

**15<sup>th</sup>**  
Annual Report  
2005-2006

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**CHOKHANI  
GLOBAL EXPRESS LIMITED**

### **Board of Directors**

Mr. Naresh Kumar Tulshan  
Mr. K.N. Bagla  
Mr. Bharat B. Chokhani

Director  
Director  
Director

### **Bankers**

Indian Bank  
Bank of India

### **Auditors**

M/s I.K. Harlalka & Co.  
Chartered Accountants  
4279, Gali Bhairon Wali,  
Jogiwara, Nai Sadak  
Delhi - 110 006

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### **Head Office & Registered Office**

Chokhani House  
D-3/2, Okhla Industrial Area, Phase-II  
New Delhi - 110 020

### **Registrars & Share Transfer Agents**

Beetal Financial & Computer Services (P) Ltd.  
Beetal House, 3rd Floor,  
99, Madangir, Near Dada Harsukh Das Mandir  
New Delhi-110062

**CHOKHANI GLOBAL EXPRESS LIMITED****NOTICE**

Notice is hereby given that the 15th Annual General Meeting of Chokhani Global Express Limited will be held at 1, DSIDC Complex, Okhla Industrial Area Phase-1, New Delhi-110020 on Friday the 29th September, 2006 at 12.00 Noon to transact the following business.

**ORDINARY BUSINESS :**

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2006 and the Profit & Loss Account for the year ended as on that date and reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. N.K. Tulshan, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS :**

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

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 1956, Securities Contract (Regulations) Act, 1956, the Listing Agreement with Stock Exchanges at Chennai, Calcutta and Delhi the provisions of the SEBI (De-Listing of Securities) Guideline 2003 or any amendment or modifications thereon and subject to such other approval, permission and sanction as may be necessary and such conditions and modifications as may be prescribed or imposed by any authority while granting such approval, permission or sanction, it may be agreed to, by the Board of Directors of the company or any person(s), Authorised by Board, approval be and is hereby accorded for de-listing equity share of the company from Stock Exchanges at Ahmedabad, Chennai, Calcutta & Delhi."

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to seek voluntary de-listing and to take all necessary steps in then regard as it may in its absolute discretion deem necessary and to settle any question, difficulties, doubts that may arise in regard to implementation of the foregoing resolution for de-listing of the existing share and to execute of such deeds, documents, writings as may be necessary or

expedient and for this purpose to delegate the authority to any one of the director of the company or the Company Secretary or any person to do various act, deed and things required to be done in this behalf."

By order of the Board of Directors

Place : New Delhi

Date : 29-07-2006

**NARESH TULSHAN**

CHAIRMAN

**NOTES:**

- (a) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxy to be effective, must be deposited at the Registered Office of the Company duly completed, not less than fortyeight hours before the commencement of the meeting.
- (b) Members/Proxies should bring the attendance slip sent herewith duly filled up for attending the meeting.
- (c) The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2006 to 29th September, 2006 (both days inclusive).
- (d) Members are requested to communicate change of address, if any.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM NO. 4**

In terms of the prospectus for the Company's public Issue in 1992, the Company's securities are listed at the following five Stock Exchanges, namely.

1. Delhi 2. Bombay 3. Calcutta 4. Madras

Keeping in view the significant volume of transaction, and as part of the overall review of the efficiency of our operations and also with a view to cut down Company's overheads, it is proposed, subject to the necessary approvals from concerned Authorities like SEBI, Stock Exchanges, etc. to discontinue Company's listing Agreement with Madras Stock Exchange, Delhi Stock Exchange and Calcutta Stock Exchange.

The shareholders are requested to record their approval to the proposed Resolution.

None of the Directors of the Company is concerned or interested in the Resolution.

By order of the Board of Directors

Place : New Delhi

Date : 29-07-2006

**NARESH TULSHAN**

CHAIRMAN

**CHOKHANI GLOBAL EXPRESS LIMITED****DIRECTORS' REPORT**

To  
The Members,

Your Directors have pleasure in presenting their 15th Annual Report and the Audited Accounts for the year ending 31st March, 2006.

**FINANCIAL RESULTS :**

(Rs. in Lakhs)

	31.03.2006	31.03.2005
Income	0.01	NIL
	NIL	NIL
Expenditure before interest,		
Depreciation & Tax	18.56	23.30
Interest	NIL	NIL
Gross Profit/(Loss)	(18.55)	(23.30)
Depreciation	NIL	NIL
Profit/(Loss) before Tax	(18.55)	(23.30)
Provision for Tax	NIL	NIL
Profit/(Loss) after Tax	(18.55)	(23.30)

**OPERATION :**

The operations of the company could not be resumed. In view of the present market scenario and lack of sufficient resources the company is unable to take-up any business activity. We are looking forward for an opportunity, to restart the business in due course of time.

**DIVIDEND :**

There being no profits generated during the year, your Directors are not in position to recommend any dividend.

**DIRECTORS :**

Mr. N.K. Tulshan retire by rotation at this Annual General Meeting and is eligible for reappointment.

Brief resume of the Director, nature of their expertise in specific functional areas and names of companies in which they hold the directorship

and the membership/chairmanship of committee of the Board as stipulated under clause 49 of the listing agreement with the stock exchanges, are given in the section on corporate governance elsewhere in Annual Report.

**AUDITORS :**

M/s I.K. Harlalka & Co., Chartered Accountants, retire as Auditors of the company at the conclusion of this Annual General Meeting and are eligible for reappointment. The Company has received a certificate from the Auditors to the effect that their appointment, if made, would be within the prescribed limit under section 224 (1-B) of the Companies Act, 1956.

**AUDITORS' REPORT :**

Auditors observation are self explanatory and are suitably explained in the notes to the accounts.

**LISTING OF SECURITIES :**

The securities of the Company are listed on the Stock Exchanges at Chennai, Delhi, Calcutta and Mumbai.

**SHARE TRANSFER SYSTEM :**

Company has appointed "Beetel Financial & Computer Services (P) Ltd. as the Registrar and Share Transfer Agents of the Company. Transfer of shares are approved by the Shareholders/Investors Grievance Committee of Directors which meets at frequent intervals.

**PARTICULARS OF EMPLOYEES :**

No employee is in receipt of remuneration as per the limits given pursuant to section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

**CORPORATE GOVERNANCE - CLAUSE 49 OF THE LISTING AGREEMENT**

In accordance with the Listing Agreement, a note on Corporate Governance together with

Auditors Certificate regarding compliance of Corporate Governance is enclosed.

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

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988, are set out in the annexure and forms a part of this Report.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement u/s 217 (2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed :

- (i) That in the preparation of final accounts the applicable accounting standards have been followed alongwith proper explanations relating to material departure.
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent

so as to give a true and fair view of the affairs of the company at the end of the financial year and the profit or loss of the company for the year under review.

- (iii) That the Directors had taken 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) That the Directors had prepared the annual accounts on a going concern basis.

**ACKNOWLEDGEMENT :**

Your Directors take this opportunity to thank the shareholders, bankers, and all employees of the company for their cooperation and support during the period under review.

For and on behalf of the Board of Directors

Place : New Delhi  
Date : 29-07-2006

**NARESH TULSHAN**  
CHAIRMAN

**ANNEXURE TO DIRECTORS' REPORT**

Information as per section 217 (1) (e) read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2006.

**I. CONSERVATION OF ENERGY :**

This is a labour oriented industry item. Hence it is not applicable.

**II. TECHNOLOGY ABSORPTION :**

Efforts made in technology absorption as per Form B of the annexure to the rules.

**1. Research & Development:-**

a) Specific areas in which R & D carried out by the company	—	NIL
b) Benefits derived as a result of the above R & D	—	NIL
c) Future plan of action	—	NIL
d) Expenditure on R & D	—	NIL

**2. No technology was imported or purchased during the year.****III. FOREIGN EXCHANGE EARNINGS & OUTGO :**

a) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and exports plan	—	NIL
b) Total Foreign Exchange used and earned including as supporting manufacturer		
Used	—	NIL
Earned	—	NIL

For and on behalf of the Board of Directors

Place : New Delhi  
Date : 29-07-2006

**NARESH TULSHAN**  
CHAIRMAN

## REPORT ON CORPORATE GOVERNANCE

### CORPORATE PHILOSOPHY

Corporate Governance refers to set of policies, principles, laws, regulations and procedures etc. Our company has made the requisite compliance's under Corporate Governance. The Company has been regularly disclosing in its Directors Report the information concerning the performance, prospects and other relevant matters affecting the operations of the company. As required under clause 49 of the Listing Agreement with stock exchanges, following disclosures are set out towards achievements of good Corporate Governance.

The company is managed in accordance with most of the requirement prescribed on corporate governance. In addition a shareholders' grievance committee and Audit Committee of Directors has also been constituted.

### I. BOARD OF DIRECTORS

#### A) Composition of Board

The Board of Directors comprises of Sh. Naresh Tulshan, Sh. K.N. Bagla and Sh. Bharath B. Chokhani. No Director of the Company is either member in more than ten committees and/ or Chairman of more than five committees in which they are members.

#### B) Number of Board Meetings

During the period 4 Board Meetings were held as on 30th April 2005, 30th July 2005, 28th October 2005 & 30th January 2006. The maximum gap between two meetings was less than 4 months.

#### C) Directors Attendance Record & Directorship held

Details of Board Meetings attended by Directors during the period from 01.04.2005 to 31.03.2006.

S. No.	Name	Category	Attendance		No. of Directorship and Membership/Chairmanship		
			No. of Meetings	AGM	Other Directorship	Committee Membership	Committee Chairmanship
1.	Sh. K.N. Bagla	Independent Director	4	Present	2	2	1
3.	Sh. Bharat B. Chokhani	Independent Director	1	LOA	3	2	0
4.	Sh. Naresh Tulshan	Independent Director	3	Present	1	4	2

All the information required to be furnished to the Board was made available to them along with detailed agenda notes.

The Board reviews compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliances.

**CHOKHANI GLOBAL EXPRESS LIMITED**

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**D) Code of Conduct**

The company has laid down a Code of conduct for all Board Members & senior management personnel of the Company.

All Board members and senior management personnel have affirmed compliance with the code for the year ended on March 31, 2006. Declaration to this effect signed by the CEO for the year ended on March 31, 2006 has been included elsewhere in this report.

**II. AUDIT COMMITTEE**

- A) There are no operations in the company for past 6 years i.e. from 1999 onwards. However, keeping in view that it is the mandatory provision of Clause 49 of Listing Agreement, the company has constituted an audit committee w.e.f. 30.04.2005, comprising Sh. K.N. Bagla, Sh. N.K. Tulshan and Sh. Bharath B. Chokhani all of whom are independent Directors. Sh. K.N. Bagla has been appointed as the Chairman of the Audit Committee.

All the members of the Audit Committee have requisite accounting & financial management expertise. Sh. K.N. Bagla the Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on 30th September 2005 to answer shareholders queries.

**3) Meetings of the Audit Committee**

The Audit Committee Meetings were held on 23.07.2005, 25.10.2005 and 23.01.2006. The time gap between any two meetings was less than four months.

The functions of the Audit Committee of the company include the following :

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statement before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the board Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made, if any, in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications, if any, in the draft audit report.
  - Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.