

16th

Annual Report

2006-2007

**CHOKHANI
GLOBAL EXPRESS LIMITED**

Board of Directors

Mr. K.N. Bagla

Mr. Bharat B. Chokhani

Mr. B.P. Hazarika

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

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 16th 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 28th September, 2007 at 12.00 Noon to transact the following business.

ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2007 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. Bharat B. Chokhani, 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(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT Mr. Badri Prasad Hazarika, who was appointed as Additional Director of the company by the Board of Directors and who ceases to hold office under Section 260 of the Companies Act, 1956 and in respect of whom the company has received a notice in writing proposing his candidature for the office of the Director of the company, liable to retire by rotation."

By order of the Board of Directors

Place : New Delhi
Date : 31-07-2007

B.P. HAZARIKA
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 24th September, 2007 to 28th September, 2007 (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**

Mr. Badri Prasad Hazarika was appointed as an Additional Director of the company w.e.f. 17.04.2007 pursuant to Section 260 of the Companies Act, 1956. He will hold office of Director upto the date of ensuing Annual General Meeting. The company has received a notice in writing from a member (alongwith the deposit of Rs. 500/-) proposing the candidature of Mr. Badri Prasad Hazarika for the Office of direction under the provisions of Section 257 of the Companies Act, 1956. In view of his considerable administrative experience, in the opinion of the Board it would be in the interest of the company that Mr. Badri Prasad Hazarika be appointed as a Director of the company.

Other than Mr. Badri Prasad Hazarika, none of the Directors of the company are in any way concerned or interested in this resolution.

By order of the Board of Directors

Place : New Delhi
Date : 31-07-2007

B.P. HAZARIKA
CHAIRMAN

CHOKHANI GLOBAL EXPRESS LIMITED**DIRECTORS' REPORT**

To
The Members,

Your Directors have pleasure in presenting their 16th Annual Report and the Audited Accounts for the year ending 31st March 2007.

FINANCIAL RESULTS :

(Rs. in Lakhs)

	31.03.2007	31.03.2006
Income	<u>NIL</u>	<u>0.01</u>
Expenditure before interest,		
Depreciation & Tax	18.46	18.56
Gross Profit/(Loss)	(18.46)	(18.55)
Depreciation	NIL	NIL
Profit/(Loss) before Tax	(18.46)	(18.55)
Provision for Tax	NIL	NIL
Profit/(Loss) after Tax	(18.46)	(18.55)

OPERATION :

During the year under review the company had no operational activities. In view of the present market scenario and lack of sufficient resources, the company finds it difficult to take-up any business activity. However, the Company is constantly looking for suitable opportunities, to restart the business/operations in due course of time.

DIVIDEND :

There being no profits during the year, your Directors do not recommend any dividend for the year under review.

DIRECTORS :

Shri Bharat Chokhani, Director is to retire by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

Shri B.P. Hazarika was appointed as Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 to hold office

up to the date of ensuing Annual General Meeting and is eligible for appointment as Director liable to retire by rotation. The Company has received a notice in writing along with the deposit of Rupees Five Hundred from one member of the Company proposing the name of Shri B. P. Hazarika as a candidate for the office of Director of the Company.

Brief resume of the aforesaid Directors, 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 "Beetal 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.

CHOKHANI GLOBAL EXPRESS LIMITED**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 judgments 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

K.N. BAGLA **B.P. HAZARIKA**
DIRECTOR DIRECTOR

Place : New Delhi

Date : 31-07-2007

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, 2007.

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 : 31-07-2007

K.N. BAGLA
DIRECTOR

B.P. HAZARIKA
DIRECTOR

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 requirements 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

During the year under review, the Board of Directors comprises of Sh. Naresh Tulshan, Sh. K.N. Bagla, Sh. Bharath. B. Chokhani and Shri Jagdish Chokhani (w.e.f. 25.01.2007). However, Shri Naresh Tulshan and Shri Jagdish Chokhani ceased to be Director w.e.f. 01.03.2007 and 28.04.2007 respectively and Shri B.P. Hazarika was appointed as Director on 17.04.2007.

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 i.e. on 28th April 2006, 29th July 2006, 28th October 2006 & 25th January 2007. The details of composition of Board, other Directorship and Committee Chairmanship/Membership of the Members of the Board and their attendance at the Board Meeting and Annual General Meeting of the Company are as under :

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
2.	Sh. Bharat B. Chokhani	Independent Director	1	—	3	2	0
3.	Sh. Naresh Tulshan	Independent Director	4	Present	2	4	2
4.	Sh. Jagdish Chokhani	Promoter Director	0	—	1	3	0

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.

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, 2007. Declaration to this effect signed by the CEO for the year ended on March 31, 2007 has been included elsewhere in this report.

II. AUDIT COMMITTEE

- A) There are no operations in the company for past 7 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 29th September 2006 to answer shareholders queries.

B) Meetings of the Audit Committee

The Audit Committee Meetings were held on 24.04.2006, 29.07.2006, 28.10.2006 and 25.01.2007. 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 statements 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'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.