

**EIGHTEENTH ANNUAL REPORT  
2010-2011**

**CHOKHANI SECURITIES LIMITED**

**Regd. Office :**

5A-MAKER BHAVAN NO.2,  
SIR VITHALDAS THAKERSEY MARG,  
NEW MARINE LINES,  
MUMBAI-400 020

**Tel.: (91-22) 22007772/73**

**Fax: (91-22) 22007722.**

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# CHOKHANI SECURITIES LTD.

## BOARD OF DIRECTORS

SHRI RAMAKANT R. CHOKHANI (Chairman)

MR. RAJESH CHOKHANI

MR. U.C. SHUKLA

MR. MOHAN AHUJA

**18th**  
**ANNUAL**  
**REPORT**  
**2010-2011**

## AUDITORS

P.C. Ghadiali & Co.  
Chartered Accountants  
206, Arun Chambers,  
Tardeo, Mumbai – 400 034.

## BANKERS

AXIS BANK LTD.

## REGISTRARS & SHARE TRANSFER AGENTS

Universal Capital Securities Pvt Ltd (Formerly Mondkar Computers Private Limited.)  
21, Shakil Niwas,  
Mahakali Caves Road  
Andheri (E),  
Mumbai – 400 093.  
Tel : 28207203-05  
Fax : 28207207

## **Regd. Office:**

5A Maker Bhavan No.2, Sir Vithaldas Thakersey Marg,  
New Marine Lines, Mumbai-400 020.

Tel.: 22007772/73

Fax: 22007722.

**NOTICE**

NOTICE is hereby given that the **Eighteenth Annual General Meeting** of the Members of **CHOKHANI SECURITIES LIMITED** will be held at **11.00 a.m. on Monday, the 4<sup>th</sup> July 2011** at **B-1, Chandra Mahal, 2<sup>nd</sup> Floor, 241-Princess Street, Mumbai-400 002.** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March, 2011 and Profit & Loss Account for the year ended on that date along with Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Rajesh Chokhani, who retires by rotation and being eligible offers herself for reappointment.
3. To appoint Auditors and fix their remuneration.

**ON BEHALF OF THE BOARD OF DIRECTORS  
FOR CHOKHANI SECURITIES LTD.**

**Registered Office:**

5A, Maker Bhavan No.2,  
Sir Vithaldas Thakersey Marg,  
New Marine Lines,  
Mumbai-400 020.

**Sd/-  
RAMAKANT R. CHOKHANI  
(CHAIRMAN)**

**Place: Mumbai**

**Date: June 3 2011**

**NOTES:**

1. **A Member entitled to attend and vote is entitled to appoint one or more proxy(ies) to attend and vote instead of himself and the proxy(ies) need not be a member.**
2. The proxy to be effective should be deposited at the registered office of the Company not less than forty eight hours before the commencement of the Meeting.
3. Pursuant to Clause 41 of the Listing Agreement with the Stock Exchange information about the Directors to be appointed / reappointed is enclosed.
4. The Register of Members and the Share Transfer Books will remain closed from 22nd June, 2011 to 04<sup>th</sup> July, 2011 (both days inclusive).

**Information pursuant to Clause 41 of the Listing Agreement**

A brief resume of the Director seeking appointment / reappointment at the forthcoming AGM.

<b>Name</b>	<b>Mr. Rajesh Chokhani</b>
Date of Birth	17/09/1963
Date of Appointment	13/05/2005
Qualifications	B.E. (Computer Science)
List of other Directorship held as on 31 <sup>st</sup> March, 2011 (Other than Private Cos.)	Nil
Membership of Other Cos/. Committees (Other than Private Cos.)	Nil

**DIRECTORS' REPORT**

The Members,

Your Directors hereby present their Eighteenth Annual Report on the working of the Company together with the audited statements of accounts for the year ended 31<sup>st</sup> March, 2011.

**Financial Results:**

	Current Year 31.03.2011	Previous Year 31.03.2010
Profit before Interest & Depreciation	66,88,468	48,16,737
Interest Paid	0	0
Profit before Depreciation	66,48,468	48,16,737
Depreciation	0	2809
Profit before Tax	66,88,468	48,13,928
Provision for Tax & Deferred Tax Assets -	-11,61,024	-4992
Profit after Tax	55,27,444	48,21,729
Balance brought forward	15,74,33,662	15,28,31,471
Balance Available for Appropriation	16,29,61,107	15,76,53,200
Extra ordinary adjustment Excess /(Short) Provision for Tax Adjustment for prior year	0	(219538)
Balance carried forward	16,29,61,107	15,74,33,662

**Dividend:**

Directors have not recommended any dividend.

**Performance of the Company:**

The Company recorded the total income of Rs.81.90 lacs as against Rs.64.45 lacs in the previous year, a jump of 27%. The pre-tax profit for the year was Rs.66.88 lacs, higher by 39% compared to Rs 48.16 lacs last year. Increase in profit is mainly on account of bullish market sentiments last year which has favored shares and securities business.

**MANAGEMENT DISCUSSION AND ANALYSIS FOR 2010-2011.****Industry Structure and development:**

The Indian Economy has shown robust GDP growth of 8-8.5% during the year 2010-11 which is reflected into the earnings & profits of the Companies US & Other major world economies have shown modest growth in GDP, This helped Indian Economy & Indian Companies and in attracting inflows into Indian Capital Market & thereby reflecting the growth in Indian indices last year Of late however Indian economy has started showing signs of moderation due to concentrated steps taken by RBI by raising interest rates to control inflation which at one point of time went as high as 10%. Crude oil prices have once again gone above 100 US Dollars per barrel which makes the task of RBI difficult to control inflation, Hence a delicate balance between growth and inflation is challenge for the RBI for which it is very proactive. Growth prospects in such environment are moderately bullish.

**Regulations**

The Capital Market is regulated by stringent rules and regulations of the Securities & Exchange Board of India (SEBI) and the Stock Exchanges.

**Opportunity and threats**

The Government is committed to encourage the healthy growth of Capital Market for development of the Economy. The Governments incremental expenditure on infrastructure & agriculture will boost the economy. However, recent steps to combat the inflation by increasing the bank rate and CRR by RBI from time to time may affect the market sentiments.

**Future Outlook**

You're Directors foresee coming year will be a challenging year. Recent steps by Govt & RBI to combat inflation will adversely affect both economy and company's profitability in years to come. However company is in the

process of actively exploring other business avenues and it is planning to enter in the field of education where preliminary discussion has already been initiated for investments. Company also intends to expand aggressively in commodity trading business and for financing its business growth plans Company is actively pursuing various options of raising finance through debt &/or equity route.

**Internal Control System**

There are reasonable internal control systems at all levels in the Company.

**Risk Management**

The management continuously access the risk involved in the business and all out efforts are made to minimize the risk.

**Directors' Responsibility Statement:**

The Directors hereby confirm that:

- a) in the preparation of the accounts the applicable accounting standards have been followed along with proper explanations relating to material departure.
- b) Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company.
- c) Proper and sufficient care has been taken 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.
- d) The annual accounts have been prepared on a going concern basis.

**Conservation of Energy etc.**

Since the Company is not engaged in any manufacturing activity, information as required under the provisions of Section 217(1)(e) of the Companies Act 1956 is not furnished. During the year under consideration, there was no foreign exchange earning or outgo.

**Employees:**

None of the employees of the Company was in receipt of remuneration in excess of the limit prescribed under Section 217(2A) of the Act read with the Rules made there under.

**Directors:**

To comply with the requirement of the Companies Act, 1956 and the Articles of Association of the Company Mr. Rajesh Chokhani shall retire by rotation and being eligible offers herself for re-appointment.

**Auditors:**

M/s P. C. Ghadiali & Co, Chartered Accountants, Statutory Auditors of your Company shall retire at the forthcoming Annual General Meeting. However, they are eligible for reappointment. Members are requested to appoint the Auditors and fix their remuneration.

**Corporate Governance:**

As required under clause 49 of the Listing Agreement a report on Corporate Governance and Auditors' Certificate thereon are annexed.

**Acknowledgement:**

The Directors wish to place on record their deep sense of appreciation to the Company's Banker, registrars and all the staff members for their unstinted support. Your directors also wish to thank the shareholders for confidence reposed in the management of the Company.

Place: Mumbai

Date: June 3, 2011

For and on Behalf of the Board

Sd/-  
Mr. Ramakant R Chokhani  
Chairman

**DEVENDRA SONI**  
B.Com., F.C.S.  
Company Secretary  
Dev Guest House,  
New Pali Road,  
Bhagat ki Kothi  
Jodhpur

### COMPLIANCE CERTIFICATE

To:  
The Members  
Chokhani Securities Limited

I have examined the registers, records, books and papers of Chokhani Securities Limited (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanation furnished to me by the Company, its officers and agents, I 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 and the rules made thereunder 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, Maharashtra, within the time prescribed under the Act and the rules made thereunder. The Company was not required to file any form/return with the Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a Public Limited company, comments on invitation to public to subscribe for shares/debentures or acceptance of deposits as applicable to a Private Limited Company are not required.
4. The Board of Directors duly met five times on 30/04/2010, 04/06/2010, 23/07/2010, 29/10/2010 and 15/01/2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed. No circular resolutions was passed during the financial year.
5. The Company closed its Register of Members from 21<sup>st</sup> June, 2010 to 30<sup>th</sup> June, 2010 and necessary compliance of Section 154 of the Act has been done.
6. The Annual General Meeting for the financial year ended on 31st March, 2010 was held on 30<sup>th</sup> June, 2010 after giving due notices 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 General Meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and/or persons or firms or companies referred to in Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act during the financial year.
10. The Company was not required to make entries in the register maintained under Section 301 of the Act.
11. As there was no appointment/instance falling within the purview of Section 314 of the Act, the Company has not obtained approval from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificate during the financial year.
13. (i) The Company has delivered all the shares certificates on lodgment thereof for transfer in accordance with the provisions of the Act. There was no allotment and transmission during the financial year.  
(ii) As the Company did not declare any dividend during the financial year, the need to deposit any amount of dividend in a separate Bank Account did not arise.  
(iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.

- (iv) There was no such amount in unpaid dividend account, application money due for refund, matured deposits, matured debentures and interest accrued thereon which have remained unclaimed or unpaid for a period of seven years;
- (v) The Company has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of Directors have been duly made. There was no appointment of Additional Director, Alternate Directors and Directors to fill casual vacancies during the financial year.
  15. The Company has not appointed Managing Director/Whole-time Director or Manager.
  16. The Company has not appointed any sole selling agent during the financial year.
  17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed in the various provisions of the Act during the financial year.
  18. The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
  19. The Company has not issued Shares or any other security during the financial year.
  20. The Company has not bought back any shares during the financial year ended 31st March, 2011.
  21. The Company has not redeemed any preference shares/debentures during the financial year.
  22. The Company was not required 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 deposit including any unsecured loans falling within the purview of Section 58A of the Act during the financial year.
  24. The amount borrowed by the Company from Directors, members, public, financial institution, banks and others during the financial year ended 31st March, 2011 are within the borrowing limits of the Company as per Section 293(1)(d) of the Act.
  25. The Company has given loans to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose. The Company has not given any guarantee or provided security to nor made any investment in other body corporate during the year under scrutiny.
  26. The Company has not altered the provisions of the Memorandum with respect to the situation of the Company's Registered Office from one state to another during the year under scrutiny.
  27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
  28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
  29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
  30. The Company has not altered its Articles of Association during the financial year.
  31. There was no prosecution initiated against or show cause notice received by the Company or any other punishment imposed on the Company during the financial year, for offenses under the Act.
  32. The Company has not received any money as security from its employees during the year under certification.
  33. The Company has not deducted any contribution towards Provident Fund during the financial year.

(DEVENDRA SONI)  
COMPANY SECRETARY

Place: MUMBAI  
Date : 01.06.2011



**ANNEXURE A**

Registers as maintained by the Company

- 1) Minutes Book of the Board Meeting u/s 193 of the Act.
- 2) Minutes Book of the General Meeting u/s 193 of the Act.
- 3) Register of Members of the Company u/s 150 of the Act.
- 4) Register of Directors u/s 303 (2) of the Act.
- 5) Register of Directors' Shareholding u/s 307
- 6) Register of Contracts u/s 301 of the Act.

**ANNEXURE B**

Forms and returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on 31st March, 2011 :

- 1) Annual Accounts for the year ended 31/03/2010 filed u/s 220 on 12/08/2010;
- 2) Compliance Report for the year ended 31/03/2010 filed u/s 383A on 12/08/2010;
- 3) Annual Return as on 07/07/2010 filed u/s 159 on 12/08/2010.

Place: Mumbai  
Date : 01.06.2011

**(DEVENDRA SONI)**  
COMPANY SECRETARY

**REPORT ON CORPORATE GOVERNANCE****A. Philosophy:**

The Company is committed to good corporate governance practices. The Company continues to take such steps which ensure good corporate governance practices, transparency and enhance the shareholders value.

**B. Board of Directors:****Composition, Meetings and Attendance:**

The Board of Director comprises of six Directors with all of them being Non-Executive Directors. One third of the total strength of the Board comprises of independent Directors.

During the financial year ended 31<sup>st</sup> March 2011, the Board met five times on 30.04.2010, 23.07.2010, 04.06.2010, 29.10.2010 and 15.01.2011.

Last Annual General Meeting was held on June 30, 2010

The composition of the Board of Directors as on March 31, 2011 and other details are as under:

Name of Director	Category	No. of other Directorship Other than Pvt. Ltd. Cos.	Committee Membership of other Companies	No. of Board meetings attended	Attendance at last AGM of the Company
Mr. Ramakant R. Chokhani	Non-Executive Promoter	Nil	Nil	5	Yes
Mr. Mohan N Ahuja	Non-Executive Independent	Nil	Nil	5	Yes
Mr. U.C. Shukla	Non-Executive	Nil	Nil	5	Yes
Mr. Rajesh Chokhani	Non-Executive Independent	Nil	Nil	5	Yes.

Details of Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting:

Name	Mrs. Rajesh Chokhani
Date of Birth	27/09/1963
Date of Appointment	13/05/2005
Qualifications	B.E. (Computer Science)
List of other Directorship held as on 31 <sup>st</sup> March, 2011 (Other than Private Cos.)	Nil
Membership of Other Cos/. Committees (Other than Private Cos.)	Nil

**C. Audit Committee:**

The Company has constituted an Audit Committee on March 10, 2003.

The Audit Committee comprises of Mr. Rajesh Chokhani & Mr U C Shukla both independent Directors and Mr. Ramakant R. Chokhani. Mr. U C Shukla is having financial and accounting knowledge.

The Audit Committee met four times in the financial year ended March 31, 2011.

The Audit Committee had adequate powers and detailed terms of reference to play effective role as required under Clause 49 of the Listing Agreement.

The Compliance Officer acts as the Secretary of the Committee.

**D. Remuneration Committee:**

Since entire Board comprises of Non Executive Directors and none of the Directors is in receipt of any remuneration including sitting fees, Remuneration Committee is not formed.

**E. Shareholders/Investors Grievance Committee:**

The Company has formed Shareholders/Investors Grievances Committee under the Chairmanship of Mr. Ramakant R. Chokhani and Mr. Mohan Ahuja as its member to look into redressal of Shareholders and investors grievances with respect to transfer of Shares, dematerialization of shares, non receipt of declared dividend or Annual report etc. and other matters relating to shareholder relationship. The shareholders grievance committee met nine times during the year. During the year ended on March 31, 2011 the Company did not receive any complaint from any of its members.

**F. Name and Designation of Compliance officer:**

Mr Manish Parikh

Compliance officer

Chokhani Securities Limited.

5A, Maker Bhavan No.2, New Marine Lines, Mumbai 400 020

**G. Annual General Meetings:**

The details of the location and time for last three Annual General Meetings are given below:

AGM No	Accounting Year	Date	Time	Location
17 <sup>th</sup>	2009-2010	June 30 <sup>th</sup> , 2010	11.00 am	B-1, Chandra Mahal, 2 <sup>nd</sup> Floor, 241-Princess Street, Mumbai-400 002
16 <sup>th</sup>	2008-2009	July 07 <sup>th</sup> 2009	11.00 am	B-1, Chandra Mahal, 2 <sup>nd</sup> Floor, 241 Princess Street, Mumbai-400 002
15 <sup>th</sup>	2007-2008	July 07 <sup>th</sup> 2008	11.00 am	B-1, Chandra Mahal, 2 <sup>nd</sup> Floor, 241 Princess Street, Mumbai-400 002

**H. Disclosures:****a) Disclosure regarding materially significant related party transactions:**

No transaction of material nature has been entered into by the Company with its Promoters, Directors or the management or relatives etc. that may have potential conflict with the interest of the Company.

**b) Disclosure of non-compliance by the Company**

There were no instances of non-compliance or penalty, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to Capital Markets during the last four Years.

**c) Means of Communication:**

The means of communication between the Company and the shareholders are transparent and investor friendly. The Company's half-yearly and quarterly unaudited results are published in leading newspapers in English and in vernacular language of Mumbai. As such the Company does not send unaudited results to shareholders individually.

**I. General Shareholder Information:****a) Annual General Meeting**

The 18th AGM of the members of the Company is scheduled to be held on Monday July 4<sup>th</sup>, 2011 at B-1, Chandra Mahal, 2nd Floor, 241, Princess Street, Mumbai-400 002.

**b) Financial Calendar for the year 2011-2012 (Provisional)**

A Results for the first quarter ending on June 30, 2011	By end of July, 2011
B Results for the second quarter ending on September 30, 2011	By end of October, 2011
C Results for the third quarter ending on December 31, 2011	By end of January, 2012
D Results for the fourth quarter ending on March 31, 2012	By middle of May, 2012
E Finalization of Accounts for the year ended March 31, 2012.	By end of June, 2012
F Annual General Meeting for the year ending March 31, 2012	By end of July, 2012

**c) Details of book closures:**

From 22<sup>nd</sup> June, 2011 to 04<sup>th</sup> July, 2011 (both days inclusive)

**d) Dividend**

The Board of Directors has not recommended any dividend for the financial year 2010-11

**e) Stock Exchange Listing:**

The Company's shares are listed on The Bombay Stock Exchange Ltd. The Company has paid Annual Listing fees up to financial year 2010-2011

Scrip code on the Stock Exchange, Mumbai : 511742  
Demat ISIN for NSDL and CDSL : INE 583 D 01011

**f) Market Price Data:**

There were twelve quotations of the Company's shares on the Stock Exchange during the financial year ended on March 31, 2011. These are:

<u>Month</u>	<u>Highest Rate (Rs.)</u>	<u>Lowest Rate (Rs.)</u>
April 2010	18.25	15.90
May 2010	19.45	17.80
June 2010	19.90	16.65
July 2010	19.50	17.65
Aug 2010	18.35	16.45
Sept 2010	16.50	15.70
Oct 2010	17.90	15.20
Nov 2010	17.70	13.40
Dec 2010	17.56	14.75
Jan 2011	23.55	15.15
Feb 2011	20.25	14.60
March 2011	17.03	14.00

As the shares of the Company are not included in BSE Sensex, comparative study on BSE Index vis-à-vis price performance of the Company's shares is not given.

**g) Registrar and Transfer Agents:**

M/s Universal Capital Securities P LTD ( Formerly Mondkar Computers Pvt. Ltd.)  
21, Shakil Niwas, Opp. Satya Sai Baba Temple  
Mahakali Caves Road, Andheri (East),  
Mumbai 400 093  
Telephone: 28207203-05 Fax: 28207207

**h) Share Transfer System**

Share transfer requests received in physical form are processed by the Share Transfer Agents and Share Transfer Register prepared within fifteen days from the date of receipt. Investor Grievance Committee approves the transfers and immediately there after the Agents dispatches the share certificates to respective transferees. Demat requests are normally confirmed within an average of 15 days from the date of receipt.

## i) Statistics of Shareholders as on March 31, 2011

	Share Holders		Share Holdings		Share Amount	
	Number	%	Holding	%	Rs.	%
Up to 500	690	84.2	95249	2.03	952490	2.03
501-1,000	57	6.88	47393	1.01	473930	1.01
1,001-2,000	26	3.36	39373	0.88	393730	0.84
2,001-3,000	11	1.33	27566	0.59	275660	0.64
3,001-4,000	8	0.95	29964	0.64	299640	0.3
4,001-5,000	8	0.37	13940	0.3	139900	0.76
5,001-10,000	5	0.96	35691	0.76	356910	0.76
10,001 & above	21	2.57	4409274	93.84	44092740	93.84
Total	829	100.00	4698500	100.00	46985000	100.00

## j) Shareholding Pattern as on March 31, 2011

Categories	No of Shares	% of shareholding
Promoters	3467800	73.81
Bodies Corporate	763571	16.29
Residential Individual & Physical Shares	464714	9.89
Non Residential Individual & Clearing Members	2415	0.01
Total	4698500	100.00

## k) Dematerialization of Shares:

Total number of Shares

In Demat form as on 31<sup>st</sup> March, 2011 : 4586970

In Physical form : 111530

L) The Company has not issued any GDRs/ADRs/warrants or any Convertible instruments.

## DECLARATION

As provided under clause 49 agreement with the Stock Exchange, this is to confirm that all the members Of the Board and the Senior Management have affirmed compliance with the code of conduct for the year ended 31<sup>st</sup> March ,2011.

For Chokhani Securities Ltd.

Sd/-  
Ramakant R Chokhani  
(Chairman)

## Address for correspondence:

5A, Maker Bhavan No.2  
Sir Vithaldas Thakersey Marg,  
New Marine Lines,  
Mumbai-400 020  
Ph. 91 22 2200 7772/73  
Fax : 91 22 2200 7722

M/s Universal Capital Sec P Ltd (Mondkar)  
Shakil Niwas, Opp. Satya Sai Baba Temple  
Mahakali Caves Road, Andheri (East),  
Mumbai 400 093  
Telephone: 28207203-05 Fax: 28207207

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

The Members,  
*Chokhani Securities Limited*

We have examined the compliance of conditions of Corporate Governance by the **Chokhani Securities Limited**, for the year ended 31<sup>st</sup> March, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to 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 opinion on 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 representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended/pending for more than 30 days.

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.-

**Pannkaj Ghadiali**

Partner

Membership Number: 031745

For and on behalf of

**P. C. Ghadiali & Co.**

Chartered Accountants

Firm No. 103132W

Place: Mumbai

Dated: June 03, 2011

**AUDITORS' REPORT**

To  
The Members Of  
**CHOKHANI SECURITIES LIMITED**

1. We have audited the attached Balance Sheet of CHOKHANI SECURITIES LIMITED as at 31<sup>st</sup> March, 2011, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - 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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
  - e. On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
  - f. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
5. in the case of the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2011;
6. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - e) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Pankaj Ghadiali**  
Partner  
Membership Number: 031745  
For and on behalf of  
**P. C. Ghadiali & Co.**  
Chartered Accountants  
Firm No. 103132W

Place: Mumbai  
Dated: June 03, 2011

**ANNEXURE TO AUDITORS' REPORT**

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of CHOKHANI SECURITIES LIMITED on the financial statements for the year ended 31<sup>st</sup> March, 2011]

1. (a) The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.  
(b) According to the information and explanations given to us, the inventory of securities have been held in dematerialized form and are verified with the demat account statements at reasonable intervals.  
(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
2. The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
3. In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
4. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.  
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
5. The Company has no formal internal audit department as such. However, its control procedures ensure reasonable internal checking of its financial and other records.
6. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is (generally) regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.  
(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
7. The company has no accumulated losses as at March 31, 2011 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
8. In our opinion, the company has maintained adequate documents and records in the cases where the company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
9. In our opinion, the company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year and timely entries have been made therein. Further, such securities have been held by the company in its own name or are in the process of transfer in its name, except to the extent of the exemption granted under Section 49 of the Act.
10. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.



11. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
12. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
13. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
14. The other clauses, (i), (vi), (viii), (xi), (xiii), (xvi), (xix), (xx) of paragraph 4 of the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, are not applicable in the case of the company for the current year, since in our opinion there is no matter which arises to be reported in the aforesaid order.

Sd/-

**Pannkaj Ghadiali**

Partner

Membership Number 31745

For and on behalf of

**P. C. Ghadiali & Co.**

Chartered Accountants

Firm No. 103132W

Place: Mumbai

Dated: June 03, 2011

**CHOKHANI SECURITIES LIMITED**  
BALANCE SHEET AS AT MARCH 31, 2011

		(Amt. in ₹)	
SCHEDULES	RUPEES	AS AT 31.03.2011	AS AT 31.03.2010
<b>I. SOURCES OF FUNDS:</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
Share Capital	"1"	46,985,000	46,985,000
Reserves & Surplus	"2"	<u>162,961,107</u>	<u>157,433,662</u>
		209,946,107	204,418,662
<b>TOTAL</b>		<u><u>209,946,107</u></u>	<u><u>204,418,662</u></u>
<b>II. APPLICATION OF FUNDS:</b>			
<b>1. FIXED ASSETS</b>			
a) Gross Block		-	-
b) Less : Depreciation		-	-
c) Less: Impairment Loss		-	-
d) Net Block		-	-
<b>2. INVESTMENTS</b>	"3"	317,600	26,653,545
<b>3. CURRENT ASSETS, LOANS &amp; ADVANCES</b>	"4"	213,730,281	180,603,779
<b>Less: CURRENT LIABILITIES &amp; PROVISIONS</b>	"5"	<u>4,101,775</u>	<u>2,918,686</u>
<b>NET CURRENT ASSETS</b>		209,628,507	177,685,093
<b>4. MISCELLANEOUS EXPENDITURE</b> (To the extent not written off or adjusted)	"6"	-	-
<b>5. DEFERRED TAX ASSET</b>		-	80,024
<b>TOTAL</b>		<u><u>209,946,107</u></u>	<u><u>204,418,662</u></u>
<b>NOTES TO ACCOUNTS</b>	"8"		

PER OUR REPORT ATTACHED OF EVEN DATE

Sd/-

**Pannkaj Ghadiali**

Partner

Membership Number: 031745

For and on behalf of

**P. C. Ghadiali & Co.**

Chartered Accountants

Firm No. 103132W

Place: Mumbai

Dated: June 03,2011

For & On Behalf Of The Board

Sd/-

**R. R. Chokhani**  
Director

Sd/-

**Rajesh Chokhani**  
Director

Place: Mumbai

Dated: June 03,2011

## CHOKHANI SECURITIES LIMITED

PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

		(Amt. in ₹)	
SCHEDULES	RUPEES	AS AT 31.03.2011	AS AT 31.03.2010
<b>I. INCOME:</b>			
a) Income from Operations	12,779		1,151,852
b) Dividend Income	895,009		3,991,721
c) Gain / (Loss) on sale of Shares	7,282,176		1,301,763
		8,189,964	6,445,336
<b>II. EXPENDITURE:</b>			
a) Administrative and General Expenses	"7"	1,501,496	1,545,038
b) Miscellaneous Expenses written off		-	65,785
c) Depreciation		-	2,809
d) Impairment Loss		-	14,966
		1,501,496	1,628,598
<b>III. PROFIT BEFORE TAX</b>		6,688,468	4,816,737
<b>IV. PROVISION FOR TAX</b>			
(I) Current Tax		1,081,000	-
(II) Deferred Tax Assets		80,024	(4,992)
(III) Fringe Benefit Tax		-	-
		1,161,024	(4,992)
<b>V. PROFIT AFTER TAX</b>		5,527,444	4,821,729
<b>VI. BALANCE BROUGHT FORWARD</b>		157,433,662	152,831,471
<b>VII. BALANCE AVAILABLE FOR APPROPRIATION</b>		162,961,107	157,653,200
<b>VIII. Extra Ordinary Item/Adjustments</b>			
Excess / (Short) Provision for Tax		-	(219,538)
<b>IX. BALANCE CARRIED TO BALANCE SHEET</b>		162,961,107	157,433,662
<b>Basic &amp; Diluted Earnings Per Share of Rs. 10 Each</b>		1.18	1.03

NOTES TO ACCOUNTS

"8"

PER OUR REPORT ATTACHED OF EVEN DATE

Sd/-

Pannkaj Ghadiali

Partner

Membership Number: 031745

For and on behalf of

P. C. Ghadiali &amp; Co.

Chartered Accountants

Firm No. 103132W

Place: Mumbai

Dated: June 03,2011

For &amp; On Behalf Of The Board

Sd/-

R. R. Chokhani  
Director

Sd/-

Rajesh Chokhani  
Director

Place: Mumbai

Dated: June 03,2011

## CHOKHANI SECURITIES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS AT MARCH 31 2011

	(Amt. in ₹)	
	AS AT 31.03.2011	AS AT 31.03.2010
<b>1 SHARE CAPITAL</b>		
<u>Authorised:</u>		
6,000,000 Equity Shares of Rs.10/- each	<u>60,000,000</u>	<u>60,000,000</u>
 <u>Issued, Subscribed &amp; Paid-Up:</u>		
4,698,500 Equity Shares of Rs.10/- each	46,985,000	46,985,000
( Previous year 4,698,500 Equity Shares of Rs.10/- each )		
Total...	<u>46,985,000</u>	<u>46,985,000</u>
 <b>2 RESERVES AND SURPLUS</b>		
Balance in Profit and Loss Account	162,961,107	157,433,662
Total...	<u>162,961,107</u>	<u>157,433,662</u>

**CHOKHANI SECURITIES LIMITED**

SCHEDULES FORMING PART OF THE ACCOUNTS AT MARCH 31 2011

**3 INVESTMENTS**

	No. of Shares	
In Equity Shares:		
Quoted, Fully paid up:		
Biocon Limited ( Previous year: 3600 nos)	-	1,062,629
DQ Entertainment India Limited ( Previous year:1495 nos.)	1,495	119,600
REC Limited ( Previous year: 116926 nos.)	-	23,735,978
United Bank Limited ( Previous year: 26293 nos)	3,000	1,735,338
ONGC ( Bonus) ( Previous year: Nil)	10,000	-
( Market Value Rs.3303994 Previous year Rs.32303035 )		
Total...		<u>317,600</u> <u>26,653,545</u>

**4 CURRENT ASSETS, LOANS AND ADVANCES**

A) Inventory (Shares) (Valued at lower of cost or Market value and as certified by a director)	44,990,330	84,868,745
Inventory (Commodities) (Valued at lower of cost or Market value and as certified by a director)	18,111,386	11,611,247
	<u>63,101,716</u>	<u>96,479,992</u>
B) SUNDRY DEBTORS ( Unsecured, Considered good) Debts outstanding for a period exceeding six months other Debts	-	-
	<u>-</u>	<u>-</u>
C) CASH AND BANK BALANCES Cash on Hand Balance with Scheduled Bank:- a) in Current account	122,188 2,648,852	4,961 4,811,324
	<u>2,771,040</u>	<u>4,816,285</u>
D) LOANS AND ADVANCES Advances recoverable in cash or kind or for value to be received Loans Given to Companies	12,713,278 135,144,247	5,807,502 73,500,000
	<u>147,857,525</u>	<u>79,307,502</u>
Total...	<u>213,730,281</u>	<u>180,603,779</u>

**CHOKHANI SECURITIES LIMITED**

SCHEDULES FORMING PART OF THE ACCOUNTS AT MARCH 31 2011

**5 CURRENT LIABILITIES AND PROVISIONS****A) CURRENT LIABILITIES**

Sundry Creditors	41,363	1,979,788
Other Liabilities	2,933,412	892,898

**B) PROVISIONS**

Provisions of Taxation	1,127,000	46,000
------------------------	-----------	--------

Total...

4,101,775	2,918,686
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**6 MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted )

Public Issue Expenses	-	65,785
Less : Written off	-	65,785

Total...

-	-
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**7 ADMINISTRATIVE AND GENERAL EXPENSES**

Salaries & Other Benefits	1,005,381	1,097,720
Office Expenses	100,292	37,000
Repairs & Maintenance	98,912	19,450
Professional, Consultancy and Legal Fees	73,494	145,604
Travelling & Conveyance Expenses	44,190	44,650
Auditor's Remuneration	41,363	33,090
Expenses for earning Tax free income	39,000	38,500
Printing & Stationery Expenses	32,802	38,639
Taxes and Listing Fees	26,766	27,850
Postage & Telegraph Charges	14,356	16,289
Statutory Advertisement Expenses	12,032	25,999
Registrar & Transfer Agent Charges	10,096	9,934
Financial Charges	2,812	3,703
Computer Expenses	-	3,400
Telephone Expenses	-	3,210

Total...

1,501,496	1,545,038
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**CHOKHANI SECURITIES LIMITED****SCHEDULES FOR THE YEAR ENDED MARCH 31, 2011****SCHEDULE "8"****1. SIGNIFICANT ACCOUNTING POLICIES:****1. Basis of preparation of financial statements:**

- a) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting policies, and the provisions of the Companies Act, 1956 as adopted consistently by the Company.
- b) Accounting policies not specifically referred otherwise are consistent and in consistence with generally accepted accounting principles followed by the Company.

**2. Basis of Accounting:**

All Income and Expenditure items having a material bearing on the financial statements are recognized on accrual system.

**3. Fixed Assets:**

Fixed Assets are valued at cost less accumulated depreciation.

**4. Depreciation:**

Depreciation on Fixed Assets is provided on written down value method at the rates provided and in the manner specified in Schedule XIV of the Companies Act, 1956.

**5. Taxation:**

Income Tax expense comprises current tax deferred tax charge or credit and provision for Fringe Benefit Tax. The deferred charge or credit is recognized using current tax rates. Where there is unabsorbed or carry forward depreciation, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets/ liabilities are reviewed as at each Balance Sheet date based on developments during the year and available case laws to reassess realisation / liabilities.

**6. Inventories:**

Stocks of shares and securities have been valued at cost or market value whichever is lower.

**7. Income:**

Interest on debentures and dividend on shares are accounted for on receipt basis.

**8. Recognition of Expenditure:**

Revenue expenditure is accounted for on accrual basis.

**9. Miscellaneous Expenditure: -**

The Company amortizes Miscellaneous Expenditure over a period of ten years.

**2. SEGMENT REPORTING:**

The company treats Share Trading Activity And Inter-Corporate Deposits as single segment. Therefore no Segment Reporting is required.

**3) EARNINGS PER SHARE :**

Computation for the basic earning per share of Rs.10 each.		2010-2011 Amount (₹.)	2009-2010 Amount (₹.)
1	Net profit/(loss) available for Equity Shareholders.	55,24,444/-	48,39,504/-
2	Number of equity shares for basic earning per share	46,98,500	46,98,500
3	Basic Earning Per Share	Rs. 1.18	Rs. 1.03

There are no Diluted Equity Shares and hence no working for diluted earnings per share.

## 4) DEFERRED TAX :

Deferred tax is recognized on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period in accordance with AS 22- Accounting for Taxes on Income issued by The Institute of Chartered Accountants of India.

The deferred tax asset as at 31<sup>st</sup> March 2011 comprise of the following: -

Particulars	<u>2010-2011</u> ₹.	<u>2009-2010</u> ₹.
Opening Deferred Tax Assets	₹ 80,024/-	₹80,024/-
Deferred Tax Assets/(Liability): -	0/-	0/-
Deferred Tax Reversal	- ₹80,024	0/-
Closing Deferred Tax Asset/(liability)	0/-	₹80,024/-

## 5) CONTINGENT LIABILITIES :

- Contingent Liabilities on account of contracts remaining to be executed on capital account  
NIL
- Claims against the Company not acknowledged as debts NIL.

## OTHER NOTES:

- In the opinion of the Board of Directors, Current Assets, Loans and Advance have the value at which these are stated in the Balance Sheet, if realized in the ordinary course of business and the provisions for all known liabilities is adequate and not in excess of or less than the amount reasonably necessary.
- During the year, management conducted test for impairment of fixed assets as per guideline given under Accounting Standard 28 "Impairment of Assets" and accordingly management impaired full value of fixed assets of company since the future cash flow from assets impaired and net realizable value as on date of balance sheet is negligible.
- Previous year's figures have been regrouped or rearranged or reclassified wherever necessary.

## 6. RELATED PARTY DISCLOSURES

Name of Party	Amount receivable	Nature
Arc Commodity Futures Pvt. Ltd.	Rs. 21,21,262/-	Margin money
R.R Chokhani Stock Brokers Pvt. Ltd.	Rs. 68,98,262/-	Margin Money

## SIGNATURES TO THE SCHEDULES 1-8

## PER OUR REPORT ATTACHED OF EVEN DATE

Sd/-  
Pannkaj Ghadiali  
Partner  
Membership Number: 031745  
For and on behalf of  
P. C. Ghadiali & Co.  
Chartered Accountants  
Firm No. 103132W

For & Behalf of Board

Place: Mumbai  
Dated : June 03, 2011

Sd/-  
R. R. Chokhani  
Director

Sd/-  
Rajesh Chokhani  
Director

Place : Mumbai  
Dated : June 03, 2011



**CHOKHANI SECURITIES LIMITED**

Additional information as required under Part IV of Schedule VI to the Companies Act, 1956

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**1) Company's Registration Details

Registration No.	:	11-70739
State Code	:	11
Balance Sheet Date	:	31-Mar-11

2) Capital Raised During the year  
(Amounts in Rs. Thousands)

Public Issue	:	NIL
Rights Issue	:	NIL
Bonus Issue	:	NIL
Private Placement	:	NIL

3) Position of Mobilisation and Deployment of Funds  
(Amounts in Rs. Thousands)

Total Liabilities	:	209,946
Total Assets	:	209,946

Sources of Funds

Paid up Capital	:	46,985
Reserves & Surplus	:	162,961
Secured Loans	:	-
Unsecured Loans	:	-

Application of Funds

Net Fixed Assets	:	-
Investments	:	318
Net Current Assets	:	209,629
Misc. Expenditure	:	-
Deferred Tax Asset	:	-
Profit and Loss Account	:	-

4) Performance of Company  
(Amounts in Rs. Thousands)

Turn Over	:	8,190
Total Expenditure	:	1,501
Profit Before Tax	:	6,688
Profit After Tax	:	5,527
Earnings Per Share in Rs.	:	1.18
Dividend Rate %	:	NIL

5) Generic names of Three Principal Products/Services of the Company (as per Monetary Terms)

Item Code	:	Not Applicable
Product Description	:	Trading in share and securities, Intercompany financing

**FOR & ON BEHALF OF THE BOARD**

Sd/-  
**Pannkaj Ghadiali**  
Partner  
Membership Number: 031745  
For and on behalf of  
**P. C. Ghadiali & Co.**  
Chartered Accountants  
Firm No. 103132W

Sd/-  
**R. R. Chokhani**  
Director

Sd/-  
**Rajesh Chokhani**  
Director

Place: Mumbai  
Dated: June 03,2011

Place: Mumbai  
Dated: June 03,2011

## CHOKHANI SECURITIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2011

PARTICULARS	AS AT 31.03.2011 RS. IN LACS	AS AT 31.03.2010 RS. IN LACS
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before Tax and extraordinary items	66.88	48.17
(Income)/ loss on sale of Investments	(72.82)	(13.02)
Depreciation	-	0.03
Dividend Received	(8.95)	(39.92)
Miscellaneous Expenses Written off	-	0.66
Impairment Loss	-	0.15
Share Speculation Income	(0.29)	-
Interest Paid	-	-
	<u>(82.07)</u>	<u>(52.10)</u>
<b>Operating profit before working Capital</b>	<b>(15.18)</b>	<b>(3.93)</b>
(Increase)/Decrease in Inventories	333.78	268.24
(Increase)/Decrease in Trade & Other Receivable	(674.47)	(749.49)
Increase/(Decrease) Current Liabilities & Provision	1.02	28.40
	<u>(339.66)</u>	<u>(452.86)</u>
<b>Cash Generated from Operations</b>	<b>(354.85)</b>	<b>(456.79)</b>
Interest paid	-	-
Tax paid	11.03	41.13
	<u>11.03</u>	<u>41.13</u>
<b>Cash Flow Before Extraordinary Items</b>	<b>(365.88)</b>	<b>(497.92)</b>
Extra ordinary Items / Adjustments	-	(2.20)
<b>Cash Flow After Extraordinary Items</b>	<b>(365.88)</b>	<b>(500.11)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Investment	375.84	189.30
Purchase of Investments	(39.66)	(442.82)
Interest / Dividend Received	8.95	39.92
Share Speculation Income	0.29	-
<b>Net Cash Used for Investing Activities</b>	<b>345.42</b>	<b>(213.60)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) In Unsecured Loans	0	-
<b>Net cash From Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(20.45)</b>	<b>(713.72)</b>
Cash and Cash Equivalents (OPENING BALANCE)	48.16	761.98
Cash and Cash Equivalents (CLOSING BALANCE)	27.71	48.16
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(20.45)</b>	<b>(713.82)</b>

Sd/-  
**Pannkaj Ghadiali**  
Partner  
Membership Number: 031745  
For and on behalf of  
**P. C. Ghadiali & Co.**  
Chartered Accountants  
Firm No. 103132W

Place: Mumbai  
Dated: June 03,2011

**FOR & ON BEHALF OF THE BOARD**

Sd/-  
**R. R. Chokhani**  
Director

Sd/-  
**Rajesh Chokhani**  
Director

Place: Mumbai  
Dated: June 03,2011

# CHOKHANI SECURITIES LIMITED

Regd. Office: 5A-Maker Bhavan No.2, Sir Vithaldas Thakersey Marg,  
New Marine Lines, Churchgate, Mumbai-400 020.

## ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall. It helps us to make proper arrangements.

I hereby record my presence at the 18th Annual General Meeting at 11.00 a.m. on July 4<sup>th</sup> 2011 at B-1, Chandra Mahal, 2<sup>nd</sup> Floor, 241, Princess Street, Mumbai-400 002.

Name and address of the Shareholder

Registered Folio No./ Client Id No.	No of Shares held

Signature of Member or Proxy

(to be signed at the time of handing over this slip)

### Notes:

1. Members/Proxies are requested to bring their copies of Annual Report with them at the meeting.
  2. Please carry with you this attendance slip and hand over the same duly signed at the entrance of the hall.
  3. Please bring photo identity to avoid in convenience.
- .....tear hear.....

# CHOKHANI SECURITIES LIMITED

Regd. Office: 5A-Maker Bhavan No.2, Sir Vithaldas Thakersey Marg,  
New Marine Lines, Churchgate, Mumbai-400 020.

## PROXY SLIP

Registered Folio No/ Client Id No.	No. of Shares held

I/we \_\_\_\_\_ of \_\_\_\_\_ being a  
Member of the Company hereby appoint Mr./Ms. \_\_\_\_\_ of  
\_\_\_\_\_ failing him Mr./Ms. \_\_\_\_\_ of  
\_\_\_\_\_ as my/our proxy to vote for me/us and on my behalf at the  
18th AGM of the Company at 11.00 a.m. on July 4, 2011 at B-1, Chandra Mahal, 2<sup>nd</sup> floor, 241,  
Princess Street, Mumbai 400 002, or at any adjourned meeting thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Signature

Affix  
Revenue  
Stamp of  
Rs. 1.

**Note:** The Proxy to be effective should be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.