

# **18<sup>th</sup>**

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## **Annual Report**

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### **2008 - 2009**

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**CHOKHANI  
GLOBAL EXPRESS LIMITED**

### **Board of Directors**

Mr. K.N. Bagla  
Mr. Satendra Singh  
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 18th Annual General Meeting of Chokhani Global Express Limited will be held at 1, DSIDC Complex, Okhla Industrial Area, Phase-I, New Delhi- 110 020 on Tuesday, 29th September, 2009 at 12.00 noon to transact the following business.

**ORDINARY BUSINESS :**

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit & Loss Account for the period ended as on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. B.P. Hazarika, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS**

4. To pass the following resolution, with or without modification (s), as an Ordinary Resolution:-

**"RESOLVED THAT** Mr. Satendra Singh be and is hereby appointed as Director of Chokhani Global Express Limited."

By order of the Board of Directors

Place : New Delhi  
Date : 27-07-2009

**B.P. HAZARIKA**  
DIRECTOR

**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 48 (forty-eight) hours before the commencement of the meeting.***
- (b) Members / Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
- (c) The Register of Members and Share Transfer Books of the company will remain closed from 24th September, 2009 to 29th September, 2009 (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. Bharat B. Chokhani, Director, resigned from the Board of the Company w.e.f. 12th December, 2008 and in his place Mr. Satendra Singh was appointed as an Additional Director U/s 260 of the Companies Act, 1956 on 12th December, 2008. Mr. Satendra Singh will hold the office of Director upto the date of the 18th Annual General Meeting.

A notice U/s 257 of the Companies Act, 1956 along with a requisite deposit has been received from a member signifying the intention about the reappointment of Mr. Satendra Singh as Director on the Board of the Company. Board is also of the considered view that his appointment as an Independent Director on the Board will be of immense benefit to the Company.

Except Satendra Singh, none of the Directors are in any way concerned or interested in this resolution.

**DIRECTORS' REPORT**

The Members,

Your Directors have pleasure in presenting the 18th Annual Report and the Audited Accounts for the year ended 31st March, 2009.

**FINANCIAL RESULTS :**

|                          | <i>(Rs. in Lakhs)</i> |                   |
|--------------------------|-----------------------|-------------------|
|                          | <u>31.03.2009</u>     | <u>31.03.2008</u> |
| Income                   | 6.00                  | 3.00              |
| Expenditure              | 6.81                  | 2.46              |
| Profit/(Loss) before Tax | (0.81)                | 0.54              |

**OPERATION :**

During the year under review, the Company has no operational activity except that the Company has earned an income of Rs. six lacs (as retainer-ship fee) against an income of Rs. three lacs during the previous year. In view of the prevalent circumstances, market scenario and lack of adequate resources, the Company is presently unable to undertake any business activity. However, your Directors are looking forward for an opportune time and financial resources to restart the business activities. Nevertheless, your Board is leaving no stone unturned to restart the business/operations of the Company.

**DIVIDEND :**

Since there are no profits, your Directors are not in a position to recommend any dividend.

**DIRECTORS :**

Mr. B.P. Hazarika, Director, who is to retire by rotation, being eligible offers himself for reappointment as Director of the Company at the ensuing Annual General Meeting.

Brief resume of the above retiring Director, nature of his expertise in specific functional areas and names of companies in which he holds the other directorships, as required by

clause 49 of the Listing Agreement with the stock exchanges, are given in the section on Corporate Governance elsewhere in this Annual Report.

Mr. Bharat B. Chokhani, Director, resigned from the Board of the Company w.e.f. 12th December, 2008 and in his place Mr. Satendra Singh was appointed as an Additional Director U/s 260 of the Companies Act, 1956 on 12th December, 2008. Mr. Satendra Singh will hold the office of Director upto the date of the 18th Annual General Meeting. A notice U/s 257 of the Companies Act, 1956 along with a requisite deposit has been received from a member signifying the intention about the reappointment of Mr. Satendra Singh as Director on the Board of the Company. As such, Board is also of the considered opinion that his appointment as an Independent Director on the Board will be beneficial for the Company.

**AUDIT COMMITTEE**

Pursuant to cessation of Mr. Bharat B. Chokhani from the Board of the Company, Audit Committee was reconstituted as under:-

|                    |          |
|--------------------|----------|
| Mr. K.N. Bagla     | Chairman |
| Mr. B.P. Hazarika  | Member   |
| Mr. Satendra Singh | Member   |

**INVESTORS GRIEVANCE/SHARE TRANSFER COMMITTEE**

Pursuant to cessation of Mr. Bharat B. Chokhani from the Board of the Company, Investors Grievance/Share Transfer Committee was reconstituted as under:-

|                    |          |
|--------------------|----------|
| Mr. K.N. Bagla     | Chairman |
| Mr. B.P. Hazarika  | Member   |
| Mr. Satendra Singh | Member   |

**FIXED DEPOSITS**

Your Company has not invited / accepted any Fixed Deposits as stipulated under Section 58A of the Companies Act, 1956.

**CHOKHANI GLOBAL EXPRESS LIMITED****AUDITORS :**

M/s I. K. Harlaka & Co., Chartered Accountants, Auditors of your Company will retire as Auditors of the Company at the conclusion of the 18th Annual General Meeting and being eligible offer themselves for the reappointment. The Company has received a certificate from the Auditors to the effect that their appointment, if made, would be within the limits prescribed under Section 224 (1B) 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 :**

Presently, the Securities of the Company are listed on Stock Exchanges at Bombay, Delhi and Madras.

**SHARE TRANSFER SYSTEM :**

M/s Beetal Financial & Computer Services (P) Limited engaged by the Company are acting as Registrar and Share Transfer Agents of the Company. Transfer, Transmission etc. of shares are approved by the Shareholders/Investors Grievance Committee of Directors which meets at a regular interval.

**PARTICULARS OF EMPLOYEES :**

No employee of the Company is in receipt of excess remuneration of the limits as stipulated under 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 compliance with Clause 49 of the Listing Agreement with the Stock Exchanges, a report on Corporate Governance is annexed forming part of this report.

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

As stipulated under 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, information is enclosed.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

In order to comply with Section 217 (2AA) of the Companies Act, 1956 relating to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of final accounts, the applicable Accounting Standards have been followed along with 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; and
- (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 concerned authorities for their timely cooperation and support.

For and on behalf of the Board

Place : New Delhi  
Date : 27.07.2009

**B.P. HAZARIKA**  
CHAIRMAN

**ANNEXURE TO DIRECTORS' REPORT**

Information as per section 217(1) (e) read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 forming part of the Directors' Report for the year ended on 31st March, 2009.

**I. CONSERVATION OF ENERGY :**

Since Chokhani Global Express Limited is a labour oriented industry, provisions relating to Conservation of Energy are 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, initiative 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 |

**IV. FOREIGN EXCHANGE EARNINGS & OUTGO :**

— NIL

## REPORT ON CORPORATE GOVERNANCE

### CORPORATE PHILOSOPHY

Corporate Governance refers to a set of policies, principles, laws, regulations and procedures etc. Our Company has made the requisite compliances 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, Shareholders/Investors Grievance Committee and Audit Committee of Directors have been constituted.

### I. BOARD OF DIRECTORS

#### A) Composition of Board

During the year under review, composition of Board of Directors remained as under:-

| Sl. No. | Composition            | Chairmanship/Membership      |
|---------|------------------------|------------------------------|
| 1.      | Mr. B.P. Hazarika      | Chairman                     |
| 2.      | Mr. K.N. Bagla         | Director                     |
| 3.      | Mr. Bharat B. Chokhani | Director (up to 12/12/2008)  |
| 3.      | Mr. Satendra Singh     | Director (w.e.f. 12/12/2008) |

No Director of the Company is either a member in more than ten committees or Chairman of more than five committees in which he is a member.

#### B) Number of Board Meetings

During the year, 2008 four Board Meetings were held i.e. on 30th April, 2008, 29th July, 2008, 31st October, 2008, and 28th January, 2009. The details of composition of Board, other Directorship and Committees' Chairmanship/Membership of the Committees of the Board and the attendance at the Board Meetings and Annual General Meeting 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 | 3   | 3                    | 3                      |
| 2.     | Sh. Bharat B. Chokhani | Independent Director | —               | —       | 1   | 2                    | —                      |
| 3.     | Sh. B.P. Hazarika      | Independent Director | 4               | Present | 1   | 4                    | 2                      |
| 4.     | Sh. Satendra Singh     | Independent Director | NA              | NA      | 1   | 2                    | 1                      |

Brief resume of Directors, who are to be re-appointed at the 18th Annual General Meeting, are given as hereunder: -

Mr. B.P. Hazarika, aged 63 years, Graduate with wide experience in Marketing, Taxation, and Accounts etc. who is to retire by rotation and being eligible, offers himself for reappointment. Mr. Satendra Singh, aged 50 years, Commerce Graduate with wide experience in General Management, Administration, Finance, Liaisoning etc. was appointed on 12/12/2008, as an Additional Director under Section 260 of the Companies Act, 1956, who will hold office up to the date of ensuing 18th Annual General Meeting of the Company. A notice in writing along with necessary deposits as required under Section 257 of the Companies Act, 1956 has been received from a member proposing the candidature of Satendra Singh for appointment as Director of the Company.

Required information is being furnished to the Directors along with detailed agenda notes and integrated documents.

The Board reviews Compliance Reports of all the laws applicable to the Company, prepared by the Company as well as the steps taken by the Company to revamp instances of such non-compliances wherever and whenever required.

### **C) Code of Conduct**

The Company has laid down a Code of Conduct for all the Board Members & Senior Management Personnel of the Company.

All the Board members and Senior Management Personnel have affirmed compliance with the Code for the year ended on March 31, 2009. Declaration to this effect signed by the CEO for the year ended on March 31, 2009 has been included elsewhere in this Report.

## **II. AUDIT COMMITTEE**

- A) There are no operations in the Company for more than a decade. However, keeping in view that it is a mandatory provision of Clause 49 of the Listing Agreement entered into between the Company and the Stock Exchanges, the Company has reconstituted the Audit Committee on 25/12/2008 comprising of Mr. K.N. Bagla, Chairman (Independent Director), Mr. B.P. Hazarika, member (Independent Director) and Mr. Satendra Singh, member (Independent Director).

All the members of the Audit Committee have requisite Accounting & Financial Management expertise. Mr. K.N. Bagla, the Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on 30th September, 2008 to answer the queries of the shareholders.

### **B) Meetings of the Audit Committee**

The Audit Committee Meetings, during the period April, 2008 to March, 2009 were held on 30/04/2008, 29/07/2008, 31/10/2008 and 27/01/2009. The time gap between any two Audit Committee Meetings was not more than four months.

Functions of the Audit Committee of the Board inter-alia 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.