, Pin-401210, India
(viii)	Registrar and Transfer Agent	System Support Services 209, Shivai Industrial Estate, 89, Andheri Kurla Road, Saki Naka, Andheri East, Mumbai -400 072
(ix)	Plant Locations	Not applicable
(x)	Investor Correspondence	110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane, Pin -401210, India
(xi)	Means of Communication	The company sends its quarterly results to Stock Exchanges.
(xii)	Any Website where it displays official releases	www.aviphoto.in
(xiii)	Any presentation made to the institutional investor & analyst	No
(xiv)	Is half yearly report sent to the shareholders	No
(xv)	Whether Management Discussion and Analysis is a part of this report	Yes
(xvi)	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.
(xvii)	Listing and Stock Code	Bombay Stock Exchange (suspended) Scrip Code No 523896 : AVI PHOTOCHEM LIMITED Ahmedabad Stock Exchange New Delhi Stock Exchange
(xviii)	Stock Data	Details of trade are not available due to suspension.
(xix)	The name and address of Stock Exchanges where Company is listed	1. Stock Exchange, Ahmedabad, 2. Bombay Stock Exchange, Mumbai 3. Delhi Stock Exchange Assoc. Ltd

Distribution of Shareholdings :as on 31-03-2013

From	To	No. of Shareholders	%	No. of Shares held	%
1	500	13606	96.68	1959500	56.31
501	1000	312	02.22	268900	07.73
1001	5000	139	00.99	281000	08.08
5001	10000	8	00.06	73500	02.11
10001	100000	3	00.02	60700	01.74
100001 & Above		4	00.03	836476	24.03
TOTAL		14072	100.00	3480076	100.00

Shareholding Pattern as on 31.03.2013

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	2403800	69.07
5. NRIs & Foreign Nationals	231700	6.66
Total (B)	2643600	75.96
Total (A+B)	3480076	100

FOR AVI PHOTOCHEM LIMITED**Place: Mumbai****Date: 30.5.2013****CHAIRMAN**

DECLARATION

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

I, Avinash Vora as the Director of AVI PHOTOCHEM LIMITED and as required by Clause 49 (i) (d) (ii) of the Listing Agreement, 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 2012-13.

FOR AVI PHOTOCHEM LIMITED

Place: Mumbai

Date: 30.05.2013

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, 2013 and that to the best of our knowledge and belief:
 - (i) these statements 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

Place: Mumbai

Date: 30.5.2013

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, 2013 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.

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 S Shah & Associates
CHARTERED ACCOUNTANTS

Place: MUMBAI

Date: 30.05.2013

sd/-

(Shailesh Shah)
PRORIETOR
M.SHIP NO. 34446

FORM
[SEE RULE 3]
Compliance Certificate

To,
The Members
Avi Photochem Ltd.
Mumbai

Reg. No. : 11- 050913
Auth. Cap. : Rs. 35,000,000 /-
Paid up Cap. : Rs. 34,800,760 /-

We have examined the registers, records, books and papers of **M/s Avi Photochem Ltd. having its Registered Office situated at 110, Manish Ind Estate No 4, Navghar Road, Vasai (East), Maharashtra -410210** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on **31st March, 2013** (Financial Year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Acts and rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time limit prescribed under the Act and rules made there under except as qualified in Annexure B.
3. The company is a public limited company and has the minimum paid-up capital.
4. The Board of Directors duly met 5 (Five) times respectively on **30.4.2012, 31.7.2012, 1.9.2012, 4.11.2012 and 9.02.2013** in respect of these meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members from 25th September 2012 to 29th September, 2012 in accordance with the provision of Section 154 of the Companies Act, 1956 during the financial year under review.
6. The Annual General Meeting for the Financial Year ended 31st March, 2012 was held on 29th September, 2012 giving due notice to the members of the company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary meeting(s) were held during the financial year under review.
8. The company has not given loans to persons referred to in the Section 295 of the Act.
9. The company has not entered into any contract under the provisions of section 297 of the Act are applicable.
10. The company has complied with the necessary provisions and procedures wherever necessary in respect of transaction for which entries are required to be made in the register maintained under section 301 of the Act.
11. As there were no instances falling under the preview of Section 314 of the Act, the Company is not required to obtain any approvals from its Directors, members or the Central Government as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year under review.
13. The Company has:
 - (i) delivered all certificate on lodgment of transfer of shares after complying with procedures of the act.
 - (ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year under review.
 - (iii) not posted warrants to any member of the company as no dividend was declared during the financial year under review.
 - (iv) the company is not required to transfer amounts in respect of unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as the company do not have any of the amount lying in any of the above referred five accounts.
 - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of any additional directors, alternate directors and directors to fill casual vacancies during the year under review.

15. The company has not appointed any managerial persons during the period under review pursuant to section 269 read with Schedule XIII under the Act.
16. The company has not appointed any sole-selling agents during the financial year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, the Registrar of Companies or such other authorities prescribed under the various provisions of the Act *except for applying for condonation of delay in filing satisfaction of charge. It was informed by the Board that charge holder has refused to digitally sign form no. 17, due to which the company has not been able to file form no. 17 with the Roc within 30 days of satisfaction of charge.*
18. The directors have disclosed their interest in other firms and companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares during the financial year under review.
20. The company has not bought back any shares during the financial year ending 31st March, 2013.
21. There was no redemption of preference shares or debentures during the financial year under review.
22. There were no transaction necessitating the company to keep in abeyance the rights to dividend / rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any fresh deposits from the public including any unsecured loans falling within preview of sections 58A of the Act during the financial year under review.
24. The Company has not made any fresh borrowing during the financial years within the provisions of section 293(1)(d) of the Act.
25. The company has not made loans to or investments in other bodies corporate during the year under review.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the financial year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the financial year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the financial year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the financial year under scrutiny.
30. The company has not altered its articles of association during the financial year under review.
31. The Company has received show cause notice from Registrar of Companies under section 166 and 210 during the financial year under review, the company has suitably replied.
32. The company has not received any amount as security from its employees during the financial year under certification.
33. The company has not deducted any contribution towards Provident Fund during the financial year under review.

For MADHUKAR APTE
Company Secretaries

Sd/-
Madhukar Apte
Proprietor

Place: 30.05.2013
Date: Mumbai

M. No. ACS 9723 C.P. No. 8674

Annexure A

Registers maintained by the Company

1. Register of Members u/s 150 of the Act.
2. Register and Returns u/s 163 of the Act.
3. Books of Accounts and other Records u/s 209 of the Act.
4. Register of Directors u/s 303 of the Act.
5. Register of Directors' Shareholding u/s 307 of the Act.
6. Register of Contracts u/s 301.
7. Register of Charges.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31st March 2013.

Sr. No.	Form No./ Return	Filed under Section	For	Date of filing	Challan No.	Whether filed within prescribed time yes/no	If delay in filing whether requisite additional fee paid Yes/No.
01	Form 23AC/ACA	220	31.03.2011	28.08.2012	P88613591	No	Yes
02	Form 66	383 (A)	31.03.2011	28.08.2012	P88591425	No	Yes
03	Form 23AC & 23ACA	220	31.03.2012	14.01.2013	Q05869243	Yes	-
04	Form 20B	159	31.03.2012	28.11.2012	Q03482114	Yes	-
05	Form 66	383 (A)	31.03.2012	28.11.2012	P90912601	Yes	-
06	Form 18	146	30.10.2010	3.6.2012	B38996781	No	Yes
07	Form 23	192	30.10.2010	14.5.2012	B38991873	No	Yes
08	Form 32	303(2)	30.10.2010	22.8.2012	B55893325	No	Yes
09	Form 32	303(2)	30.10.2010	25.8.2012	B56161235	No	Yes
10	Form 32	303(2)	01.9.2011	25.8.2012	B56129539	No	Yes

For MADHUKAR APTE

Company Secretaries

Sd/-

Madhukar Apte

Proprietor

M. No. ACS 9723 C.P. No. 8674

Place: 30.05.2013

Date: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of
AVI PHOTOCHEM LIMITED.

We have audited the accompanying financial statements of AVI PHOTOCHEM LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act 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 March 31, 2013;
 - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
 2. As required by section 227(3) of the Act, we report that:
 - a) 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;
 - b) 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
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For S. SHAH & Associates
Chartered Accountants

PROPRIETOR
SHAILESH K SHAH
Membership No: 34446
Place: Mumbai
Date: 30th May 2013

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of AVI PHOTOCHEM LIMITED. On the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
2. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, 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. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
3. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
4. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
5. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
8. The Company's accumulated losses at the end of the Financial Year are more than fifty percent of its net worth. The company has not incurred cash losses in financial year but has incurred cash losses in preceding financial year.
9. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
10. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
11. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
12. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
13. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
14. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
15. The Company has no outstanding debentures during the period under audit.

16. The Company has not raised any money by public issue during the year.
17. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For S. SHAH & Associates
Chartered Accountants

PROPRIETOR
SHAILESH K SHAH
Membership No: 34446
Place: Mumbai
Date: 30th May 2013

AVI PHOTOCHEM LTD.
BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No	31.03.2013	31.03.2012
		RS	RS
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	34,800,760	34,800,760
(b) Reserves and Surplus	2	(31,096,353)	(34,185,907)
(c) Money received against share warrants		-	-
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	-	2,411,526
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings	4	477,451	777,451
(b) Trade payables	5	1,642,742	2,125,055
(c) Other current liabilities	6	1,366,523	979,600
(d) Short-term provisions		-	-
Total		7,191,124	6,908,486
II. Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	7	308,771	-
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	8	146,760	300,000
(c) Trade receivables	9	6,513,500	6,384,306
(d) Cash and cash equivalents	10	222,092	224,180
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
Total		7,191,123	6,908,486

The Notes Number 19 to 27 form an integrated part of the Financial Statements.

For S.Shah & Associates

CHARTERED ACCOUNTANTS

sd/-

(Shailesh K Shah)

Proprietor

Mem No. : 34446

Place : Mumbai

Dated : 30th May 2013

For AVI PHOTOCHEM LIMITED

sd/-

sd/-

Director

Director

Place : Mumbai

Dated : 30th May 2013

AVI PHOTOCHEM LTD.

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Note No	31.03.2013	31.03.2012
		RS	RS
I. Revenue from operations	11	10,839,292	2,188,400
II. Other Income	12	67,377	19,529,032
III = Total Revenue (I +II)		10,906,669	21,717,432
IV. Expenses:			
Cost of materials consumed	13	-	928,481
Purchase of Stock-in-Trade	14	3759511	1,649,500
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	15	-	12,965,400
Employee benefit expense	16	120000	120,000
Financial costs		940	706
Depreciation and amortization expense		-	-
Other expenses	17	1374483	697,846
Total Expenses		5,254,934	16,361,933
V. Profit before exceptional and extraordinary items and tax	(III - IV)	5,651,735	5,355,499
VI. Exceptional Items		4,973,708	5,082,233
VII. Profit before extraordinary items and tax (V - VI)		678,027	273,267
VIII. Extraordinary Items		(2,411,527)	-
IX. Profit before tax (VII - VIII)		3,089,554	273,267
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI. Profit(Loss) from the period from continuing operations	(VII-VIII)	3,089,554	273,267
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		3,089,554	273,267
XV. Profit/(Loss) for the period (XI + XIV)		3,089,554	273,267
XVI. Earning per equity share:			
(1) Basic		0.89	0.08
(2) Diluted		0.89	0.08
Significant Accounting Policies.	18		

For S.Shah & Associates

CHARTERED ACCOUNTANTS

sd/-

(Shailesh K Shah)

Proprietor

Mem No. : 34446

Place : Mumbai

Dated : 30th May 2013

For AVI PHOTOCHEM LIMITED

sd/-

sd/-

Director Director

Place : Mumbai

Dated : 30th May 2013

Auditor's Certificate

To,
The Board of Directors
AVI Photochem Ltd.,

We have examined the attached Cash flow Statement of the AVI Photochem Limited, Mumbai, for the year ended 31st March, 2013. The statement have been prepared by the Company in accordance with the requirements of clause 32 of listing agreement with the Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report to the members of the Company.

FOR S. Shah & Associates
CHARTERED ACCOUNTANTS

Sd/-

(Shailesh K. Shah)

Place : Mumbai

Proprietor

Dated : 30th May 2013

Mem No. : 34446

AVI PHOTOCHEM LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	Year ended March 31, 2013	Year ended March 31, 2012
<u>A. Cash Flow from Operating Activities</u>		
Net Profit before taxation	3,089,553	273,267
<u>Adjustments for:</u>		
Depreciation on fixed assets	-	-
Loss on sale of fixed assets	-	3,749,331
Operating Profit before Working Capital changes	3,089,553	4,022,598
<u>Adjustments for :</u>		
Inventories	153,240	13,593,881
Trade Recievables	(129,194)	877,476
Loans and Advances	(308,771)	1,482,902
Trade Payable and Other Liabilities	(395,390)	278,738
Net Cash inflow from/ (outflow) from Operating activities	2,409,438	20,255,595
<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	(2,411,526)	(20,873,762)
Net Cash inflow from/ (outflow) from Financing activities	(2,411,526)	(20,873,762)
Net increase / (decrease) in cash and cash equivalents	(2,088)	56,832
Opening Cash and Cash Equivalents		
Cash in hand	130,775	151,269
Bank balances	93,405	16,078
	224,180	167,347
Closing Cash and Cash Equivalents		
Cash in hand	19,582	130,775
Bank balances	202,510	93,405
	222,092	224,180

For and on behalf of the Board of Directors

For AVI PHOTOCHEM LIMITED

sd/-

Director

Place : Mumbai

Dated : 30th May 2013

sd/-

Director

AVI PHOTOCHEM LTD.
NOTES TO THE FINANCIAL STATEMENTS

31.03.2013

31.03.2012

1 SHARE CAPITAL

AUTHORISED CAPITAL

35,00,000 Equity Shares of Rs 10/- each	35,000,000	35,000,000
	35,000,000	35,000,000
	35,000,000	35,000,000

ISSUED, SUBSCRIBED & PAID UP CAPITAL

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

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, 2013		As at 31st March, 2012	
	No. of Shares	Rs.	No. of Shares	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 the Company

Name of the Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No of shares held	% of holding	No of shares held	% of holding
Avinash D. Vora	321,552	9	321,552	9
Vikram Vora	165,000	5	165,000	5

AVI PHOTOCHEM LTD.
NOTES TO THE FINANCIAL STATEMENTS

		31.03.2013	31.03.2012
2	RESERVES & SURPLUS		
	Capital Reserve (subsidy)		
	Opening Balance	2,807,300	2,807,300
	Additions	-	-
	Closing Balance	A 2,807,300	2,807,300
	Surplus		
	As per last Balance Sheet	(36,993,207)	(37,266,473)
	Add/(Less): Net Profit/(Net Loss) for the year	3,089,554	273,267
	Less: Bonus Shares Issued	-	-
	Less: Short Provision for Income-Tax	-	-
		B (33,903,653)	(36,993,207)
		A+B (31,096,353)	(34,185,907)
3	NON CURRENT LIABILITIES		
	Unsecured Deposits	-	-
	From Directors	B -	2,411,526
		A+B -	2,411,526
4	SHORT TERM BORROWINGS		
	Directors Current Account		
	From Directors & Relatives	209,951	509,951
	From Relatives	167,500	167,500
	From Others	100,000	100,000
		<hr/> 477,451	<hr/> 777,451
5	TRADE PAYABLES	1,642,742	2,125,055
6	OTHER CURRENT LIABILITIES		
	Statutory Dues	1,305,115	132,550
	Advance from Debtors	-	838,050
	Directors Remuneration	-	-
	Sundry Creditors for Expenses	61,408	9,000
		<hr/> 1,366,523	<hr/> 979,600
7	LONG TERM LOANS AND ADVANCES		
	Deposits		
	From Government		
	Commercial & Industrial Services		-
	From Others	308,771	-
		<hr/> 308,771	<hr/> -

NOTES TO THE FINANCIAL STATEMENTS

31.03.2013

31.03.2012

8	INVENTORIES		
	Stock in Trade		
	Raw Materials		-
	Finished Goods	146,760	300,000
		<u>146,760</u>	<u>300,000</u>
9	TRADE RECEIVABLES		
	Unsecured and considered good		
	Exceeding Six Months	576,300	6,384,306
	Less Than Six Months	5,937,200	-
		<u>6,513,500</u>	<u>6,384,306</u>
10	CASH & CASH EQUIVALENTS		
	Balances with Banks	202,510	93,405
	Cash on hand	19,582	130,775
		<u>222,092</u>	<u>224,180</u>
		10,839,292	2,188,400
11	REVENUE FROM OPERATIONS		
12	OTHER INCOME		
	Other non-operating income (net of expenses directly attributable to such income).	67,377	19,529,032
13	COST OF MATERIAL CONSUMED		
	Opening Stock of Raw Materials	-	928,481
	Add: Purchases		-
		-	928,481
	Less: Closing Stock of Raw Materials		-
		-	928,481
14	PURCHASE STOCK IN TRADE		
	Opening Stock	300,000	
	Purchases during the year	3,606,271	1,949,500
	Less: Stock in Trade	146,760	300,000
		<u>3,759,511</u>	<u>1,649,500</u>
15	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
	Opening Stock of Finished Goods		
	Stock-in-trade	-	12,965,400
	Closing Stock of Finished Goods		
	Stock-in-trade		
		-	12,965,400

NOTES TO THE FINANCIAL STATEMENTS

31.03.2013

31.03.2012

16 EMPLOYEE BENEFITS

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

17 OTHER EXPENSES

Audit Fees	78,652	9,000
AGM Expenses	25,750	16,000
Demat Charges	-	22,143
BSE Listing Fees	19,429	19,429
Postage & Telegraph	62,909	68,550
Printing & Stationery	77,485	43,120
Professional Fees	5,618	30,515
Registration & Transfer Fees	72,433	75,464
BSE Reinstatement Fees	892,596	413,625
ROC Filing Fess	26,000	-
Rent	64,000	
Miscellaneous Expenses	49,611	
	1,374,483	697,846

18 Significant Accounting Policies:

A Basis of preparation of Financial Statements:

- a 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
- b Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles followed by the Company.
- c Contingent liabilities, if any are taken as certified by the management and are disclosed separately in the notes to accounts.

B Inventories:

- a Finished goods are valued at cost (net of local taxes).
- b 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 :

- a Sales excludes Sales Tax.

19 No managerial remuneration or sitting fees have been paid to or provided for any directors of the company.

20 Previous years figures are regrouped and rearranged wherever necessary as per Schedule VI.

21 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.

22 Sundry Debtors, Creditors, Loans, Advances are subject to confirmation and reconciliation, if any.

23	Debts due by company in which Director is interested:		(Rupees in Lakhs)	
		As At	Maxi.	As At
		31.03.2013	Amt. Outstdg.	31.03.2012
				Amt. Outstdg.
	Debts due by firm/ company in which			
	Directors are interested.		0.00	52.74
			52.74	52.74

- 24 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:

	31.3.13	31.3.12
Deffered Tax Liabilities:		
Depreciation	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>
Deffered Tax Assets:		
Unabsorbed depreciation	432,067	1,398,814
Unabsorbed Business Loss		
	<hr/>	<hr/>
	<hr/>	<hr/>
Net Deffered Tax Asset	432,067	1,398,814

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.

- 25 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.
- 26 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.

For S.Shah & Associates

CHARTERED ACCOUNTANTS

sd/-

(Shailesh K Shah)

Proprietor

Mem No. : 34446

Place : Mumbai

Dated : 30th May 2013

For AVI PHOTOCHEM LIMITED

sd/-

Director

Place : Mumbai

Dated : 30th May 2013

sd/-

Director

NOTES

AVI PHOTOCHEM LIMITED

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

ATTENDANCE SLIP

Annual General Meeting – Friday, 27th September, 2013

I / We hereby record my / our presence at the TWENTY FOURTH ANNUAL GENERAL MEETING of the Company held 110, Manish Ind Est No. 4, Navghar Rd, Vasai (E), Dist: Thane - 401210, Maharashtra, India on Friday, 27th September, 2013 at 11:00 a.m.

Full Name of member _____
Regd. Folio No. _____ No. of Shares held _____
Client 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.	
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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 Friday, 27th September, 2013 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**

If, undelivered please return to:

AVI PHOTOCHEM LIMITED

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