

**TWENTIETH ANNUAL REPORT
2012-2013**

CHOKHANI SECURITIES LIMITED

Regd. Office :

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

Tel.: (91-22) 22007772/73

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CHOKHANI SECURITIES LIMITED

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CHOKHANI SECURITIES LTD.

BOARD OF DIRECTORS

MR. RAMAKANT CHOKHANI (Chairman)

MR. RAJESH CHOKHANI

MR. UPENDRA SHUKLA
(upto 10.08.2012)

MR. PRAVIN GUPTA

MR. YOGESH RAJA
(w.e.f. 09.08.2012)

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.

Regd. Office:

5A Maker Bhavan No.2, Sir Vithaldas Thakersey Marg,
New Marine Lines, Churchgate, Mumbai-400 020.
Tel.: 22007772/73
Fax: 22007722.
Email: contact@rrcfinancials.com

**20th
ANNUAL
REPORT
2012-2013**

NOTICE

NOTICE is hereby given that the Twentieth **Annual General Meeting** of the Members of **Chokhani Securities Limited** will be held at **11.00 a.m. on Thursday, the June 27, 2013** at B-1, Chandra Mahal, 2nd 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 31st March, 2013 and Statement of 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 himself 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 Thackeray Marg,
New Marine lines, Churchgate
Mumbai 400 020

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

**Place: Mumbai
Date: May 28, 2013**

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 18th June, 2013 to 27th June, 2013 (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.

Name	Mr. Rajesh Chokhani
Date of Birth	17/09/1963
Date of Appointment	13/05/2005
Qualifications	B.E. (Computer Science)
List of other Directorship held as on 31st March, 2013 (Other than Private Cos.)	Nil
Membership of Other Cos/. Committees (Other than Private Cos.)	Nil

DIRECTORS' REPORT

The Members,

Your Directors are pleased to present their Twentieth Annual Report on the working of the Company together with the audited statements of accounts for the year ended 31st March, 2013.

Financial Results:

	Current Year	Previous Year
	March 31, 2013	March 31, 2012
Profit before Interest & Depreciation	25,396,313	15,616,346
Interest Paid	-	-
Profit before Depreciation	25,396,313	15,616,346
Depreciation	-	-
Profit before Tax	25,396,313	15,616,346
Provision for Tax & Deferred Tax Assets	(8,435,000)	(4,560,000)
Profit after Tax	16,961,313	11,056,346
Balance brought forward	173,996,372	162,961,107
Balance Available for Appropriation	190,957,685	174,017,453
Extra ordinary adjustment	-	-
Excess /(Short) Provision for Tax	(208,097)	(21,081)
Adjustment for prior year	-	-

Dividend:

Directors have not recommended any dividend.

Performance of the Company:

The Company recorded the total income of Rs.418.70 lacs as against ₹ 194.98 Lacs in the previous year. The pre-tax profit was also higher at Rs.253.96 lacs as against Rs.156.16 lacs in the last year.

MANAGEMENT DISCUSSION AND ANALYSIS FOR 2012-2013.**Industry Structure and development**

Global market sentiments remained poor through out the year. In India GDP both in industry and agricultural was below expectation. This was coupled with inflationary pricing of almost all essential commodities. The performance of Sensex and Nifty during the year remained stagnant.

Regulations

The Capital Market is regulated by stringent rules and regulations of the Securities & Exchange Board of India (SEBI) and the Stock Exchanges. This helps in reviving the trust of investors in Indian market in time of crisis.

Opportunity and threats

The Government is committed to encourage the healthy growth of Capital Market for development of the Economy. The market regulators are also concerned in regaining the confidence of investors, which is adversely effected due to economic slowdown and scams. Improved performance for the fourth quarter recently announced by the companies will help the investor's sentiments.

Various steps taken by Reserve Bank of India to combat the inflation may affect the market sentiments.

Future Outlook

Your Directors are of the opinion that coming years will be a challenging period. However, considering the huge population and change in consumers' spending pattern, Indian economy is sure to grow in coming years.

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 Act 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 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 himself 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.

Compliance Report:

The Company has received a Compliance Report under the provisions of Section 383A of the Companies Act, 1956 from Mr. Upendra Shukla, Practicing Company Secretary. The said report is annexed and forms part of this report.

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 Bankers 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.

For and on Behalf of the Board

**Sd/-
Mr. Ramakant R Chokhani
Chairman**

**Place: Mumbai
Date: May 28, 2013**

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 four 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 31st March 2013, the Board met six times on 14.05.2012, 13.07.2012, 10.08.2012, 09.11.2012, 14.02.2013 and 11.03.2013.

Last Annual General Meeting was held on August 9, 2012

The composition of the Board of Directors as on March 31, 2013 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	6/6	Yes
Mr. U. C. Shukla (upto 10.08.2012)	Non-Executive Independent	Nil	Nil	2/6	No
Mr. Rajesh Chokhani	Non-Executive Independent	Nil	Nil	6/6	Yes.
Mr. Pravin Gupta	Non-Executive Independent	Nil	Nil	6/6	Yes.
Mr. Yogesh Raja (w.e.f. 09.08.2012)	Non-Executive	Nil	Nil	4/6	Yes.

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

Name	Mr. Rajesh Chokhani
Date of Birth	17/09/1963
Date of Appointment	13/05/2005
Qualifications	B.E. (Computer Science)
List of other Directorship held as on 31st March, 2013 (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 and Mr. Pravin Gupta both independent Directors and Mr. Ramakant R. Chokhani. Mr. Pravin Gupta is having financial and accounting knowledge.

During the financial year 2012-13, the Audit Committee met five times on 07/05/2012, 06/07/2012, 03/08/2012, 31/10/2012 and 07/02/2013.

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. Remuneration to Director

No remuneration is paid to any of the Directors.

F. Shareholders' /Investors' Grievance Committee:

The Company has formed Shareholders' / Investors' Grievances Committee under the Chairmanship of Mr. Ramakant R. Chokhani, Mr. Rajesh Chokhani and Mr. Yogesh Raja as its members 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, 2013 the Company did not receive any complaint from any of its members.

G. 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

H. 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
19 th	2011-2012	August 09, 2012	11.00 am	B-1, Chandra Mahal, 2 nd Floor, 241-Princess Street, Mumbai-400 002
18 th	2010-2011	July 04, 2011	11.00 am	
17 th	2009-2010	June 30, 2010	11.00 am	

I. 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.

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

The 20th AGM of the members of the Company is scheduled to be held on Thursday, 27th day of June, 2013 at B-1, Chandra Mahal, 2nd Floor, 241, Princess Street, Mumbai-400 002.

b) Financial Calendar for the year 2013-2014 (Provisional)

A.	Results for the first quarter ending on June 30, 2013	By end of July, 2013
B.	Results for the second quarter ending on September 30, 2013	By end of October, 2013
C.	Results for the third quarter ending on December 31, 2013	By end of January, 2014
D.	Results for the fourth quarter ending on March 31, 2013	By end of May, 2014
E.	Finalization of Accounts for the year ended March 31, 2014	By end of May, 2014
F.	Annual General Meeting for the year ending March 31, 2014	By end of June, 2014

c) Details of book closures:

From 18st June, 2013 to 27th June, 2013(both days inclusive)

d) Dividend

The Board of Directors has not recommended any dividend for the financial year 2012-13

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 2012-2013

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

Market Price Data:

Month	Highest Rate (₹)	Lowest Rate (₹)
Apr-12	18.85	17.10
May-12	17.10	16.25
Jun-12	16.25	16.00
Jul-12	16.15	16.15
Aug-12	15.50	9.50
Sep-12	14.00	9.95
Oct-12	12.45	10.42
Nov-12	17.29	11.00
Dec-12	16.22	12.60
Jan-13	17.02	12.75
Feb-13	14.71	13.00
Mar-13	14.44	10.80

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 for transfer of shares in physical form are processed by the Share Transfer Agents and Share Transfer Register prepared within seven 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. It is ensured that the share certificates duly transferred are dispatched within fifteen days from the date of its lodgment. Demat requests are normally confirmed within an average of 15 days from the date of receipt.

i) Statistics of Shareholders as on March 31, 2013

	Share Holders		Share Holdings		Share Amount	
	Number	%	Holding	%	₹	%
Up to 500	696	83.45%	91,064	1.94%	910,640	1.94%
501-1,000	60	7.19%	48,557	1.03%	485,570	1.03%
1,001-2,000	28	3.36%	42,326	0.90%	423,260	0.90%
2,001-3,000	10	1.20%	25,838	0.55%	258,380	0.55%
3,001-4,000	5	0.60%	18,364	0.39%	183,640	0.39%
4,001-5,000	5	0.60%	22,315	0.47%	223,150	0.47%
5,001-10,000	6	0.72%	44,573	0.95%	445,730	0.95%
10,001 & above	24	2.88%	4,405,463	93.76%	44,054,630	93.76%
Total	834	100.00%	4,698,500	100.00%	46,985,000	100.00%

j) Shareholding Pattern as on March 31, 2013

Shareholding Pattern as on March 31, 2013

Categories	No of Shares	% of shareholding
Promoters	34,67,800	73.81%
Bodies Corporate	2,56,521	5.46%
Residential Individual & Physical Shares	9,66,653	20.57%
Non Residential Individual & Clearing Members	7,526	0.16%
Total	46,98,500	100.00%

k) Dematerialization of Shares:

Total number of Shares

In Demat form as on 31st March, 2013 : 45,89,270

In Physical form : 1,09,230

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 Senor Management have affirmed compliance with the code of conduct for the year ended 31st March, 2013.

For Chokhani Securities Ltd.

Sd/-
Ramakant R Chokhani
(Chairman)

Address for correspondence:

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

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

UPENDRA SHUKLA

B.Com., F.C.S.

Company Secretary

504, Navkar,
Nanada Patkar Road
Vile Parle (East)
MUMBAI 400 057
Tel. : Off. : 2200 1652 2200 1747
Res. : 2611 8257

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, 2013. 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 has not filed 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 six times on 14/05/2012, 13/07/2012, 10/08/2012, 09/11/2012, 14/02/2013 and 11/03/2013 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 had closed its Register of Members from 1st August, 2012 to 09th August, 2012 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 9th August, 2012 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 has made necessary 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 was not required to obtain 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 certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. The Company has not allotted any security during the 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 appointments of Directors and Additional Director have been duly made. There was no appointment of Alternate Director and Director to fill casual vacancy 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 any shares/debentures/other securities during the financial year.
20. The Company has not bought back any shares during the financial year ending 31st March, 2013.
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 Banks and others during the financial year ended 31st March, 2013 are within the borrowing limits of the Company.

25. The Company has given loans to and made investments in 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 other body corporate.
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.

Place: MUMBAI
Date : 28/05/2013

Sd/-
(UPENDRA C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP No: 1654

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) Share Transfer Register.

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, 2013 :

- 1) Form 32 – pertaining to appointment of Mr. Yogesh Raja as Director in A.G.M. held on 09/08/2012, and resignation of Mr. U.C. Shukla as Director w.e.f. 10/08/2012 filed u/s 303 on 10/08/2012.
- 2) Annual Return as on 09/08/2012 filed u/s 159 on 12/09/2012.
- 3) Annual Accounts for the year ended 31/03/2012 filed u/s 220 on 10/01/2013.
- 4) Compliance Report for the year ended 31/03/2012 filed u/s 383A on 05/09/2012.

Place: Mumbai
Date : 28/05/2013

Sd/-
(UPENDRA C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP No: 1654

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 31st March, 2013, 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.

Sd/-

Pannkaj Ghadiali

Partner

Membership Number: 031745

For and on behalf of

P. C. Ghadiali & Co.

Chartered Accountants

Firm No. 103132W

Place: Mumbai

Dated: May 28, 2013

INDEPENDENT AUDITOR'S REPORT

To the Members of **Chokhani Securities Limited**,

Report on the Financial Statements

We have audited the attached financial statements of Chokhani Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on the date annexed thereto, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of the written representations received from the directors as on March 31, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1)(g) of the Act.

Sd/-

Pannkaj Ghadiali

Partner

Membership No. 031745

For and on behalf of

P. C. Ghadiali & Co.

Chartered Accountants

Firm Registration No: 103132W

Place: Mumbai

Date: May 28, 2013

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements of our report of even date to the members of **CHOKHANI SECURITIES LIMITED** on the financial statements for the year ended 31st March, 2013]

1. In respect of its Inventories:

- (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. In respect of the loans, secured and unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:

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, 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. In respect of Contracts or Arrangements referred to in Section 301 of the Companies Act, 1956:

- (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 undisputed 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, 2013 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. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / Society. Therefore, the provisions of clause (xiii) of Paragraph 4 of the Order are not applicable to the Company.
13. 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.
14. 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.
15. The other clauses, (i), (vi), (viii), (xi), (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: 031745

For and on behalf of

P. C. Ghadiali & Co.

Chartered Accountants

Firm No. 103132W

Place: Mumbai

Dated: May 28, 2013

Balance Sheet as at March 31, 2013

Particulars		Note No.	As at 31 March, 2013 ₹	As at 31 March, 2012 ₹
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	46,985,000	46,985,000
	(b) Reserves and surplus	3	190,749,588	173,996,372
			237,734,588	220,981,372
2	Current liabilities			
	(a) Short-term provisions	4	311,230	42,136
			311,230	42,136
	TOTAL		238,045,818	221,023,508
B	ASSETS			
1	Non-current assets			
	(a) Non-current investments	5	7,150	29,694,069
			7,150	29,694,069
2	Current assets			
	(a) Inventories	6	203,105,559	43,121,008
	(b) Cash and cash equivalents	7	16,080,779	4,164,952
	(c) Short-term loans and advances	8	2,636,124	142,710,719
	(d) Other current assets	9	16,216,206	1,332,760
			238,038,668	191,329,439
	TOTAL		238,045,818	221,023,508
	See accompanying notes forming part of the financial statements	1		

As Per our Report attached of even date

For & on behalf of Board of Directors

Sd/-

Pannkaj Ghadiali

Partner

Membership Number: 031745

For & on behalf of

P. C. Ghadiali & Co.

Chartered Accountants

Firm Regn. No.: 103132W

Sd/-
Rajesh
Chokhani
DirectorSd/-
Y. H. Raja
Director

Place: Mumbai

Date: May 28, 2013

Place: Mumbai

Date: May 28, 2013

Statement of Profit and Loss for the year ended March 31, 2013

Particulars		Note No.	For the year ended 31 March, 2013	For the year ended 31 March, 2012
			₹	₹
A	CONTINUING OPERATIONS			
1	Revenue from operations	10	41,870,727	16,322,684
2	Other income	11	-	3,175,793
3	Total revenues (1+2)		41,870,727	19,498,477
4	Expenses			
	(a) Employee benefits expense	12	1,759,464	1,791,909
	(b) Other expenses	13	14,714,950	2,090,220
	Total expenses		16,474,414	3,882,129
5	Profit before exceptional and extraordinary items and tax (3 - 4)		25,396,313	15,616,348
6	Tax expense:			
	(a) Current tax expense for current year		8,435,000	4,560,000
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		208,097	21,081
	(d) Net current tax expense		8,643,097	4,581,081
	(e) Deferred tax		-	-
			8,643,097	4,581,081
7	Profit from continuing operations (5 + 6)		16,753,216	11,035,267
	See accompanying notes forming part of the financial statements	1		

In terms of our report attached.

Sd/-

Pannkaj Ghadiali

Partner

Membership Number: 031745

For and on behalf of

P. C. Ghadiali & Co.

Chartered Accountants

Firm Regn. No.: 103132W

Place: Mumbai

Date: May 28, 2013

For & on behalf of Board of Directors

Sd/-

Rajesh Chokhani

Director

Sd/-

Y. H. Raja

Director

Place: Mumbai

Date: May 28, 2013

Cash Flow Statement for the year ended 31 March, 2013

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
A. Cash flow from operating activities		
Net Profit before extraordinary items and tax	25,396,313	15,616,346
<u>Adjustments for:</u>		
Net (gain) / loss on sale of investments	468,800	(3,175,793)
Speculation Gain/Loss on Shares and Securities	116,746	-
Operating profit / (loss) before working capital changes	25,981,859	12,440,553
<u>Changes in working capital:</u>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(159,984,551)	19,980,708
Short-term loans and advances	142,434,552	(5,857,697)
Other current assets	(14,883,446)	7,831,011
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	-	(2,764,173)
Other long-term liabilities		
Short-term provisions	269,094	(3,454,733)
Long-term provisions		
	(32,164,351)	15,735,116
Cash flow from extraordinary items		
Cash generated from operations	(32,164,351)	15,735,116
Net income tax (paid) / refunds	(10,794,957)	(560,000)
Net cash flow from / (used in) operating activities (A)	(16,977,449)	27,615,669
B. Cash flow from investing activities		
Purchase of long-term investments		
- Others	(29,453,625)	(29,376,469)
Proceeds from sale of long-term investments		
- Others	58,554,998	3,175,793
Cash flow from extraordinary items	(208,097)	(21,081)
Net cash flow from / (used in) investing activities (B)	28,893,276	(26,221,757)

C. Cash flow from financing activities		
Net cash flow from / (used in) financing activities (C)	-	-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	11,915,827	1,393,912
Cash and cash equivalents at the beginning of the year	4,164,952	2,771,040
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		
Cash and cash equivalents at the end of the year	16,080,779	4,164,952
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 19)	16,080,779	4,164,952
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 <i>Cash Flow Statements</i> (give details)	-	-
Net Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i>) included in Note 19	16,080,779	4,164,952
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i>) (Refer Note (ii) to Note 16 Current investments)	-	-
Cash and cash equivalents at the end of the year *	16,080,779	4,164,952
* Comprises:		
(a) Cash on hand	296,133	115,408
(b) Balances with banks		
(i) In current accounts	15,784,646	4,049,544
	16,080,779	4,164,952
Notes:		
(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.		
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.		
See accompanying notes forming part of the financial statements		

In terms of our report attached.

Sd/-

Pannkaj Ghadiali

Partner

Membership Number: 031745

For and on behalf of

P. C. Ghadiali & Co.

Chartered Accountants

Firm Regn. No.: 103132W

Place: Mumbai

Date: May 28, 2013

For & on behalf of Board of Directors
Sd/-

Rajesh Chokhani
Director

Sd/-
Y. H. Raja
Director

Place: Mumbai

Date: May 28, 2013

Notes forming part of the financial statements**Note 1****1. SIGNIFICANT ACCOUNTING POLICIES:****I. Basis of preparation of financial statements:**

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.

Accounting policies not specifically referred otherwise are consistent and in consistence with generally accepted accounting principles followed by the Company.

II. Basis of Accounting:

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

III. Fixed Assets:

Company does not have any Fixed Assets.

IV. Depreciation:

Company does not have any Fixed Assets. Therefore, no depreciation is provided.

V. Taxation:

Income Tax expense comprises current tax deferred tax charge or credit. 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 realization/liabilities.

VI. Inventories:

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

VII. Income:

Interest on Inter Corporate Deposits, Loan and other financial services are accounted for on accrual basis.

VIII. Recognition of Expenditure:

Revenue expenditure is accounted for on accrual basis.

IX. Miscellaneous Expenditure:

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

Notes forming part of the financial statements

Note 2 Share capital

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹ 10 each with voting rights	6000000	60,000,000	6000000	60,000,000
(b) Issued Equity shares of ₹ 10 each with voting rights	4698500	46,985,000	4698500	46,985,000
(c) Subscribed and fully paid up Equity shares of ₹ 10 each with voting rights	4698500	46,985,000	4698500	46,985,000
Total	4698500	46,985,000	4698500	46,985,000

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Anand Ramakant Chokhani	327710	6.97%	184010	3.92%
Chokhani Custodian Services Private Limited	372000	7.92%	372000	7.92%
Neelam R. Chokhani	700000	14.90%	700000	14.90%
R R Chokhani Stock Brokers Private Limited	525600	11.19%	525600	11.19%
Ramakant R. Chokhani	908890	19.34%	908890	19.34%
Ramakant R. Chokhani HUF	633600	13.49%	633600	13.49%

Note 3 Reserves and surplus

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
(a) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	173,996,372	162,961,107
Add: Profit / (Loss) for the year	16,753,216	11,035,265
Total	190,749,588	173,996,372

Note 4 Short-term provisions

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
Provision - Others:		
(i) Provision for Audit Fees	56,180	42,136
(ii) Provision for Expenses (Demat Charges)	255,050	-
Total	311,230	42,136

Notes forming part of the financial statements

Note 5 Non-current investments

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Quoted	Quoted
	₹	₹
Investments (At cost):		
A. <u>Trade</u>		
(a) Investment in equity instruments		
1 0 (March 31, 2012: 1,495) Equity Shares of DQ Entertainment India Limited of ₹10 each fully Paid up	-	119,600
2 0 (March 31, 2012: 3,000) Equity Shares of United Bank Limited of ₹10 each fully Paid up	-	198,000
3 0 (March 31, 2012: 12000) Equity Shares of Adani Power Limited of ₹10 each fully Paid up	-	900,201
4 0 (March 31, 2012: 33000) Equity Shares of Alok Industries Limited of ₹10 each fully Paid up	-	666,073
5 24,000 (March 31, 2012: 24000) Equity Shares of Apollo Tyres Limited of ₹10 each fully Paid up	-	1,967,102
6 0 (March 31, 2012: 1000) Equity Shares of Cipla Limited of ₹10 each fully Paid up	-	317,000
7 0 (March 31, 2012: 4000) Equity Shares of Delta Corp Limited of ₹10 each fully Paid up	-	280,702
8 0 (March 31, 2012: 8000) Equity Shares of Essar Oil Limited of ₹10 each fully Paid up	-	430,401
9 0 (March 31, 2012: 125) Equity Shares of Essar Oil Limited of ₹10 each fully Paid up	-	343,750
10 0 (March 31, 2012: 8000) Equity Shares of Hindustan Construction Limited of ₹10 each fully Paid up	-	213,608
11 0 (March 31, 2012: 8000) Equity Shares of IFCI Limited of ₹10 each fully Paid up	-	338,404
12 0 (March 31, 2012: 12000) Equity Shares of Indian Hotels Co Limited of ₹10 each fully Paid up	-	737,501
13 0 (March 31, 2012: 42000) Equity Shares of Ispat Industries Limited of ₹10 each fully Paid up	-	544,604
14 250 (March 31, 2011: 262) Equity Shares of Jain Irrigation Systems Limited of ₹10 each fully Paid up	500	524
15 0 (March 31, 2012: 60000) Equity Shares of Lanco Infratech Limited of ₹10 each fully Paid up		1,141,249
16 1,600 (March 31, 2012: 1600) Equity Shares of Larsen & Toubro Limited of ₹10 each fully Paid up	3,200	3,200

17	24,000 (March 31, 2011 : NIL) Equity Shares of MTNL of ₹10 each fully Paid up	-	705,773
18	0 (March 31, 2012: 40) Equity Shares of Mahindra & Mahindra Limited of ₹10 each fully Paid up	-	200
19	0 (March 31, 2012: 16000) Equity Shares of Mercator Lines Limited of ₹10 each fully Paid up	-	437,218
20	0 (March 31, 2012: 16000) Equity Shares of Nagarjuna Constrn. Co. Limited of ₹10 each fully Paid up	-	850,002
21	0 (March 31, 2012: 24000) Equity Shares of Onmobile Global Limited of ₹10 each fully Paid up	-	1,464,257
22	0 (March 31, 2012: 16000) Equity Shares of Orchid Chemicals Limited of ₹10 each fully Paid up	-	378,702
23	0 (March 31, 2012: 10000) Equity Shares of Pantaloon Retail (I) Limited of ₹10 each fully Paid up	-	1,504,133
24	0 (March 31, 2012: 8000) Equity Shares of Praj Industries Limited of ₹10 each fully Paid up	-	628,521
25	25 (March 31, 2012: 25) Equity Shares of Ras Propack Lamipack Limited of ₹10 each fully Paid up	250	250
26	0 (March 31, 2012: 2000) Equity Shares of Raymond Limited of ₹10 each fully Paid up	-	717,532
27	0 (March 31, 2012: 84000) Equity Shares of Renuka Sugar Limited of ₹10 each fully Paid up	-	2,685,840
28	0 (March 31, 2012: 6000) Equity Shares of Rural Electrification Corporation Limited of ₹10 each fully Paid up	-	1,251,401
29	0 (March 31, 2012: 4000) Equity Shares of Shipping Corporation Of India Limited of ₹10 each fully Paid up	-	245,511
30	0 (March 31, 2012: 8000) Equity Shares of Skumar Nationwide Limited of ₹10 each fully Paid up	-	267,151
31	0 (March 31, 2012: 4000) Equity Shares of Sterlite Industries Limited of ₹10 each fully Paid up	-	442,800
32	0 (March 31, 2012: 8000) Equity Shares of Sterlite Technologies Limited of ₹10 each fully Paid up	-	311,941
33	0 (March 31, 2012: 330000) Equity Shares of Tata Teleservices (Maharashtra) Limited of ₹10 each fully Paid up	-	4,910,481
34	0 (March 31, 2012: 80000) Equity Shares of The South Indian Bank Limited of ₹10 each fully Paid up	-	2,040,072
35	0 (March 31, 2012: 4000) Equity Shares of The Titan Industries Limited of ₹10 each fully Paid up	-	911,750
36	320 (March 31, 2012: 320) Equity Shares of Ultra Tech Cement Limited of ₹10 each fully Paid up	3,200	3,200
37	0 (March 31, 2012: 0) Equity Shares of Zee Entertainment Enterprises Limited of ₹10 each fully Paid up	-	1,735,414
Total		7,150	29,694,069
Aggregate market value of listed and quoted investments		2,797,125	31,970,915

Notes forming part of the financial statements

Note 6 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
(a) Others Equity Shares and Commodities	203,105,559	43,121,008
Total	203,105,559	43,121,008

Note 7 Cash and cash equivalents

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
(a) Cash on hand	296,133	115,408
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts		
Axis Bank	15,774,646	4,039,544
HDFC Bank	10,000	10,000
Total	16,080,779	4,164,952
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i> is	16,080,779	4,164,952

Note 8 Short-term loans and advances

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
(a) Balances with government authorities		
Unsecured, considered good		
(i) VAT credit receivable	917,333	655,288
(ii) Taxes Paid (Net of Provisions and TDS)		
For A.Y.2013-14	59,957	-
For A.Y.2012-13	1,158,834	(1,141,166)
For A.Y.2010-11	-	191,597
For A.Y.2008-09	-	5,000
For Tax on regular assessment		
For A.Y.2007-08	250,000	250,000
For A.Y.2008-09	250,000	250,000
(b) Inter-corporate deposits		
Secured, considered good	-	57,500,000
Unsecured, considered good	-	85,000,000
Total	2,636,124	142,710,719

Note 9 Other current assets

Particulars	As at 31 March, 2013	As at 31 March, 2012
	₹	₹
(a) Accruals		
(i) Interest accrued on Inter-Corporate Deposits	-	1,060,923
(b) Others		
(i) Margin A/c	13,514,333	271,837
(ii) Mark to Market/Premium on Derivative Transactions (net)	2,701,873	-
Total	16,216,206	1,332,760

Notes forming part of the financial statements

Note 10 Revenue from operations

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Income from Shares and Commodities	37,378,660	(5,592,728)
Interest Income: From Inter Corporate Deposits	4,492,067	21,915,412
Total	41,870,727	16,322,684

Note 11 Other income

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Net gain on sale of:		
Short Term Capital Gain on Equity Shares	-	3,175,793
Long Term Capital Gain on Equity Shares	-	-
Total	-	3,175,793

Note 12 Employee benefits expense

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Salaries and wages	1,725,925	1,754,366
Staff welfare expenses	33,539	37,543
Total	1,759,464	1,791,909

Note 13 Other expenses

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
Warehouse Charges	3,420,643	1,216,436
Legal and Professional Fees	175,327	169,515
Office and General Expenses	167,688	136,425
Bad Debts	10,000,000	-
Long Term loss on Securities	92,783	-
Short Term loss on Securities	376,016	-
Miscellaneous Expenses	482,492	567,844
Total	14,714,950	2,090,220
Notes:		
Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	₹	₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable): As Auditors - Statutory Audit	56,180	42,136
Total	56,180	42,136

Notes forming part of the financial statements

Note 14 Segment Reporting

The Company treats Share Trading Activity, Commodity Trading Activity, Inter-Corporate Deposits and Loan Given and taken to company (under the same Management) as single segment. Therefore no Segment Reporting is required.

Note 15 - Earning Per Share

Computation for the basic earning per share of ₹ 10 each.	2012-13	2011-12
(a) Net profit available for Equity Shareholders	16,753,216	11,035,267
(b) Number of Equity Shares for basic earning per share	4698500	4698500
(c) Basic Earning per Share	3.57	2.35

Note 16

In the opinion of the Board of Directors, Current Assets, Loans and Advances have the value at which these are stated in the Balance Sheet, if realized in the ordinary course of business and the provision for all known liabilities is adequate and not in excess of or less than the amount reasonably necessary.

Note 17 - Deferred Tax Asset/Liability

There are no Deferred Tax Asset or Liability in current and previous year.

Note 18 - Related Party Disclosures

Name of the Party	2012-13	2011-12
ARC Commodity Futures Private Limited (Margin Money)	13,514,333	271,837

Note 18

Previous year's figures have been regrouped or rearranged or reclassified wherever necessary.

As 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 of Directors

Sd/-
Rajesh Chokhani
 Director

Sd/-
Y. H. Raja
 Director

Place: Mumbai
 Dated: May 28, 2013

CHOKHANI SECURITIES LIMITED

Regd. Office: 5A-Maker Bhavan No.2, SirVithaldas 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 **20th Annual General Meeting at 11:00 a.m. on June 27th 2013** at B-1, Chandra Mahal, 2nd Floor, 241, Princess Street, Mumbai-400 002.

Name and address of the Shareholder

No of Shares held

Registered Folio No./

Client Id No.

Signature of Member or Proxy

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

Notes:

5. Members/Proxies are requested to bring their copies of Annual Report with them at the meeting.
6. Please carry with you this attendance slip and hand over the same duly signed at the entrance of the hall.
7. Members are also requested to bring Photo Identity Card with them to avoid inconvenience.

.....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

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

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 **20th AGM** of the
Company at 11.00 a.m. on June 27, 2013 at B-1, Chandra Mahal, 2nd floor, 241,
Princess Street, Mumbai 400 002, or at any adjourned meeting thereof.

Signed this _____ day of _____ 2013

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.

BOOK - POST

If Undelivered, Please return to:

CHOKHANI SECURITIES LIMITED

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