

SIXTH ANNUAL REPORT 1998-99



CHOKHANI SECURITIES LIMITED

Regd. Office :

9/16-D, Fort Mansion, British Hotel Lane,
Off Bombay Samachar Marg,
Mumbai - 400 023.

CHOKHANI SECURITIES LTD.

BOARD OF DIRECTORS

SHRI RAMAKANT R. CHOKHANI Chairman
SHRI SHRIKANT CHATURVEDI
SHRI DHANWANT M. KANTOL

*6th
Annual
Report
1998-99*

AUDITORS

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

BANKERS

Bank of India (Stock Exchange Branch)
Bank of America

REGISTRARS & SHARE TRANSFER AGENTS

Swaran Data Systems Pvt. Ltd.
No. 49, Jamnadas Industrial Estate,
Phase II, 1st Floor,
Near Jawahar Talkies,
Opp. K. K. Gupta Ind. Estate,
Dr. R. P. Road, Mulund (W),
Mumbai - 400 080.

REGISTERED OFFICE

9/16-D, Fort Mansion,
British Hotel Lane,
Off Bombay Samachar Marg,
Mumbai - 400 023.
Tel. : 2677771/2
Fax : 2624520

Chokhani Securities Limited

CHOKHANI SECURITIES LTD.

NOTICE

NOTICE is hereby given that the Six Annual General Meeting of **CHOKHANI SECURITIES LIMITED** will be held at the Registered Office of the Company 9/16 -D, Fort Mansion, British Hotel Lane, Off Bombay Samachar Marg, Mumbai- 400 023. On 30th September, 1999 at 10.00 A.M. to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 1999 and Profit & Loss Account for the period from 1st April 1998 to 31st March 1999.
2. To appoint a Director in place of Mr. Dhanwant M. Kantol who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

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

**RAMAKANT R.CHOKHANI
CHAIRMAN**

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Registered Office :

9/16 D Fort Mansion,
British Hotel Lane,
Off Bombay Samachar Marg.
Mumbai - 400 023.

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Date : 30th August, 1999

NOTES :

1. 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.
2. The Register of Members and the Share Transfer Books will remain closed from 28th September 1999 to 30th September 1999.

Chokhani Securities Limited**DIRECTORS REPORT****CHOKHANI SECURITIES LIMITED.**

TO

The Members,

Your Directors have Pleasure in presenting their Sixth Annual Report & Audited Accounts of the company for the year ended 31st March 1999.

1. FINANCIAL RESULTS

	CURRENT YEAR 31.03.1999 (Rupees)	PREVIOUS YEAR 31.03.1998 (Rupees)
INCOME FROM OPERATION & OTHER INCOME	4869629.00	4828633.00
TOTAL INCOME	4869629.00	4828633.00
TOTAL EXPENDITURE	3289009.00	3104453.00
PROFIT BEFORE INTEREST & DEP	1580620.00	1724180.00
INTEREST PAID	373344.00	962582.00
PROFIT BEFORE DEPRECIATION	1207276.00	761598.00
DEPRECIATION	514766.00	713346.00
PROFIT BEFORE TAX	692510.00	48252.00
PROVISION FOR TAX	-	5000.00
PROFIT AFTER TAX	692510.00	43252.00
BALANCE BROUGHT FORWARD	-2312508.00	-2355760.00
BALANCE CARRIED TO B/S	-1619998.00	-2312508.00

2. The performance of the company is in the recovery path in view of prevailing the favourable market condition

Chokhani Securities Limited

3. Y2 K Compliance

The Company is taking adequate measures for Y2K Compliance.

4 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :

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

5 EMPLOYEES :

The particulars regarding of the Company as required under Section 217 (2a) of the companies Act, 1956 read with the companies (Particulars of Employees) Rules, 1995, are not applicable for the year under review.

6 DIRECTORS

In accordance with section 256 of the Companies Act, 1956 Shri Dhanwant M. Kantol retire by rotation and being eligible offers for re-appointment.

7 AUDITORS :

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

8 ACKNOWLEDGEMENTS :

The Directors wish to place on record their deep sense of gratitude to the Company's bankers, registrars and all the staff Members for their assistance and co-operation.

In concluding their report, your directors acknowledge with gratitude the confidence which the shareholders have reposed in them.

FOR AND ON BEHALF OF THE BOARD

RAMAKANT R. CHOKHANI
CHAIRMAN

Place : Mumbai
Date : 30th August, 1999

Chokhani Securities Limited

AUDITOR'S REPORT

To,
The Members,
CHOKHANI SECURITIES LIMITED

We have audited the attached Balance Sheet of **CHOKHANI SECURITIES LIMITED** as at 31st March, 1999 and the Profit and Loss Account of the Company for the year ended on that date, annexed thereto and report that:

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph (1) above:
 - (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) In our opinion, the profit and loss account and balance sheet complies with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the companies Act, 1956.
 - (d) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - (e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 1999
 - and
 - ii. in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date.

**For P. C. GHADIALI & CO.
CHARTERED ACCOUNTANTS**

Sd /-

**(PANKAJ C. GHADIALI)
PROPRIETOR**

PLACE : MUMBAI
DATED : 30th August, 1999

Chokhani Securities Limited

**ANNEXURE TO THE AUDITORS' REPORT TO THE MEMBERS OF
CHOKHANI SECURITIES LIMITED
ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1999**

- i) The Company has maintained proper records, showing full particulars, including quantitative details and situation of fixed assets and the same has been physically verified by the management at reasonable intervals and no discrepancies were noticed on such verification.
- ii) The Company has not revalued fixed asset during the year.
- iii) The stocks of shares and securities have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- iv) In our opinion and according to the information and explanations given to us, the procedure of physical verification of shares and securities followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- v) Discrepancies noticed on verification between the physical stocks and the book records have been properly dealt with the books of account.
- vi) In our opinion and on the basis of our examination of stock records, we are satisfied that such valuation is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding years.
- vii) In our opinion, the terms and conditions on which loans have been obtained from companies, firms or other parties listed in the register maintained u/s. 301 of the Companies Act, 1956 are not prima facie prejudicial to the interests of the Company. As per information given to us, there are no companies under the same management within the meaning of section 370(1B) of the Companies Act, 1956.
- viii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties that are required to be listed in the register maintained u/s. 301 of the Companies Act, 1956. As explained to us, there are no companies under the same management within the meaning of section 370(1B) of the Companies Act, 1956.
- ix) The parties to whom loans or advances in the nature of loans have been given by the Company were generally repaying the principal amounts. In case of parties who have defaulted in repayments, steps have been taken by the management to recover the same.
- x) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase and sale of shares and securities.
- xi) In our opinion and according to the information and explanations given to us, the transactions of purchase and sale of shares and securities made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, and aggregating during the year to Rs.50,000/- or more in respect of each party, have been made at prices which are reasonable, having regard to the prevailing market prices for such shares and securities.

Chokhani Securities Limited

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- xii) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore the provisions of Section 58A of the Companies Act, 1956 and Rules thereunder are not applicable to the Company.
- xiii) The Company has an Internal Audit System commensurate with its size and nature of its business.
- xiv) We are informed that the provisions of the Provident Fund Act and Employees' State Insurance Scheme are not applicable to the Company for the year under report.
- xv) According to the information and explanations given to us there were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty which have remained outstanding as at 31st March, 1999 for a period of more than six months from the date they became payable.
- xvi) According to the information and explanations given to us, no personal expenses of employees or directors have been charged to revenue account other than those payable under contractual obligations or in accordance with the generally accepted business practice.
- xvii) The Company is not a Sick Industrial Company within the meaning of clause (o) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
- xviii) Adequate documents and records have been maintained in the case where the Company has granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xix) We are informed that the provisions of any special statute applicable to Chitfunds, Nidhi or Mutual Benefit Society do not apply to the Company.
- xx) In our opinion and according to the explanations given to us, the Company has maintained proper records of transactions and contracts as to dealings in shares, securities, debentures and other investments and timely entries have been made therein. The same have been held by the Company in its own name except to the extent of exemption granted under Section 49 of the Companies Act, 1956.
- xxi) As per information given to us and taking into consideration the nature of business of the Company, clauses (xii), (xiv) and (xvi) of paragraphs (4A) of the Manufacturing and Other Companies (Auditors' Report) Order, 1988 are not applicable.

**For P. C. GHADIALI & CO.
CHARTERED ACCOUNTANTS**

Sd /-

**(PANKAJ C. GHADIALI)
PROPRIETOR**

PLACE : MUMBAI

DATED : 30th August, 1999

Chokhani Secutiries Limited**BALANCE SHEET AS AT 31ST MARCH, 1999**

	SCHEDULE	RUPEES	CURRENT YEAR RUPEES	PREVIOUS YEAR RUPEES
I. SOURCES OF FUNDS :				
1. SHAREHOLDERS' FUNDS				
Share Capital	"1"		40,000,000	40,000,000
2. LOAN FUNDS				
Unsecured Loans	"2"		8,809,606	8,238,599
TOTAL FUNDS EMPLOYED			<u>48,809,606</u>	<u>48,238,599</u>
II. APPLICATION OF FUNDS :				
1. FIXED ASSETS	"3"	5,446,600		5,446,600
a) Gross Block		2,649,457		2,134,691
b) Less : Depreciation				
c) Net Block			2,797,143	3,311,909
2. CURRENT ASSETS, LOANS & ADVANCES	"4"	45,428,803		43,690,444
Less: CURRENT LIABILITIES & PROVISIONS	"5"	<u>1,292,623</u>		<u>1,383,964</u>
NET CURRENT ASSETS			44,136,180	42,306,480
3. a) MISCELLANEOUS EXPENDITURE	"6"		256,285	307,702
(To the extent not written off or adjusted)				
b) PROFIT AND LOSS ACCOUNT			1,619,998	2,312,508
TOTAL ASSETS			<u>48,809,606</u>	<u>48,238,599</u>

NOTES TO ACCOUNTS

"10"

PER OUR REPORT ATTACHED

For P. C. GHADIALI & CO.
CHARTERED ACCOUNTANTS

For and on behalf of the Board
R. R. CHOKHANI
D. M. KANTOL

Sd/-
(PANKAJ C. GHADIALI)
PROPRIETOR

PLACE : MUMBAI
DATED : 30th August, 1999

PLACE : MUMBAI
DATED : 30th August, 1999