

TWENTY FIFTH ANNUAL REPORT 2017-2018

CHOKHANI SECURITIES LIMITED

CIN - L 67120MH1993PLC070739

Regd. Office :

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

Tel.: (91-22) 22007772/73
Fax: (91-22) 22007722.

CHOKHANI SECURITIES LIMITED

CIN - L 67120MH1993PLC070739

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CHOKHANI SECURITIES LIMITED

BOARD OF DIRECTORS

MR. RAMAKANT R CHOKHANI (Chairman)

MR. RAJESH CHOKHANI

MR. PRAVIN GUPTA

MRS. JYOTI ANUJ JAIN

25th

ANNUAL

REPORT

2017-2018

AUDITORS

B.M. Gattani & Co.
Chartered Accountants
B-702, Om Sai Shrawan,
Opp. Shimpoli Telephone Exchange,
Shimpoli Boriwali (W)
Mumbai – 400092.
Firm no. 113536W / W-47066.

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 -400093.
Telephone no. 28207203-05 Fax no. 28207207

Regd Office :

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

NOTICE

NOTICE is hereby given that the **Twenty Fifth Annual General Meeting** of the Members of **Chokhani Securities Limited** will be held at **11.00 a.m. on Tuesday, the 3rd July, 2018** at 5A-Maker Bhavan No. 2, Sir Vithaldas Thackersey Marg, New Marine Lines, Churchgate, Mumbai 400 020, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2018 and Statement of Profit & Loss Account for the year ended on that date along with Directors' Report and Auditors' Report thereon.
2. To re-appoint Mr. Ramakant R Chokhani, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution in connection with appointment of Auditors and their remuneration:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, and pursuant to the recommendation of the Audit Committee, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No.117366W/W-100018) be and are hereby appointed as Statutory Auditors of the Company in place of the existing Auditors, M/s. B.M. Gattani & Co., Chartered Accountants (Firm Registration No. 113536W) to hold the office from the conclusion of this Annual General Meeting till the conclusion of 30th AGM of the Company at such remuneration as may be mutually agreed to between the Board of Directors of the Company and the said Auditors."

SPECIAL BUSINESS:

4. **Approval for appointment of Mr. Abhijit Ghosh as Chief Executive officer and whole time director of the Company.**

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the adoption of the Corporate Governance Code by the Board of Directors on December, 31st 2017 and in terms of clause 2.2.2 and Schedule IX of the Share Purchase and Transfer of Control Agreement (SPA) executed by the Company and in pursuance of the provisions of Section 2(18) of the Companies Act, 2013 and in accordance with the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee, the approval of the shareholders be and is hereby granted to appoint Mr. Abhijit Ghosh (DIN : 07935397) as the Chief Executive Officer(CEO) of the Company w.e.f. the date of change in control & management and shareholding of the Company."

"FURTHER RESOLVED THAT pursuant to the adoption of the Corporate Governance Code by the Board of Directors on December, 31st 2017 and in terms of Clause 4.5 thereof wherein the CEO of the Company (if any) shall be appointed as a Whole-Time Director pursuant to Sections 196, 197 and 203 read with other applicable provisions and Schedule V of the Companies Act, 2013 and the provisions of Articles of Association of the company and as recommended by the Nomination & Remuneration Committee Mr. Abhijit Ghosh (DIN : 07935397) be and is hereby appointed as Whole time director of the Company w.e.f. the date of change in control & management and shareholding of the Company.

"RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary, be and are hereby authorized to do all such acts, deeds, matters and things and to file e-forms with the Registrar of Companies, as may be necessary to give effect to this resolution."

5. **Appointment of Ms. Ranjana Agarwal as an (Independent) director of the Company.**

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to adoption of Corporate Governance Code by the Board of Directors on December 31st ,2017 and in terms of Clause 4.2 of the Code wherein the majority of the Directors of the Board would consist of Independent Directors and the provisions of Sections 149,150, 152 and 161(1) of the Companies Act, 2013 (the Act)and Schedule IV of the said Act read with Companies (Appointment and Qualification of Directors) Rules, 2014(including any statutory modification(s) or enactment(s), thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee, the approval of the shareholders be and is hereby granted to appoint Ms. Ranjana Agarwal (DIN: 03340032), as an Independent

Director of the Company for a period of five (5) years w.e.f. the date of change in control & management and shareholding of the Company and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary, be and are hereby authorized to do all such acts, deeds, matters and things and to file e-forms with the Registrar of Companies, as may be necessary to give effect to this resolution.”

6. Appointment of Mr. S. Karupasamy as an (Independent) director of the Company.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to adoption of Corporate Governance Code by the Board of Directors on December 31st, 2017 and in terms of Clause 4.2 of the Code wherein the majority of the Directors of the Board would consist of Independent Directors and the provisions of Sections 149, 150, 152 and 161(1) of the Companies Act, 2013 (the Act) and Schedule IV of the said Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment(s), thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee, the approval of the shareholders be and is hereby granted to appoint Mr. S. Karupasamy (DIN: 03632212), be and is hereby appointed as an Independent Director of the Company for a period of five (5) years w.e.f. the date of change in control & management and shareholding of the Company and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary, be and are hereby authorized to do all such acts, deeds, matters and things and to file e-forms with the Registrar of Companies, as may be necessary to give effect to this resolution.”

7. Appointment of Mr. Satyananda Mishra as an (Independent) Director of the Company.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to adoption of Corporate Governance Code by the Board of Directors on December 31st, 2017 and in terms of Clause 4.2 of the Code wherein the majority of the Directors of the Board would consist of Independent Directors and the provisions of Sections 149, 150, 152 and 161(1) of the Companies Act, 2013 (the Act) and Schedule IV of the said Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment(s), thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee, the approval of the shareholders be and is hereby granted to appoint Mr. Satyananda Mishra (DIN: 01807198), be and is hereby appointed as an Independent Director of the Company for a period of five (5) years w.e.f. the date of change in control & management and shareholding of the Company and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary, be and are hereby authorized to do all such acts, deeds, matters and things and to file e-forms with the Registrar of Companies, as may be necessary to give effect to this resolution.”

8. Appointment of Mr. Abhijit Sen as an (Independent) director of the Company.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to adoption of Corporate Governance Code by the Board of Directors on December 31st, 2017 and in terms of Clause 4.2 of the Code wherein the majority of the Directors of the Board would consist of Independent Directors and the provisions of Sections 149, 150, 152 and 161(1) of the Companies Act, 2013 (the Act) and Schedule IV of the said Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment(s), thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee, the approval of the shareholders be and is hereby granted to appoint Mr. Abhijit Sen (DIN: 00002593), be and is hereby appointed as an Independent Director of the Company for a period of five (5) years w.e.f. the date of change in control & management and shareholding of the Company and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary, be and are hereby authorized to do all such acts, deeds, matters and things and to file e-forms with the Registrar of Companies, as may be necessary to give effect to this resolution.”

9. Appointment of Mr. Navin Kumar Maini as an (Independent) director of the company.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to adoption of Corporate Governance Code by the Board of Directors on December 31st, 2017 and in terms of Clause 4.2 of the Code wherein the majority of the Directors of the Board would consist of Independent Directors and the provisions of Sections 149, 150, 152 and 161(1) of the Companies Act, 2013 (the Act) and Schedule IV of the said Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment(s), thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee, the approval of the shareholders be and is hereby granted to appoint Mr. Navin Kumar Maini (DIN: 00419921), be and is hereby appointed as an Independent Director of the Company for a period of five (5) years w.e.f. the date of change in control & management and shareholding of the Company and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary, be and are hereby authorized to do all such acts, deeds, matters and things and to file e-forms with the Registrar of Companies, as may be necessary to give effect to this resolution.”

10. Appointment of Mr. Rajeev Kumar Agarwal as an (Independent) director of the company.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to adoption of Corporate Governance Code by the Board of Directors on December 31st, 2017 and in terms of Clause 4.2 of the Code wherein the majority of the Directors of the Board would consist of Independent Directors and the provisions of Sections 149, 150, 152 and 161(1) of the Companies Act, 2013 (the Act) and Schedule IV of the said Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment(s), thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee, the approval of the shareholders be and is hereby granted to appoint Mr. Rajeev Kumar Agarwal (DIN: 07984221), be and is hereby appointed as an Independent Director of the Company for a period of five (5) years w.e.f. the date of change in control & management and shareholding of the Company and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary, be and are hereby authorized to do all such acts, deeds, matters and things and to file e-forms with the Registrar of Companies, as may be necessary to give effect to this resolution.”

11. Appointment of Mr. Amit Gupta as a nominee director (Investor nominee) on the board of the company

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT in terms of Share Subscription Agreement executed amongst New Quest Asia Investment III Limited (Investor), our Company and the Promoters and in terms of Para 12.1 thereof wherein the Investor have the right to nominate a Non – Executive Director on the Board of the Company and in accordance with the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee, the approval of the shareholders be and is hereby granted to appoint Mr. Amit Gupta be and is hereby appointed as an Investor Nominee Director on behalf of the New Quest Asia Investment III Limited (Investor) of the Company w.e.f. the date of change in control & management and shareholding of the Company

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary, be and are hereby authorized to do all such acts, deeds, matters and things and to file e-forms with the Registrar of Companies, as may be necessary to give effect to this resolution.”

12. Appointment of Mr. Manoj Sehrawat as a nominee director (Investor nominee) on the board of the company.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT in terms of Share Subscription Agreement executed amongst Clearsky Investment Holding Pte. Ltd. (Investor), our Company and the Promoters and in terms of Para 16.1 thereof wherein the Investor have to right to nominate a Non – Executive Director on the Board of the Company and in accordance with the Articles

of Association of the Company and as recommended by the Nomination & Remuneration Committee, the approval of the shareholders be and is hereby granted to appoint Mr. Manoj Sehwat be and is hereby appointed as an Investor Nominee Director on behalf of the Clearsky Investment Holding Pte. Ltd (Investor) of the Company w.e.f. the date of change in control & management and shareholding of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary, be and are hereby authorized to do all such acts, deeds, matters and things and to file e-forms with the Registrar of Companies, as may be necessary to give effect to this resolution.”

For & on behalf of the Board of Directors

Registered Office:

5-A, Maker Bhavan 2,
Sir Vithaldas Thackersey Marg,
New Marine lines, Churchgate
Mumbai 400020.

Place: Mumbai

Date: May 29, 2018

For CHOKHANI SECURITIES LTD.

Sd/-

RAMAKANT R. CHOKHANI
(CHAIRMAN)
(DIN:00613176)

NOTES:

- A Member entitled to attend and vote is entitled to appoint one or more proxy (ies) to attend and vote instead of himself and that such proxy (ies) need not be a member.**
- 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.
- The Register of Members and the Share Transfer Books will remain closed from **27.06.2018 to 03.07.2018** (both days inclusive).
- As required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, profile of Directors seeking appointment/ re-appointments at the Annual General Meeting, forms part of the notice.
- Members desiring any information as regards accounts or operations of the Company are requested to send their queries in writing at least seven days in advance of the date of the meeting so as to enable the management to keep the information ready.
- The members who hold shares in electronic form are requested to write their client ID and DP ID and those who hold shares in physical form, are requested to write their Folio number in the attendance slip for attending the meeting.
- Corporate member, intending to send their authorized representatives to attend the meeting, are requested to send a duly certified copy of the Board resolution, authorizing their representatives to attend and vote at the meeting.
- The shareholders, who still hold share certificates in physical form, are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since the trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of possibility of loss of documents and bad deliveries.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Share Transfer Agents.
- Electronic copy of the Annual Report for the F.Y. 2017-18 is being sent to all the members, whose e-mail IDs are registered with the Company/depository participants for communication purposes unless any member has requested for a hard copy of the same. For the members who have not registered their e-mail address, physical copies of the Annual Report for the F.Y. 2017-18 is being sent in a permitted mode. Rules 18(3)(i) of the Companies (Management & Administration) Rules, 2014 requires a company to provide an advance opportunity at least once in a financial year to the member to register his/her e-mail address and any change therein. In compliance with the same, we request the members, who do not have their e-mail ID registered with the Company, to get the same registered with the Company. Members are also requested to intimate to the Company the changes if any, in their e-mail address.
- In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management & Administration) Rules, 2014, the members are informed that the Company is pleased to offer e-voting facilities as an alternative mode to voting at the meeting. Necessary arrangements have been made by the Company with the Central Depository Services Ltd. (CDSL) to facilitate e-voting. The instructions for shareholders voting electronically are as under:

- i) The voting period begins on **30/06/2018 (9.00 a.m.)** and ends on **02/07/2018 (5.00 p.m.)**. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of 26/06/2018** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Shareholders, who have already voted prior to the meeting date, would not be entitled to vote at the meeting venue.
- iii) Log on to the e-voting website www.evotingindia.com
- iv) Click on 'Shareholders' tab.
- v) Now, select 'CHOKHANI SECURITIES LIMITED' from the drop-down menu and click on 'SUBMIT'.
- vi) Now, enter your Use ID : For CDSL - 16 digits beneficiary ID, for NSDL - 8 character DP ID followed by 8 Digits Client ID. Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- vii) If you are holding shares in demat form and had logged on www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user, follow the steps given below :
- viii) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form and for Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by the Income Tax Department
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio id dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank details as recorded in your demat account or in the company records for the said demat account or folio.

* Members, who have not updated their PAN with the Company/Depository Participant are requested to use the default number "CTLEV1234Z" in the PAN filed.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company, please enter value 13/06/2014 in the DOB column or the 16 digit member id/folio number in the Dividend Bank details field.

- ix) After entering these details appropriately, click on 'SUBMIT' tab.
- x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii) Click on the EVSN for the relevant Chokhani Securities Limited on which you choose to vote.
- xiii) On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implied that you assent to the Resolution and option NO implied that you dissent to the Resolution.
- xiv) Click on the 'Resolution File Link' if you wish to view the entire Resolutions.
- xv) After selecting the resolution, you have decided to vote on, 'Click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
- xvi) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xvii) You can also take out print of the voting done by you by clicking on 'Click here to print' option on the voting page.
- xviii) If demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password and enter the details as prompted by the system.
- xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Stores. iPhone and Windows phone users can download the app from the App Stores and the Windows Phone Stores respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

- xx) Non-Individual Shareholders and Custodians (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF Format in the system for the scrutinizer to verify the same.
- xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQ) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

Other Instructions:

- a) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 26/06/2018.
- b) Mr. Upendra Shukla, Practicing Company Secretary, have been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the members, who do not have access to the e-voting process) in a fair and transparent manner.
- c) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against if any, forthwith to the Chairman of the Company.
- d) A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a member casts votes by both modes, then voting done through e-voting shall prevail and physical ballot shall be treated as invalid.
- e) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.rrcfincials.com and on the website on CDSL www.evoting.nsdl.com within two days of the passing of the resolutions at the 25th AGM and communicated to BSE Ltd., where the shares of the Company are listed.

For & on behalf of the Board of Directors

Registered Office:

5-A, Maker Bhavan 2,
Sir Vithaldas Thackersey Marg,
New Marine lines, Churchgate
Mumbai 400020.

Place: Mumbai

Date: May 29, 2018

For CHOKHANI SECURITIES LTD.

Sd/-
RAMAKANT R. CHOKHANI
(CHAIRMAN)
(DIN:00613176)

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013**Item No. 4****Approval for appointment of Mr. Abhijit Ghosh as Chief Executive officer and whole time director of the Company.**

In terms of Share Purchase and Transfer of Control Agreement (SPA) amongst Poshika Advisory Services LLP (as Incoming Promoter – 1) and Shachindra Nath (As Incoming Promoter – 2) and the Company and its Exiting Promoter and in terms of clause 2.2.2 and Schedule IX thereof, the Board of the Company recommended the appointment of Mr. Abhijit Ghosh as Chief executive officer and Whole Time Director of the company

BREIF PROFILE OF ABHIJIT GHOSH, CEO & WHOLE TIME DIRECTOR

Mr. Ghosh is an expert of managing large distribution across SME segments with innovative underwriting through targeted acquisition approach. He has led lending business transformation projects to maximize productivity and performance hence enhanced profitability.

His academic credentials include Management Courses from Kelloggs, XLRI, HAYS Group.

Till recently Mr. Ghosh was Chief Business Officer of ReligareFinvest Limited – NBFC where he built robust lending distribution leading to a four fold revenue growth and ROE increase from single digit to mid-teen.

Mr. Ghosh has an overall experience of more than 20 Years across the cross section of organisation in Banking & Financial Services, Consumer Appliances, Hospitality, Telecom and Healthcare. He has worked with organisations like Whirlpool, ABN Amro, Reliance Infocom, ICICI Bank, Future Capital and ICICI Securities.

The Board of Directors of the Company commends the resolutions set out in item No.[4] of this notice for approval of the Shareholders.

None of the Directors, Key Managerial Personnel's of the Company and their Relatives are either concerned or interested in the resolutions set out in item No. [4] of the Notice.

Item No. 05 to 10**Approval for appointment of:**

- a) Ms. Ranjana Agarwal
- b) Mr. S. Karupasamy
- c) Mr. Satyananda Mishra
- d) Mr. Abhijit Sen
- e) Mr. Navin Kumar Maini
- f) Mr. Rajeev Kumar Agarwal

In terms of the Corporate Governance Code approved by the Board of the Company on its meeting held on December 31st, 2017 and in terms of Para 4.2 which requires the majority of the Board Members to consist of Independent Directors, the Board of the Company has recommended the appointment of following to be appointed as an Independent Directors of the Company for a period of 5 years.

BRIEF PROFILE OF INDEPENDENT DIRECTORS**MS. RANJANA AGARWAL**

Ms. Agarwal is an expert in Audit, Tax, Management Consulting, Risk Assurance, Financial Due Diligence and General Management. She is a Fellow member of Institute of Chartered Accountants of India and alumnus of Lady Shri Ram College, University of Delhi (Bachelor of Arts).

Ms. Agarwal has more than 30 years of work experience across organizations like Vaish Associates Advocates (Corporate, Tax and Business Advisory Law Firm), FICCI and Deloitte Haskins & Sells.

Ms. Agarwal after CA training with Price Waterhouse Coopers, she founded Vaish& Associates, Chartered Accountants in 1985. She was India's first lady Chartered Accountant to set up her own firm. Today the firm is one of the top twenty accounting firms in India. She was also a senior audit partner in Deloitte Haskins & Sells, where she started their Delhi practice and managed the firm from 1995 – 2000. She also served as National President of the FICCI Ladies Organization (FLO).

She has been the recipient of the Indira Gandhi Priyadarshini award for professional excellence.

She is currently Independent Director of ICRA Limited where she is Chair – Audit Committee, KDDL Limited, Shubham Housing Development Finance Co. Pvt. Ltd. – Chair Audit Committee, Indo Rama Synthetics (India) Ltd. ICRA Management Consulting Services Limited, JoyvilleShapoorji Housing Private Limited (Chair – NRC), Munjal Showa Ltd (Invited member on the audit committee)

MR. S. KARUPPASAMY

Mr. Karuppasamy is an expert of Banking Regulation and Education. He is alumnus of National Institute of Bank Management, Post Graduate Diploma in Bank Management, Indian Institute of Banking and Finance, CAIIB (Honorary Fellow) and Mumbai University, Master of Arts (Economics).

Mr. Karuppasamy has work experience of more than 40 years with India's Central Bank – The Reserve Bank of India. He retired as Executive Director in 2014 and in this role looked after Department of Expenditure and Budgetary Control, Department of Information Technology, Legal Department and Urban Banks Department (including regulation and supervision of Urban Co-operative Banks).

Mr. Karuppasamy joined the Reserve Bank of India in 1975, and worked his way through various departments in different capacities including, Issue Department, Department of Economic Analysis and Policy, Banking Department, Agricultural Credit Department, Rural Planning & Credit Department, Department of Banking Operations & Development and Urban Banks Department.

Mr. Karuppasamy has been associated or been a member of various working groups / committees including, RBI Nominee Director on the Board of Indian Bank (Three times), RBI Nominee Director in Sangameshwara Grameena Bank, SreeAnantha Grameena Bank and Rayalaseema Grameena Bank, Governing Council and Executive Committee of Indian Institute of Banking and Finance (Member); and Steering Committee Member in the International Credit Union Regulators' Network, World Credit Union, USA.

Mr. Karuppasamy is currently Member of RBI Services Board, Independent Director of ARCIL and Independent Director of proposed Microfinance Vidharan.

MR. SATYANANDA MISHRA

Mr. Mishra is a career bureaucrat and an immensely knowledgeable professional with years of varied and rich experience in the public sector. During his career he has been instrumental in the formulation and implementation of policies, projects and programs. Noteworthy among them include running of agricultural markets (mandis), welfare programs, various infrastructure projects, information policy, the human resource development policy and cultural policy.

Mr. Mishra holds a Master of Arts degree in English from the Utkal University; an M.Phil in Public Administration from the Punjab University; and a Master of Science degree in Policy Planning for Developing Countries from the London School of Economics.

Mr. Mishra joined the Indian Administrative Service in 1973. In a diverse career spanning 40 years, he has held several prestigious positions in the Indian Government, both at the state and central levels. He worked with Central Information Commission in the capacity of Chief Information Commissioner (New Delhi), which involved hearing appeals and complaints under the Right to Information Act. The other positions of significance held by him include Secretary, Department of Personnel & Training (DoPT); Principal Secretary, Public Works Department; Principal Secretary, Public Health Engineering, Principal Secretary, Housing & Environment; Housing Commissioner, Madhya Pradesh Housing Board.

In his earlier role as Managing Director, Small Industries Development Corporation and Development Commissioner, Small Scale Industries in the Government of India, Mr. Mishra worked towards the development of small and medium

enterprises (SMEs). He also served on the Board of the SIDBI as Development Commissioner (Small Scale Industries).

He also served as the Chairman and Independent Director of Multi Commodity Exchange of India Ltd. (MCX).

MR. ABHIJIT SEN

Mr. Abhijit Sen is an expert in Banking and Finance and alumnus of Indian Institute of Management, Calcutta and Indian Institute of Technology, Kharagpur

Mr. Sen has more than 30 years of work experience spanning banking and financial services in the finance function with some of the leading brands in the Industry including CITI, CEAT and Tata Tea.

Mr. Sen spent 18 years with Citi covering multiple leadership roles; retired as the Chief Financial Officer–India Subcontinent (India, Bangladesh and Sri Lanka), where he was responsible for the Finance function including, including Strategic planning and business performance evaluation; Controllershship, US & Indian Regulatory reporting for all Citi group vehicles; Tax Advisory & Accounting Policy. He was member of all Policy level Committees as well as Boards of constituent Citi Companies.

Mr. Sen is currently an External Advisory to Ernst & Young, Independent Director and Chair, Audit Committee of Trent Limited, Independent Director, Ujjivan Micro Finance Limited, Independent Director and Chair – Audit Committee, IDFC Bank, Independent Director and Chair – Audit Committee, Cashpor Microcredit, Independent Director and Chair – Audit Committee, Kalyani Forge and Independent Director, India First Life Insurance Limited

MR. NAVIN KUMAR MAINI

Mr. Maini is an expert in Development Banking, MSME lending and General Management. He is alumnus of Management Development Institute, Gurgaon (Post Graduate Diploma in Management), Indian Institute of Banking and Finance, Delhi (Certified Associate), Indian Institute of Foreign Trade, Delhi (Post Graduate Diploma in International Trade), Faculty of Law, Delhi University (Bachelor of Law) and St. Stephens College, Delhi University (Bachelor of Science)

Mr. Maini has more than 38 years of work experience across prestigious organizations including, SIDBI, UCO Bank and IDBI Bank.

Mr. Maini worked more than 25 years with SIDBI and held various leadership positions with increasing levels of responsibility. He retired as Deputy Managing Director In-Charge in February 2015. Mr. Maini's 3.5 decades of extensive experience covers Commercial and Development Banking in various facets of financing MSMEs and Large Corporate, Micro Credit and Core Business functions.

He also held the role of CEO of Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) on a one-year deputation, which was set up by Ministry of Small Scale Industries, GOI & SIDBI for providing guarantees to eligible Member Lending Institutions to enable them to extend collateral free loans to small enterprises.

Mr. Maini is currently Non – Executive Director with Micro Units Development Refinancing Agency (MUDRA), Director with Micro Finance Institutions Network (MFIN), Director, National Securities Clearing Corporation of India (NSCCL), a subsidiary of the National Stock Exchange and Member of Advisory Committee of Impact Investment funds including Ivy Cap Venture Trust Fund and Lok Capital Group

MR. RAJEEV KUMAR AGARWAL

Mr. Agarwal is an expert of Regulatory, Securities & Commodities markets, Income Tax, Enforcement, and General management. He is alumnus of The Indian Revenue Service (Batch of 1983) and Indian Institute of Technology, Roorkee (Bachelor of Technology).

Mr. Agarwal has nearly three decades of service and contribution to the Indian financial sector covering, Securities and Exchange Board of India, Forward Markets Commission and Indian Revenue Service.

Mr. Agarwal recently retired (November 2016) from the post of Whole Time Member at SEBI where he was responsible for policy formulation, regulation and enforcement in the securities markets in India. Before joining SEBI, he served as the Member of the Forward Markets Commission (FMC), the regulator for the commodity futures

business for a period of five and half years and was responsible for the framing of regulations for the Commodities Markets which had been liberalized just then.

The Board of Directors of the Company commends the resolutions set out in item No.5 to 10 of this notice for approval of the Shareholders.

None of the Directors, Key Managerial Personnel's of the Company and their Relatives are either concerned or interested in the resolutions set out in item No. 5 to 10 of the Notice.

Item No. 11

Appointment of Mr. Amit Gupta as a nominee director (Investor nominee) on the board of the company.

In terms of Share Subscription Agreement amongst New Quest Asia Investment III Limited (Investor), our Company and the Promoters and in terms of Para 12.1 thereof wherein the Investor have to right to nominate a Non – Executive Director on the Board of the Company. The Board of the Company recommends the appointment of Investor Nominee Mr. Amit Gupta on the Board of the Company.

The Board of Directors of the Company commends the resolutions set out in item No.11 of this notice for approval of the Shareholders.

None of the Directors, Key Managerial Personnel's of the Company and their Relatives are either concerned or interested in the resolutions set out in item No. 11 of the Notice.

Item No. 12

Appointment of Mr. Manoj Sehrawat as a nominee director(Investor nominee) on the board of the company.

In terms of Share Subscription Agreement amongst Clearsky Investment Holding Pte. Ltd. (Investor), our Company and the Promoters and in terms of Para 16.1 thereof wherein the Investor have to right to nominate a Non – Executive Director on the Board of the Company. The Board of the Company recommends the appointment of Investor Nominee Mr. Manoj Sehrawat on the Board of the Company.

The Board of Directors of the Company commends the resolutions set out in item No.11 of this notice for approval of the Shareholders.

None of the Directors, Key Managerial Personnel's of the Company and their Relatives are either concerned or interested in the resolutions set out in item No. 11 of the Notice.

BREIF PROFILES OF INVESTOR NOMINEE DIRECTOR**MR. AMIT GUPTA**

Amit is a founding Partner of NewQuest and oversees the firm's India and Southeast Asia business as well as investments in the power and financial services sectors. Amit has more than 16 years of industry experience.

Prior to co-founding NewQuest, he was a Director at Bank of America Merrill Lynch's (BAML) Asia Private Equity group where he led the India business and oversaw investments the energy and financial services sectors across the Asia Pacific.

Mr. Gupta has also served in other roles in BAML, including Corporate Principal Investments based in Hong Kong and Investment Banking based in Mumbai.

Prior to working at BAML, Mr. Gupta was a software engineer based in Mumbai and the United States. He is an MBA from Indian Institute of Management (IIM), Bangalore, where he was placed on the Director's Merit List for his performance, and an undergraduate degree in electrical engineering from REC Kurukshetra, where he received the University gold medal.

MR. MANOJ SEHRAWAT

Mr. Sehrawat is based in Singapore and has 18 years of experience in financial services across private equity, distress debt acquisition & resolution, corporate and financial restructurings in India.

He has been with ADV since inception and is part of the founding team and leads ADV's coverage of India and is responsible for driving value-add initiatives and generating synergies between ADV's India investments with the broader portfolio.

Prior to ADV, Mr. Sehrawat was Vice President with JPMorgan's Asia Special Situations Group and as part of the initial team for special situations investing business in India he played a key role in sourcing, analyzing, structuring and executing investment opportunities as well as asset management of Indian portfolio companies.

Previously he has worked at ARCIL – India's largest asset reconstruction company, where he was responsible for acquisition of NPLs from banks & FIs and evaluation & implementation of recovery strategies for NPLs acquired. Prior to that Manoj Worked at Dimensions Consulting - a boutique sell side advisory firm where he led execution of several mandates covering business & financial restructuring for large corporates.

Mr. Sehrawat is a Chartered Accountant from Institute of Chartered Accountants of India and has a Bachelors in Commerce from Delhi University.

Registered Office:

5-A, Maker Bhavan 2,
Sir Vithaldas Thackersey Marg,
New Marine lines, Churchgate
Mumbai 400020.

Place: Mumbai

Date: May 29, 2018

For & on behalf of the Board of Directors

For CHOKHANI SECURITIES LTD.

Sd/-
RAMAKANT R. CHOKHANI
(CHAIRMAN)
(DIN:00613176)

Details of Director seeking appointment/ re-appointment at the ensuing Annual General Meeting:

Name of the Director	Mr. Ramakant R. Chokhani
Date of Birth	10/04/1954
Date of Appointment	10/02/1993
Qualification	B.Com., LL.B, FCS
Brief Profile	Mr. Chokhani has more than four decades experience in investments banking.
Directorship held in other Public Companies (excluding Section 25 and foreign Companies)	Nil
Memberships/ Chairmanship of committees of other companies (includes only Audit & Shareholders/ Investors Grievance/ Stakeholders Relationship Committee)	Nil
Shareholding in the Company (Equity)	18,06,490

Registered Office:

5-A, Maker Bhavan 2,
Sir Vithaldas Thackersey Marg,
New Marine lines, Churchgate
Mumbai 400020.

Place: Mumbai

Date: May 29, 2018

For & on behalf of the Board of Directors

For CHOKHANI SECURITIES LTD.

Sd/-

RAMAKANT R. CHOKHANI
(CHAIRMAN)
(DIN:00613176)

DIRECTORS' REPORT

The Members,

Your Directors are pleased to present their Twenty Fifth Annual Report on the working of the Company together with the Audited Statements of Accounts for the year ended 31st March 2018.

	Current Year March 31, 2018	Previous Year March 31, 2017
Profit before interest & depreciation	3,22,45,332	2,01,70,707
Interest Paid	--	-
Profit before Depreciation	3,22,45,332	2,01,70,707
Depreciation	--	-
Profit before Tax	3,22,45,332	2,01,70,707
Provision for Tax & deferred Tax Assets	24,70,000	4,45,000
Profit After Tax	2,97,93,237	1,97,25,707
Balance brought forward	29,35,69,911	27,33,65,611
Transfer to Special Reserve	11,16,43,815	--
Balance Available for Appropriation	21,17,19,333	29,30,91,318
Extra Ordinary Adjustments	--	-
Excess / (short) Provision for Tax	(17,905)	4,78,593
Adjustment for prior year	--	-
Balance Carried Forward	21,17,37,238	29,35,69,911

Dividend

Directors have not recommended any dividend.

Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge, confirm that –

- in the preparation of the accounts the applicable accounting standards have been followed along with proper explanations relating to material departure;
- 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 at the end of the financial year and of the profit of the Company for that year;
- 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;
- the annual accounts have been prepared on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS FOR 2017-2018**Industry Structure and development**

The Non-banking Finance Companies (NBFCs) are strictly regulated by Reserve Bank of India by its guidelines and notifications. NBFCs, which are listed with stock exchange(s), are also subjected to stringent rules and regulations of the Securities and Exchange Board of India and Stock Exchanges.

Regulations

The Capital Market is regulated by stringent rules and regulations of the Securities & Exchange Board of India (SEBI) and the Stock Exchanges. Your Company being registered as Non-Banking Finance Company (NBFC) as also mainly engaged in investment in shares and securities, is subjected to stringent rules and regulations prescribed by SEBI and RBI.

Performance of the Company

Capital market remained steady through out the year. This resulted in normal working of the Company and profit was in line with the expectation.

Total revenue including other income for the financial year ended 31st March, 2018 was Rs. 351.56 lacs compared to last year (Rs.234.32 lacs in the year 2016-17). Earnings before interest, tax, depreciation and amortization (EBITDA) was Rs. 322.45 lacs as against Rs. 201.71 lacs a year ago. Profit after tax for the year was Rs. 297.93 lacs as against Rs.197.26 lacs in 2016-17.

A sum of Rs. 1116.44 lacs was transferred to Reserve Fund in terms of Section 45 IC(1) of RBI Act, 1934 out of the Statement of Profit & Loss.

Material Changes and Commitment

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

On 31st December 2017 Poshika Advisory Services LLP and Mr. Sachindra Nath signed a 'Share Purchase and Transfer of Control Agreement' (SPA) with the existing Promoters of your Company to acquire Controlling Interest Pursuant to Regulations 3(1) and 4 read with Regulation 15 of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, the new promoters will be making open offer to acquire 3,51,683 shares from the public at Rs.129/- per share.

Your Directors are of the view that the proposed change in management will enable your Company to improve its working by offering various value added financial services.

Loans, Guarantees and investments

The Company has not given any loan or guarantee. The Company has made investments in shares, securities and bonds, details of which are provided in the financial statements.

Opportunity and threats

The governments, both at central and state, are taking various steps to boost economy. This will encourage the healthy growth of Capital Market.

Future Outlook

The proposed change in Promoters of the Company and the proposal to infuse further fund by issuing capital on preferential basis will enable the Company to increase its business by offering various value added financial services and in turn increased the profitability of the Company.

Further, your Directors glad to state that effect of new tax regime viz. Good & Service Tax (GST) appears to be positive. GDP is expected to improve and expected to cross 7% in coming years. Considering positive effect on economy and capital market in general, your Directors are of the opinion that the future of your Company is well secured.

Conservation of Energy etc.

Since the Company is not engaged in any manufacturing activity, information as required under the provisions of Section 134 (3) (m) of the Act is not furnished. During the year under consideration, the Company did not earn nor spend any foreign exchange.

Corporate Governance

In line with the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance is annexed, which forms part of this report. A certificate of CEO and CFO of the Company confirming the correctness of the financial and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee is also annexed and forms part this Directors' Report.

Transactions with related parties

None of the transactions with related parties falls under the scope of Section 188(1) of the Companies Act, 2013. Hence, information pursuant to Section 134(3) (4) of the Act read with relevant rules is not given.

Subsidiary Company

The Company does not have any subsidiary.

Consolidated Financial Statement

Since the Company does not have any subsidiary, joint venture or associates, consolidated accounts are not prepared.

Public Deposits

Your Company has not accepted any deposit from the public, its shareholders or employees during the year under review.

Directors and key managerial personnel

To comply with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. R.R. Chokhani shall retire by rotation in the ensuing annual general meeting. However, being eligible he offers himself for reappointment.

During the year under review, none of the non-executive directors had any pecuniary relationship or transactions with the Company.

Mr. Sunil Sharma is the Chief Executive Officer, Mr. Manish Parikh is the Chief Finance Officer and Ms. Sweta V. Kumar, is the Company Secretary of the Company.

Nomination & Remuneration Policy pertaining to appointment of Director and senior managerial personnel is annexed to this report as **Annexure I**.

Declaration of Independence

All the independent directors have submitted declarations as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as stipulated in Section 149(6) of the Act.

Number of meeting of the Board

Seven meetings of the Board of Directors and one meeting of Independent Directors were held during the year under review. Corporate Governance Report, which forms part of this report, contains the details about the Board meeting as also meeting attended by each Directors of the Company.

Board evaluation

Pursuant to the provisions of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors had done the annual evaluation of its own performance, its committees and individual directors. The Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings.

In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole was evaluated, taking into account the views of non-executive directors.

Policy on appointment of directors and remuneration as provided in Section 178(3) of the Companies Act, 2013 has been dealt with in the corporate governance report, which forms part of the Directors' Report.

Audit Committee

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

Internal Control System

There are reasonable internal control systems at all levels in the Company. The Company has appointed M/s. Chajjed Kedia & Associates, Chartered Accountants, as Internal Auditors, who reports the Audit Committee.

Risk Management

The Company has Risk Management Committee. This committee is responsible for reviewing the risk management plan and its effectiveness. The audit committee also reviews the financial risk and its control. The management also continuously access the risk involved in the business and all out efforts are made to mitigate the risk with appropriate action.

Employees

Information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are appended to this report as Annexure II and forms part of this report.

None of the employees of the Company was in receipt of a remuneration exceeding Rs.5 lakhs per month or Rs.60 lakhs per annum as required under the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Auditors

According to Directors, there are no adverse remarks made by Statutory Auditors in their report. Notes to the accounts are self-explanatory to comments/observation made by the auditors in their report. Hence, no separate explanation is given.

M/s. B.M. Gattani & Company, Chartered Accountants, who were appointed as Statutory Auditors of the Company in the 24th Annual General Meeting to hold the office till 29th Annual General Meeting, has conveyed their decision to resign on conclusion of the ensuing 25th Annual General Meeting.

The Company has received a letter from M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No.117366W/W-100018), confirming that they are eligible for appointment and have consented to act as Statutory Auditors, if appointed by the members of the Company. Your Directors propose to seek appointment of the Statutory Auditor for a term of five years.

Members are requested to appoint Auditors and fix their remuneration.

During the year, Secretarial Audit was carried out by Mr. Upendra C. Shukla, Practicing Company Secretary for the financial year 2017-18. The report on the Secretarial Audit is appended as Annexure III to this report. According to the Board of Directors the report does not have any adverse remark.

Extract of Annual Return

An extract of Annual Return in Form MGT-9 in pursuance to the provisions of Section 92(3) of the Companies Act, 2013 is annexed to this report as Annexure IV and forms part of this report.

Internal Financial Controls

The Board of Directors has devised systems, policies and procedures / frameworks, which are currently operational within the company for ensuring the orderly and efficient conduct of its business, which includes adherence to company's policies, safeguarding assets of the company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit Committee and the Board reviews these internal controls systems to ensure they remain effective. These controls are reviewed at regular intervals.

Corporate Social Responsibility (CSR):

Brief outline on the Corporate Social Responsibility (CSR) Policy of the Company and the initiative undertaken by the Company on CSR activities during the year are set out in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 and is annexed as **Annexure V** to this report. The said CSR Policy is hosted on the Company's website.

Vigil Mechanism

The Company has a vigil mechanism policy to deal with instances of fraud and mismanagement. The whistle blower policy adopted by the Board of Directors is hosted on the website of the Company.

Reporting of Fraud

The Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013.

Details of significant and material orders passed by the regulators or courts or tribunals

During the year under review, there was no material and significant orders passed by any of the regulators or courts or tribunals impacting the going concern status and the Company's operations.

Prevention of Sexual Harassment at Workplace

Since the Company does not have any woman employee, the provisions of the Sexual Harassment of Workmen at Workplace (Prevention, Prohibition and Redressal) Act, 2013 does not apply.

Cautionary Statement

Statements in the Annual Report, particularly those which relate to Management Discussion and Analysis may constitute forward looking statements within the meaning of applicable laws and regulations. Although the expectations are based on the reasonable assumption, the actual results might differ.

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/-
RAMAKANT.R. CHOKHANI
(CHAIRMAN)
(DIN: 00613176)

Place: Mumbai
Date: May 29, 2018

“Nomination and Remuneration Policy”**Annexure I****1. OBJECTIVE**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with relevant rules thereto and Clause 49 of the Listing Agreement. The Key Objectives of the Committee are:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity.
- To develop a succession plan for the Board and to regularly review the plan.

2. DEFINITIONS

- a) Act means the Companies Act, 2013 as amended from time to time and the Rules made thereunder.
- b) Board means Board of Directors of the Company.
- c) Directors mean Directors of the Company.
- d) Key Managerial Personnel means – (i) Chief Executive Officer or the Managing Director or Whole-time Director or the Manager; (ii) Chief Financial Officer; (iii) Company Secretary; and (iii) such other officer as may be prescribed.
- e) Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. ROLE OF COMMITTEE

3.1 Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

- 3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 3.1.2. Identify persons who are qualified to become Director and persons, who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- 3.1.3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3.2. Policy for appointment and removal of Director, KMP and Senior Management

3.2.1. Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years; Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2. Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole-time Director and designate them for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director;

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.2.3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.2.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act and rules made thereunder.

3.2.5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3 Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

3.3.1 General

a) The remuneration / compensation / commission etc. to the Managing Director, Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission payable to Managing Director, Whole-time Director and Director shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Managing Director, Whole-time Director and Directors shall be in accordance with the conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

c) Increments/revision to the existing remuneration/compensation payable to Managing Director, Whole-time Director and Directors may be recommended by the Committee to the Board, which should be within the limits approved by the Shareholders.

d) Where any insurance is taken by the Company on behalf of its Directors, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel; Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2. Remuneration to Whole-time, Managing Director, Directors, KMP and Senior Management Personnel:

a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director and Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If Managing Director and/or Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

3.3.3. Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof; Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

- 4.1 The Committee shall consist of a minimum three (3) non-executive directors, majority of them being independent.
- 4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.
- 4.3 Membership of the Committee shall be disclosed in the Annual Report.
- 4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

- 5.1 Chairperson of the Committee shall be an Independent Director.
- 5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

- 7.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. DUTIES OF COMMITTEE

A) The duties of the Committee in relation to nomination matters shall include:

- 8.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 8.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment;
- 8.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 8.4 Determining the appropriate size, diversity and composition of the Board;
- 8.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 8.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 8.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 8.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 8.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 8.10 Recommend any necessary changes to the Board; and
- 8.11 Considering any other matters, as may be requested by the Board.

B) The duties of the Committee in relation to remuneration matters shall include:

- 8.12 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 8.13 To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 8.14 To delegate any of its powers to one or more member(s) of the Committee.

9. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings shall be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

For & on behalf of the Board of Directors
For Chokhani Securities Ltd

Sd/-
(Ramakant R Chokhani)
(CHAIRMAN)
(DIN: 00613176)

Place : Mumbai
Date : May 29, 2018

ANNEXURE II

PARTICULARS OF EMPLOYEES

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Rule	Particulars			
(1)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	None of the other Directors were in receipt of any remuneration.		NIL
(2)	The percentage increase in remuneration of each Director, Chief Financial officer, Chief Executive Officer,	a	Mr. Sunil Sharma, CEO	29 %
		b	Mr. Manish Parikh, CFO	NIL
(3)	The percentage increase in the median remuneration of employees on the rolls of the Company		NIL	
(4)	The number of permanent employees on the rolls of the Company		2	
(5)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Mr Sunil Sharma, CEO `s salary was increase by 29%. There is no increase in the remuneration of other managerial personnel. This is based on factors relevant for the purpose.		
(6)	It is hereby confirmed that the remuneration is as per the Remuneration Policy of the Company			

For & on behalf of the Board of Directors
For Chokhani Securities Ltd

Sd/-
(Ramakant R Chokhani)
 (CHAIRMAN)
 (DIN: 00613176)

Place : Mumbai
 Date May 29, 2018

ANNEXURE III

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018.**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,

Chokhani Securities Limited,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Chokhani Securities Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Chokhani Securities Limited for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing (**Not applicable, since there was no FDI, ODI and/or ECB**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.
- (vi) The following Acts / Guidelines specifically applicable to the Company :
 - a) Reserve Bank of India Act, 1934; and
 - b) Notifications/circulars pertaining to Non-Banking Finance Companies, issued by RBI from time to time.

I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standard with regard to meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India; and
- b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned above.

I report that during the year under review there was no action/event in pursuance of –

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debts Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998;
- (e) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 199 and/or SEBI (Share Based Employee Benefits) Regulations, 2014; and
- (f) The Securities and Exchange board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.

I further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit and also on the review of quarterly compliance reports taken on record by the Board of Directors of the Company, in my opinion adequate systems and processes and control mechanism exists commensurate with the size and operation of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

I further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The Company has not appointed Managing Director or Whole-time Director. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed proposal on agenda were sent in advance duly complying with the time limits specified, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that during the audit period there was no specific event/action in pursuance of the above referred laws, rules, regulations, guidelines, etc. having major bearing on the Company's affairs.

Place: Mumbai
Date: 29/05/2018

Sd/-
(U.C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP: 1654

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Sr. No.	Particular	Information
i.	CIN	L67120MH1993PLC070739
ii.	Registration Date	10/02/1993
iii.	Name of the Company	CHOKHANI SECURITIES LIMITED
iv.	Category / Sub-Category of the Company	Public Listed Company
v.	Address of the registered office and contact details	5A, Maker Bhavan-II, 18, Sir Vithaldas Thackersey Marg, New Marine Lines, Churchgate, Mumbai 400020.
vi.	Whether listed company Yes / No	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Universal Capital Securities Pvt Ltd., 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai 400093.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1	Dealing in shares & securities	--	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	NIL	NIL	NIL	NIL	NIL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3467800	-	3467800	73.81	3467800	-	3467800	73.806	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	3467800	-	3467800	73.81	3467800	-	3467800	73.806	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	3467800	-	3467800	73.81	3467800	-	3467800	73.806	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)									

B. Public Shareholding									
1. Institutions									
a) Mutual Funds /UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds									
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	244450	-	244450	5.20	9236	1800	11036	0.235	-
i) Indian									
ii) Overseas									
b) Individuals	412890	104020	516910	11.00	140830	68120	208950	4.447	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs. 1lakh	469340		469340	9.99	88762	25300	114062	2.428	-
c) Any others (specify)									
Clearing Mem	-	-	-	-	13039	-	13039	0.278	-
LLP	-	-	-	-	879017	-	879017	18.708	-
NRi	-	-	-	-	1450	-	1450	0.031	-
Huf	-	-	-	-	3146	-	3146	0.067	-
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1126680	104020	1230700	26.19	1135480	95220	1230700	26.194	-
C. Shares held by Custodian for GDRs & ADRs	--	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4594480	104020	4698500	100	4603280	95220	4698500	100	-

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total Shares	
1.	Anand Ramakant Chokhani	327710	6.97	-	327710	6.97	-	-
3.	Neelam R Chokhani	700000	14.90	-	700000	14.90	-	-
5	Ramakant R Chokhani HUF	633600	13.49	-	633600	13.49	-	-
6	Ramakant R Chokhani	1806490	38.45	-	1806490	38.45	-	-
	Total	34,67,800	73.81		34,67,800	73.81		

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

There was no change in Promoter Shareholdings during the year.

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3467800	73.81	3467800	73.81
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	3467800	73.81	3467800	73.81

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year 2017		Cumulative Shareholding during the year 2018	
		No. of shares	% of total shares of the Co.	No. of shares	% of total shares of the company
1)	Poshika Advisory Services LLP	0	0	879017	18.71
2)	N. B. Pradeepkumar	25094	.053	22000	0.47
3)	Gaurav Talvar	0	0	18467	0.39
4)	Alka Kamlesh Shah	14200	0.30	14200	0.30
5)	Purshotam G Budhwani	14000	0.30	14000	0.30
6)	Vishal Kantilal Jain	42200	0.90	12400	0.26
7)	Kanal Banerjee	11603	0.25	11603	0.25
8)	Purshotam G. Budhwani	11300	0.21	11300	0.21
9)	Teena Vazirani	8292	0.18	10092	0.21
10)	Jitesh Thakur	0	0	5586	0.14

(v) Shareholding of Directors and Key Managerial Personnel: Ramakant R Chokhani, Director

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of The company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
	Mr. Ramakant R. Chokhani At the beginning of the year	1806490	38.44	1806490	38.44
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	1806490	38.44	1806490	38.44

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01/04/2015) i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year □ Addition □ Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year (31.03.2016) i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - Others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	NIL	NIL
	Ceiling as per the Act		

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Ramakant R Chokhani	Mr.Pravin Gupta	Mr.Rajesh Chokhani	Mrs.Jyoti Anuj Jain	
	1. Independent Directors <input type="checkbox"/> Fee for attending board / committee meetings <input type="checkbox"/> Commission <input type="checkbox"/> Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL		NIL
	2. Other Non-Executive Directors <input type="checkbox"/> Fee for attending board / committee meetings <input type="checkbox"/> Commission <input type="checkbox"/> Others, please specify	NIL	NIL	NIL		NIL
	Total (2)	NIL	NIL	NIL		NIL
	Total (B)=(1+2)	NIL	NIL	NIL		NIL
	Total Managerial Remuneration	NIL	NIL	NIL		NIL
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. no.	Particulars of Remuneration	Key Managerial Personnel (RS.)			
		CEO *	CS	CFO **	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	445250/-	NIL	340104/-	785354.-
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - Others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	445250/-	NIL	340104/-	785354.-

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					

For & on behalf of the Board of Directors of
For Chokhani Securities Limited

Sd/-
Ramakant R Chokhani
Chairman
Din No. 00613176

Place : Mumbai
Date : May 29, 2018

Annexure V

Annual Report on CSR Activities

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs	Company's vision on CSR is to enhance the quality of life and the economic well being of communities around our operations. For detailed policy, please refer our website rrcfinancials.com .
2. The composition of the CSR Committee	1) Mr. Pravin Gupta – Chairman, 2) Mr. Rajesh Chokhani 3) Mrs. Jyoti Jain
3. Average net profit of the Company for last three financial years	Rs. 2,42,56,027 /- (PBT as prescribed)
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Nil - Not applicable this year as per companies act.
5. Details of CSR spent during the financial year: a) Total amount to be spent for the financial year: b) Amount unspent, if any: c) Manner in which the amount spent during the financial year is detailed below :	Rs. 7,05,210/- Rs. 5,000/-

DETAILS OF CSR PROJECT BEING UNDERTAKEN BY THE COMPANY:

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Project or Programs 1. Local Area or otherwise 2. Specify the State & District		Amount Outlay Rs. in Lacs (Budget)	Amount Spent (Amount in Rs.)			Cumulative Spend till reporting period (Rs. in Lacs)	Amount spent Direct or implementing agency	Name of the implementing agency
			Area	Name of District & State		Direct	Over heads	Total			
A	CSR Ongoing Projects										
1	YES THREE	MEDICAL AND EDUCATION	IGATPURI UDAIPUR UDAIPUR	Nasik Maharastra/ Udaipur, Rajasthan	-	19.50	-	19.50	19.30	19.50	Implementing various agency
B	CSR New Projects										
1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2											
3											
4											
5											
6											
	Sub Total CSR (A+B)										
C	Others										
		Prime Minister rel. fund Swaschbharat	-	-	-	0.37	-	0.37	0.37	0.37	GOI
	Total CSR (A+B+C)	NIL	NIL	NIL	NIL	19.87	NIL	19.87	19.87	19.87	NIL

6. In case the Company has failed to spend the two per cent of the average net profit of the last three Financial years or any part thereof, the Company shall provide the reason for not spending the amount in its Board report.	The company has spent Balance 5000/- during the financial year 2018-19. No amount remain unspent.
7. Responsibility Statement	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance of CSR objectives and Policy of the Company.

For & on behalf of the Board of Directors of
For Chokhani Securities Limited

Sd/-
Ramakant R Chokhani
Chairman
Din No. 00613176

Place : Mumbai
Date : May 29, 2018

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. Fifty percent of the total strength of the Board comprises of Independent Directors.

During the financial year ended 31st March 2018, the Board met seven times, i.e. on 24.04.2017, 29.05.2017, 10.08.2017, 10.11.2017, 31.12.2017, 10.01.2018 and 09.02.2018

One meeting of Independent Directors was held on 05/03/2018.

Last Annual General Meeting was held on July 28, 2017

As required under the SEBI (Listing Orders and Disclosure Requirements) Regulation, 2015, none of the Directors is the member of more than ten board level committees nor the chairman of more than five committees in which he/she is the member. Further, all the directors have confirmed that they do not serve as an independent director in more than seven listed companies or where they are whole-time director in any listed company, and then they do not serve as independent director in more than three listed companies.

The composition of the Board of Directors as on March 31, 2018 and other details are as under:

Name of Director	Relationship with other Directors	Category	No. of other Directorship Other than Pvt. Ltd. Cos.	Committee Membership of other Companies	No. of meeting held	No. of Meetings attended	Attendance at last AGM of the Company
Mr. Ramakant R. Chokhani	Father of Mrs. Jyoti Anuj Jain	Non-Executive Promoter	Nil	Nil	8	7	Yes
Mr. Rajesh Chokhani	None	Non-Executive Independent	Nil	Nil	8	8	No
Mr. Pravin Gupta	None	Non-Executive Independent	Nil	Nil	8	8	No
Mrs. Jyoti Anuj Jain	Daughter of Mr. Ramakant R Chokhani	Non-Executive	Nil	Nil	8	7	No

Information supplied to the Board

The Board has complete access to all the information of the company and is regularly provided advanced detailed information as part of the agenda papers or is table therein. The following information is regularly provided to the Board as part of the agenda papers:

- Annual and quarterly financial statements of the Company
- Minutes of the meeting of the Audit Committee and other committees of the Board
- Annual business plan
- Information on recruitment and remuneration of senior officers just below the level of Board including the appointment or removal of CFO and Company Secretary
- Materially important notices of show cause, demand, prosecution and penalty
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the company
- Any issue involving possible liability/claims of substantial nature.
- Details of any joint venture or significant collaboration agreement.
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others.
- Quarterly review of compliance status under various laws applicable to the Company.
- Corporate Social Responsibility activities
- Related party transactions.

Details of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting to be held on Friday, the 27th July, 2018 as required under the SEBI (LODR), Regulations, 2015 are given hereunder:

Name of the Director	Mr. Ramakant R. Chokhani
Date of Birth	10/04/1954
Date of Appointment	10/02/1993
Qualification	B.Com., LL.B, FCS
Brief Profile	Mr. Chokhani has more than four decades experience in investments banking.
Directorship held in other Public Companies (excluding Section 25 and foreign Companies)	Nil
Memberships/ Chairmanship of committees of other companies (includes only Audit & Shareholders/ Investors Grievance/ Stakeholders Relationship Committee)	Nil
Shareholding in the Company (Equity)	18,06,490

C. Remuneration to Director

No remuneration is paid to any of the Directors.

D. Committee of the Board:

The company has five Board level committees – Audit Committee, Stakeholder Relationship Committee, Corporation Social Responsibility Committee, Nomination & Remuneration Committee and Risk Management Committee.

All decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of service for Committee members are taken by the board of Directors. Details of the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

a) Audit Committee:

The Company has constituted an Audit Committee. As on 31/03/2018 the Audit Committee comprises of Mr. Pravin Gupta, Chairman, Mr. Rajesh Chokhani and Mrs. Jyoti Jain, Directors. Mr. Pravin Gupta is having expert knowledge in financial and accounting knowledge.

During the financial year 2017-18, the Audit Committee met five times on 29/05/2017, 10/08/2017, 10/11/2017, 31/12/2017 and 09/02/2018.

The Audit Committee had adequate powers and detailed terms of reference to play effective role as required under SEBI (LODR) Regulations, 2015.

The Compliance Officer acts as the Secretary of the Committee.

Attendance of each of the member of the Committee is as under:

Name of the Member/Position	Status	No. of meetings held	No. of meeting attended	Sitting fees
Mr. Pravin Gupta, Chairman	Independent	Five	Five	NIL
Mr. Rajesh R. Chokhani	Independent	Five	Five	NIL
Mr. Ramakant R. Chokhani (upto 10/11/2017)	Promoter	Five	Three	NIL
Mrs. Jyoti Jain (w.e.f. 10/11/2017)	Director	Five	Two	NIL

b) Nomination & Remuneration Committee:

Nomination & Remuneration Committee as on **31/03/2018** comprises of three members viz. Mr. Pravin Gupta, Mr. Rajesh Chokhani and Mrs. Jyoti Jain. The Committee met twice during the financial year on 10/11/2017 and 31/12/2017. The primary function of the Committee is to recommend to the Board on appointment or reappointment of Directors, remuneration of Key Managerial Personnel, formulate criteria for evaluation of independent Directors, Board diversity, identification and selection of persons, who could be appointed as independent directors, etc.

c) Stakeholders' Relationship Committee:

The Stakeholder Relationship Committee consists of three members viz. Mr. Pravin Gupta, Chairman, Mr. Rajesh Chokhani and Mrs. Jyoti Jain 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 five times during the year. During the year ended on March 31, 2018 the Company did not receive any complaint from any of its members.

d) Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility Committee as on 31st March, 2018 consists of three members viz. Mr. Pravin Gupta, Chairman, Mr. Rajesh Chokhani and Mrs. Jyoti Jain as members. The Committee met once during the financial year under review on 10th November, 2017. The primary function of the Committee is to enhance the quality of life and economic well being of communities, monitor implementation of the CSR projects approved by it and recommend changes in CSR policy of the Company to the Board. A detailed report on CSR activities is annexed as Annexure V and forms part of this report.

e) Risk Management Committee:

The Risk Management Committee as on 31/03/2018 comprises of three members viz. Mr. Pravin Gupta, Chairman, Mr. Rajesh Chokhani and Mrs. Jyoti Jain as members. The Committee met once during the financial year under review on 10th November, 2017. The primary function of the Committee is to review the major risks identified by the management, along with its mitigation plan, monitoring and reviewing the Company's risk management plan and to apprise the Board on risk assessment plan and to appraise the Board on risk assessment and minimization procedure.

E. Name and Designation of Compliance officer:

Ms. Sweta Vinod Kumar
Company Secretary & Compliance Officer
Chokhani Securities Ltd.
5A, Maker Bhavan No.2, New Marine Lines, Mumbai 400 020

F. Disclosures:**a) Disclosure of 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 Accounting Treatment in Preparing of Financial Statement

The Company follows the guidelines of Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with the Rule 7 of the Companies (Accounts) Rules, 2014 together with early adoption of Accounting Standard 30 'Financial instruments: Recognition and Measurement' and the consequential limited revisions to certain Accounting Standards issued by the ICAI.

c) 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 three Years.

d) CEO and CFO Certification

The CEO and CFO certification of the Financial Statements for the financial year 2017-18 is enclosed at the end of this report.

G. General Shareholder Information:**a) Dividend**

The Board of Directors has not recommended any dividend for the financial year 2017-18.

b) Listing:

The Company's shares are listed on the BSE Ltd. The Company has paid Annual Listing fees up to financial year 2017-2018.

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

Stock Market Price Data :

Month	Highest Rate	Lowest Rate
April-17	31.70	24.90
May-17	32.45	24.50
June-17	33.50	25.70
July-17	29.00	26.65
August-17	29.90	23.80
September-17	30.45	28.50
October-17	31.95	24.90
November-17	39.20	25.00
December-17	52.05	39.20
January-18	76.40	54.65
February-18	76.40	76.40
March-18	76.40	76.40

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.

c) 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.

d) Statistics of Shareholders as on March 31, 2018 (Distribution of Shareholding)

Statistics of Shareholders as on March 31, 2018

	Share Holders		Share Holdings		Share Amount	
	Number	%	Holding	%	₹	%
Up to 500	702	86.03%	83,404	1.78%	834,040	1.78%
501-1,000	56	6.86%	45,137	0.96%	451,370	0.96%
1,001-2,000	26	3.19%	39,146	0.83%	391,460	0.83%
2,001-3,000	11	1.35%	27,229	0.58%	272,290	0.58%
3,001-4,000	2	0.25%	7,445	0.16%	74,450	0.16%
4,001-5,000	2	0.25%	10,000	0.21%	100,000	0.21%
5,001-10,000	4	0.49%	25,260	0.54%	252,600	0.54%
10,001 & above	13	1.59%	4,460,879	94.94%	44,608,790	94.94%
Total	816	100.00%	4,698,500	100.00%	46,985,000	100.00%

e) Shareholding Pattern as on March 31, 2018

Categories	No of Shares	% of Shareholding
Promoters	3467800	73.81%
Bodies Corporate	11,036	0.23%
Residential Individual	323012	6.87%
Non Residential Individual	1450	0.03%
LLP	879017	18.71%
HUF	3146	0.07%
Clearing Members	13039	0.28%

f) Dematerialization of Shares:

Total number of Shares

In Demat form as on 31st March, 2018 : 46,03,280, (97.97%)

In Physical form : 95,220, (02.03%)

g) The Company has not issued any GDRs / ADRs/ warrants or any Convertible instruments.

h) Details of Public Funding Obtained in the Last Three years:

No public funding has been obtained in the last three years.

i) Financial Calendar for the year 2018-2019 (Provisional)

A.	Results for the first quarter ending on June 30, 2018	By end of July, 2018
B.	Results for the second quarter ending on September 30, 2018	By end of October, 2018
C.	Results for the third quarter ending on December 31, 2018	By end of January, 2019
D.	Results for the fourth quarter ending on March 31, 2019	By end of May, 2019
E.	Finalization of Accounts for the year ended March 31, 2019	By end of May, 2019
F.	Annual General Meeting for the year ending March 31, 2019	By end of July, 2019

j) Means of Communication:

The Company published its quarterly, half yearly and yearly results in prescribed form under SEBI (LODR) Regulations, 2015 within the stipulated time limit. The results are sent to the stock exchanges where the shares are listed and the same are published in leading newspapers in English and in vernacular language of Mumbai. The financial results and official news releases are also displayed on the Company's website viz. rrcfincials.com. As such the Company does not send unaudited results to shareholders individually.

k) General Body Meetings

The details of the location and time for the last three Annual General Meetings are given below:

AGM No	Accounting Year	Date	Time	Location
24 th	2016-2017	July 28 2017	11.00 am	5A, Maker Bhavan-2, New Marine Lines, Mumbai 400 020.
23 rd	2015-2016	July 29, 2016	11.00 am	5A, Maker Bhavan-2, New Marine Lines, Mumbai 400 020.
22 nd	2014-2015	July 31, 2015.	11.00 am	5A, Maker Bhavan-2, New Marine Lines, Mumbai 400 020.

l) Annual General Meeting

The 25th Annual General Meeting of the members of the Company is scheduled to be held at 11.00 a.m. on Tuesday, 3rd July, 2018 at 5A-Maker Bhavan No.2, Sir Vithaldas Thackersey Marg, New Marine Lines, Churchgate, Mumbai 400 020.

m) Details of book closures:

From 27.06.2018 to 03.07.2018 (both days inclusive)

n) Postal Ballot

During the current year, no approval of shareholders was taken through Postal Ballot.

o) 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

DECLARATION

As provided under SEBI (Listing Order and Disclosure Requirements) Regulations, 2015, this is to confirm that all the members of the Board and the Senior Management have affirmed compliance with the code of conduct for the year ended 31st March, 2018.

For Chokhani Securities Ltd.

Place : Mumbai
Date : May 29, 2018

Sd/-
Ramakant R Chokhani
(CHAIRMAN)
(DIN: 00613176)

Address for correspondence:

5A, Maker Bhavan No.2
Sir Vithaldas Thackersey 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

CEO / CFO CERTIFICATE

We, Sunil Sharma, Chief Executive Officer, and Mr. Manish Parikh, Chief Financial Officer of Chokhani Securities Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet and Statement of Profit and Loss and all its notes and confirm that –
 - a) based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or contain statements that might be misleading.
 - b) Based on our knowledge and information, the financial statements present in all material respects a true and fair view of the Company's affairs and except as stated, are in compliance with the existing accounting standards and/or applicable laws and regulations.
2. To the best of our knowledge and belief, no transaction entered into by the Company during the year is fraudulent, illegal or violative of the Company's Code of Conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company and we have:
 - a) designed such controls and procedures to ensure that material information relating to the Company is made known to us;
 - b) designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the Company's disclosure, controls and procedures; and
4. We confirm that :
 - a) there are no deficiencies in the design or operation of internal controls, which could materially adversely affect the Company's ability to record, process, summarize and report financial data;
 - b) there are no significant changes in internal controls during the year;
 - c) all significant changes in accounting policies during the year have been disclosed in the notes to the financial statements; and
 - d) there are no instances of significant fraud of which we are aware that involves management or other employees who have a significant role in the Company's internal control system.
5. We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices.

Sd/-

Sunil Sharma

Chief Executive Officer

Sd/-

Manish Parikh

Chief Financial Officer

Date: May 29, 2018

Place: Mumbai

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 March 31, 2018, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Company's 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 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.

Balmukund N Gattani

Proprietor

Membership Number: 047066

For and on behalf of

B.M. GATTANI & CO.

Chartered Accountants

Firm No. 0113536W

Place :Mumbai

Date: May 29, 2018

INDEPENDENT AUDITORS' REPORT**To the Members of CHOKHANI SECURITIES LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **CHOKHANI SECURITIES LIMITED**, ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order under section 143(11) of the Act. We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2018, and its **profit** and its 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, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by section 143(3) and of the Act, we report that:-
 - a. We have sought and 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 it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company & maintained by the company.

Sd/-
Balmukund N Gattani
 Proprietor
 Membership Number: 047066

Place :Mumbai
 Date: May 29, 2018

For and on behalf of
B.M. GATTANI & CO.
 Chartered Accountants
 Firm No. 0113536W

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

[Referred to in paragraph 1 under "Report on other Legal and Regulatory Requirements" section of our Independent Auditors Report to the Members of CHOKHANI SECURITIES LIMITED for the year ended March 31, 2018]

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. The Company does not have any fixed assets. Therefore, the said clause is not applicable to the Company.
2. The Company is in the business of Shares & Securities trading. The Physical verification of inventory has been conducted at reasonable intervals by the management during the year and on comparison of the same with book records, Demat Accounts/ Mutual Fund Statements, no material discrepancies were found.
3. The company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained u/s 189 of the Companies Act, 2013, therefore the provisions of this clause are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sec. 185 and 186 of the Act in respect of loans, making investments and providing guarantees and securities, as applicable.
5. The Company has not accepted any deposits from the public attracting the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under. Therefore, the provisions of Clause 3(v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
6. The Company is not required to maintain cost records under sub-section (1) of Section 148 of the Companies Act, 2013 as the company's business activities are not covered by the Companies (Cost Records and Audit) Rules, 2014.
7. According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company is generally regular in depositing undisputed statutory dues in respect of Service Tax, Tax Deducted on Source, Income Tax and other material statutory dues. There are no undisputed statutory dues payable in respect of Service Tax, Tax Deducted on Source, Income Tax and other material statutory dues.
 - b. There are no dues of Professional Tax, Service Tax, Tax Deducted on Source, and other statutory dues applicable to it, which have not been deposited on Account of any dispute. The particulars of dues of Income Tax as at 31.03.2018 which have not been deposited on account of dispute are as follows for which rectification is pending with concerned authorities :

Name of the Statute	Nature of the Dues	Dues Amount (Rs.)	Financial Year	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	37,41,900	2008-09	Assessing Officer
Income Tax Act, 1961	Income Tax	274130	2011-12	Assessing Officer/CPC

8. According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans and borrowings from a bank or government. Company has not borrowed from a financial institution nor have they issued any debentures.
9. No moneys have been raised by public offer and hence point (ix) of Companies (Auditor's Report) Order, 2016 is not applicable.
10. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year nor have we been informed of any such instance by the Management.
11. The Managerial Remuneration has been paid in accordance with requisite approvals mandated by the provisions of the section 197 read with Schedule V to the Companies Act, 2013.
12. This company is not a Nidhi Company and hence point (xii) of Companies (Auditor's Report) Order, 2016 is not applicable.
13. As per the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, hence the provisions of said clause are not applicable.
14. The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of section 192 of Companies Act, 2013 are not applicable.
15. The company is registered and holding a Certificate of Registration (COR) under Section 45-IA of the Reserve Bank of India Act, 1934

Sd/-
Balmukund N Gattani
 Proprietor
 Membership Number: 047066

For and on behalf of
B.M. GATTANI & CO.
 Chartered Accountants
 Firm No. 0113536W

Place :Mumbai
 Date: May 29, 2018

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

[The Annexure referred to in paragraph 2(f) under "Report on other Legal and Regulatory Requirements" section of our Independent Auditors Report to the Members of CHOKHANI SECURITIES LIMITED for the year ended March 31, 2018]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **CHOKHANI SECURITIES LIMITED** (“the Company”) as of and for the year ended 31 March 2018.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Sd/-

Balmukund N Gattani

Proprietor

Membership Number: 047066

For and on behalf of

B.M. GATTANI & CO.

Chartered Accountants

Firm No. 0113536W

Place : Mumbai

Date: May 29, 2018

Balance Sheet as at March 31, 2018

Particulars		Note No.	As at 31 March, 2018	As at 31 March, 2017
			₹	₹
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	46,985,000	46,985,000
	(b) Reserves and surplus	3	323,363,148	293,569,911
			370,348,148	340,554,911
2	Current liabilities			
	(a) Short-term provisions	4	4,997	1,720,291
	(b) Trade Payables	5	59,000	103,500
	(c) Other Current Liabilities	6	10,000	25,100
			73,997	1,848,891
	TOTAL		370,422,145	342,403,802
B	ASSETS			
1	Non-current assets			
	(a) Non-current investments	7	334,344,949	257,921,468
			334,344,949	257,921,468
2	Current assets			
	(a) Inventories	8	26,722,000	76,333,220
	(b) Cash and cash equivalents	9	87,007	28,171
	(c) Short-term loans and advances	10	1,124,524	1,080,000
	(d) Other current assets	11	8,143,665	7,040,943
			36,077,196	84,482,334
	TOTAL		370,422,145	342,403,802
See accompanying notes forming part of the financial statements		1 to 22		

As per our Report attached of even date

For & on behalf of Board of Directors

Sd/-

Balmukund N Gattani

Proprietor

Membership Number: 047066

Sd/-

Ramakant Chokhani

Director

DIN: 00613176

Sd/-

Jyoti A. Jain

Director

DIN: 00613331

For and on behalf of

B. M. Gattani & Co.

Chartered Accountants

Firm No. 0113536W

Sd/-

Sunil S. Sharma

Chief Executive Officer

Sd/-

Manish C Parekh

Chief Finance Officer

Sd/-

Sweta Kumar

Company Secretary

Place: Mumbai

Date: May 29, 2018

Place: Mumbai

Date: May 29, 2018

Statement of Profit and Loss for the year ended March 31, 2018

Particulars		Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
			₹	₹
A	CONTINUING OPERATIONS			
1	Revenue from operations	12	5,752,880	1,371,088
2	Other income	13	29,402,693	22,060,867
3	Total revenues (1+2)		35,155,573	23,431,955
4	Expenses			
	(a) Employee benefits expense	14	1,129,995	1,482,746
	(b) Other expenses	15	1,780,246	1,778,502
	Total expenses		2,910,241	3,261,248
5	Profit before exceptional and extraordinary items and tax (3 - 4)		32,245,332	20,170,707
6	Tax expense:			
	(a) Tax expense for current year		2,470,000	445,000
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		(17,905)	-
	(d) Net current tax expense		2,452,095	445,000
	(e) Deferred tax		-	-
			2,452,095	445,000
7	Profit from continuing operations (5 ± 6)		29,793,237	19,725,707
See accompanying notes forming part of the financial statements		1 to 22		

In terms of our report attached.

For & on behalf of Board of Directors

Sd/-
Balmukund N Gattani
 Proprietor
 Membership Number: 047066

Sd/-
Ramakant Chokhani
 Director
 DIN: 00613176

Sd/-
Jyoti A. Jain
 Director
 DIN: 00613331

For and on behalf of
B. M. Gattani & Co.
 Chartered Accountants
 Firm No. 0113536W

Sd/-
Sunil S. Sharma
 Chief Executive Officer

Sd/-
Manish C Parekh
 Chief Finance Officer

Sd/-
Sweta Kumar
 Company Secretary

Place: Mumbai
 Date: May 29, 2018

Place: Mumbai
 Date: May 29, 2018

Cash Flow Statement for the year ended 31 March, 2018

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
A. Cash flow from operating activities		
Net Profit before extraordinary items and tax	32,245,332	20,170,707
<u>Adjustments for:</u>		
Net (gain) / loss on sale of investments:		
Short Term Capital Gain on Sale of Units of Mutual Funds	743,752	1,255,653
Short Term Capital Gain on Shares & Security	1,558,322	221,946
Long Term Capital Gain on Shares & Security	4,980,582	1,314,153
Long Term Gain on Sale of Units of Mutual Funds	1,736,975	1,544,700
Interest from Tax Free Bonds	18,460,189	17,724,415
Dividend Income	1,922,873	-
Operating profit / (loss) before working capital changes	2,842,639	(1,890,160)
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	49,611,220	(39,861,207)
Short-term loans and advances	(44,524)	(580,001)
Other current assets	-1,102,722	644,268
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Short Term Provisions	(1,715,294)	(263,121)
Trade payables	(44,500)	35,100
Other Current Liabilities	(15,100)	24,750
	46,689,080	(40,000,211)
Cash flow from extraordinary items	-	-
Cash generated from operations	49,531,719	(41,890,371)
Net income tax (paid) / refunds	(2,452,095)	(445,000)
Net cash flow from / (used in) operating activities (A)	47,079,624	(42,335,371)
B. Cash flow from investing activities		
Income From Tax free bonds	18,460,189	17,724,412
(Purchase)/ Sale of Mutual Funds	(73,895,366)	(5,421,979)
(Purchase)/ Sale of Shares/ Debentures	6,491,516	(2,675,682)
Net cash flow from / (used in) investing activities (B)	(48,943,661)	9,626,751
C. Cash flow from financing activities		
Proceeds from issue of equity shares	1,922,873	-
Net cash flow from / (used in) Financing activities (B)	1922873	-
Net cash flow from / (used in) financing activities (C)		
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	58,836	(32,708,620)
Cash and cash equivalents at the beginning of the year	28,171	32,736,790
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		
Cash and cash equivalents at the end of the year	87,007	28,171
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 19)		
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	87,007	28,171
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	87,007	28,171
Comprises:		
(a) Cash on hand	5,260	630
(b) Balances with banks		
(i) In current accounts	81,747	27,541
	87,007	28,171
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.

For & on behalf of Board of Directors

Sd/-
Balmukund N Gattani
Proprietor
Membership Number: 047066

Sd/-
Ramkant Chokhani
Director
DIN: 00613176

Sd/-
Jyoti A. Jain
Director
DIN: 00613331

For and on behalf of
B. M. Gattani & Co.
Chartered Accountants
Firm No. 0113536W

Sd/-
Sunil S. Sharma
Chief Executive Officer

Sd/-
Manish C Parekh
Chief Finance Officer

Sd/-
Sweta Kumar
Company Secretary

Place: Mumbai
Date: May 29, 2018

Place: Mumbai
Date: May 29, 2018

Notes forming part of the financial statements for the year ended March 31, 2018**Note 1****1. SIGNIFICANT ACCOUNTING POLICIES:****A. Basis Of Preparation Of Financial Statements**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention.

B. Use Of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

C. Fixed Assets:

Company has no Fixed Assets.

D. Depreciation:

As the Company do not have any Fixed Assets, the question of depreciation does not arise.

E. Investments

There are no current investments in the current financial year. Non Current investments are stated at cost.

F. Taxation:

Income Tax expense comprises of current tax and 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.

G. Inventories:

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

H. Income:

Interest on Loans and Other financial instruments are accounted for on accrual basis.

Recognition of Expenditure:

Revenue Expenditure is accounted for on accrual basis.

I. Provisions, Contingent Liabilities And Contingent Assets

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

As Per our Report attached of even date

Sd/-

Balmukund N Gattani

Proprietor

Membership Number: 047066

For and on behalf of

B. M. Gattani & Co.

Chartered Accountants

Firm No. 0113536W

Place: Mumbai

Date: May 29, 2018

For & on behalf of Board of Directors

Sd/-

Ramakant Chokhani

Director

DIN: 00613176

Sd/-

Sunil S. Sharma

Chief Executive Officer

Sd/-

Sweta Kumar

Company Secretary

Place: Mumbai

Date: May 29, 2018

Sd/-

Jyoti A. Jain

Director

DIN: 00613331

Sd/-

Manish C Parekh

Chief Finance Officer

Notes forming part of the financial statements

Note 2 Share capital

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	₹	Number of shares	₹
(a) Authorized Equity shares of ` 10 each with voting rights	6,000,000	60,000,000	6,000,000	60,000,000
(b) Issued Equity shares of ` 10 each with voting rights	4,698,500	46,985,000	4,698,500	46,985,000
(c) Subscribed and fully paid up Equity shares of ` 10 each with voting rights	4,698,500	46,985,000	4,698,500	46,985,000
Total	4,698,500	46,985,000	4,698,500	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, 2018		As at 31 March, 2017	
	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%	327710	6.97%
Ramakant R. Chokhani HUF	633600	13.49%	633600	13.49%
Neelam R. Chokhani	700000	14.90%	700000	14.90%
Ramakant R. Chokhani	1806490	38.45%	1806490	38.45%
Poshika Advisory Services LLP	879017	18.71%	-	-

There is no change in the Promotor's shareholding of the Company, however there is change in public share holding as shown above.

Note 3 Reserves and surplus

Particulars	As at 31 March, 2018	As at 31 March, 2017
	₹	₹
Surplus in Statement of Profit and Loss		
Opening balance	293,569,911	273,365,611
Add: Profit for the year	29,793,237	19,725,707
Add: Reversal of Tax Paid of earlier years	-	500,000
Less: Taxes of Previous years written off	-	-21,407
Less: Transfer to Special Reserve	(111,643,815)	-
TOTAL (A)	211,719,333	293,569,911
Special Reserve U/s 45-IC of the RBI Act, 1934		
Opening balance	-	-
Add: Transfer from Surplus	111,643,815	-
TOTAL (B)	111,643,815	-
GRAND TOTAL (A+B)	323,363,148	293,569,911

Note 4 Short-term provisions

Particulars	As at 31 March, 2018	As at 31 March, 2017
	₹	₹
(a) Provision for Tax for AY 2016-17 (Net of Advance Tax and TDS)	-	3,481
(b) Provision for Expenses incurred in fulfilling Corporate Social Responsibility Assessment Year 2017-18	4,997	705,213
(c) Provision for Expenses incurred in fulfilling Corporate Social Responsibility Assessment Year 2016-17	-	638,617
(d) Provision for Expenses incurred in fulfilling Corporate Social Responsibility Assessment Year 2015-16	-	372,980
Total	4,997	1,720,291

Note 5 Trade Payables

Particulars	As at 31 March, 2018	As at 31 March, 2017
	₹	₹
Sundry Creditors	59,000	103,500
Total	59,000	103,500

Note 6 Other Current Liabilities

Particulars	As at 31 March, 2018	As at 31 March, 2017
	₹	₹
(a) Other Payables:		
Statutory Remittances:		
TDS Payable	10,000	25,100
Total	10,000	25,100

Notes forming part of the financial statements

Note 7 Non-current investments

Particulars	Quantity	As at 31 March, 2018	Quantity	As at 31 March, 2017
		₹		₹
Investments (At cost):				
(a) Investment in equity instruments				
1 Equity Shares of Jay Agro-Organics Limited of ₹5 each fully Paid up	450,000	4,500	450,000	4,500
2 Equity Shares of Larsen & Toubro Limited of ₹2 each fully Paid up	2,400	3,200	2,400	3,200
3 Equity Shares of Larsen & Toubro Limited of ₹2 each fully Paid up (Bonus Shares)	1,200	-	-	-
4 Equity Shares of Iccon Oil & Specialities Limited of ₹10 each fully Paid up	2,000	1,900	2,000	1,900
5 Equity Shares of Sibar Software Services (India) Limited of ₹10 each fully Paid up	500	400	500	400
6 Equity Shares of Reliance Capital Limited of ₹10 each fully Paid up	20	-	-	-
7 Equity Shares of Reliance Communications of ₹5 each fully Paid up	400	-	-	-
8 Equity Shares of Surya Pharmaceutical Limited of ₹1 each fully Paid up	100	115	100	115
9 Equity Shares of Gas Authority of India Ltd.	-	-	4,000	1
10 Equity Shares of Reliance Home Finance Limited of ₹10 each fully Paid up	20	-	-	-
11 Equity Shares of Reliance Industries Limited of ₹10 each fully Paid up	1,600	51,200	-	-
12 Equity Shares of ReliancePower Limited of ₹10 each fully Paid up	100	-	-	-
13 Equity Shares of Oil & Natural Gas Corporation	-	-	25,000	1
14 Equity Shares of Reliance Industrial Infra of ₹10 each fully Paid up	30	-	-	-
		61,315		10,117
(b) Investment in Mutual Fund				
1 JM Arbitrage Advantage Fund - Bonus	814,866	1	814,866	1
2 L&T Mutual Funds	1,078,407	11,087,677	-	-
3 UTI Short Term Plan - Growth	170,573	2,500,000	170,573	2,500,000
4 IDFC Mutual Funds	927,383	12,114,206	-	-
5 JM Arbitrage Advantage Fund - Annual Bonus	-	-	143,249	1
6 Reliance Floating Rate - STP	131,998	2,500,000	131,998	2,500,000
7 Reliance Liquid Fund	534	2,256,081	3,376	13,365,959
8 Reliance Arbitrage Advantage Fund	2,425,592	30,713,611	200,589	2,500,000
9 HDFC Top 200 Fund	908	311,204	1,490	510,000
10 AXIS Enhanced ARB Fund	1,845,832	20,201,851	-	-
11 SBI Arb Opp Fund	784,158	11,108,971	-	-
12 ICICI Prudential Equity Arbitrage Fund	509,258	7,458,452	173,130	2,500,000
		100,252,054		23,875,961

Notes forming part of the financial statements

(c) Investment in Tax Free Bonds				
1 7.19% Power Finance Corporation	1,060	1,051,999	1,060	1,051,999
2 7.36% Power Finance Corporation	1,800	1,694,659	1,800	1,694,659
3 8.20% Power Finance Corporation	4,106	4,092,608	4,106	4,092,608
4 8.30% Power Finance Corporation	18,380	18,983,515	18,380	18,983,515
5 8.79% Power Finance Corporation	2,536	2,935,069	2,536	2,935,069
6 8.92% Power Finance Corporation	650	792,394	650	792,394
7 7.35% Power Finance Corporation	3,080	3,080,000	3,080	3,080,000
8 7.22% Rural Electrification Corporation Limited	550	565,898	550	565,898
9 7.93% Rural Electrification Corporation Limited	300	316,591	300	316,591
10 7.38% Rural Electrification Corporation Limited	1,010	1,014,510	1,010	1,014,510
11 8.46% Rural Electrification Corporation Limited	100	99,500	100	99,500
12 8.12% Rural Electrification Corporation Limited	26,297	26,325,184	26,297	26,325,184
13 7.34% Housing and Urban Development Corporation Limited	731	710,956	731	710,956
14 8.51% Housing and Urban Development Corporation Limited	5,000	5,000,000	5,000	5,000,000
15 7.50% Housing and Urban Development Corporation Limited	2,060	1,962,160	2,064	1,965,970
16 8.10% Housing and Urban Development Corporation Limited	8,436	8,534,246	8,436	8,534,246
17 8.20% Housing and Urban Development Corporation Limited	42,071	42,347,873	42,071	42,347,873
18 8.39% Housing and Urban Development Corporation Limited	100	113,007	100	113,007
19 8.7613% Housing and Urban Development Corporation Limited	250	284,514	250	284,514
20 8.7625% Housing and Urban Development Corporation Limited	200	237,462	200	237,462
21 8.83% Housing and Urban Development Corporation Limited	250	287,514	250	287,514
22 9.01% Housing and Urban Development Corporation Limited	1,000	1,137,057	1,000	1,137,057
23 7.39% Housing and Urban Development Corporation Limited	4,204	4,204,000	4,204	4,204,000
24 7.36% Indian Infrastructure Finance Company Limited	2,000	1,969,551	2,000	1,969,551
25 8.66% Indian Infrastructure Finance Company Limited	5,000	5,000,000	5,000	5,000,000
26 8.63% Indian Infrastructure	1,000	1,105,055	1,000	1,105,055
27 7.49% Indian Renewable Energy Development Agency Ltd	17,030	17,030,000	17,030	17,030,000
28 7.17% Indian Renewable Energy Development Agency Ltd	10	10,003,000	10	10,003,000
29 7.28% Indian Railway Finance Corporation Limited	22,039	22,039,000	22,039	22,039,000
30 7.35% Indian Railway Finance Corporation Limited	2,939	2,939,000	2,939	2,939,000
31 8.10% Indian Railway Finance Corporation Limited	5,511	5,571,954	5,511	5,571,954
32 8.63% Indian Railway Finance Corporation Limited	5,000	5,000,000	5,000	5,000,000

Notes forming part of the financial statements

33 7.40% Indian Infrastructure Finance Company Limited	800	856,043	800	856,043
34 7.60% National Highway Authority of India	5,000	5,016,361	5,000	5,016,361
35 7.35% National Highway Authority of India	5,000	5,159,917	5,000	5,159,917
36 8.30% National Highway Authority of India	5,500	5,578,026	5,500	5,578,026
37 8.65% National Housing Bank	638	3,190,000	638	3,190,000
38 8.66% National Thermal Power Corporation Limited	12,666	12,666,000	12,666	12,666,000
39 8.91% National Thermal Power Corporation Limited	1,630	1,926,846	1,630	1,926,846
40 7.35% National Bank for Agriculture and Rural Development	1,002	1,002,000	1,002	1,002,000
41 8.79% NHPC	2,000	2,208,111	2,000	2,208,111
		234,031,580		234,035,390
Total		334,344,949		257,921,468
Aggregate market value of listed and quoted investments				
Investment in Equity Instruments		6,170,086		10,288,538
Investment in Mutual Fund		112,592,605		37,384,863
Investment in Tax Free Bonds		248,236,265		248,240,075

Notes forming part of the financial statements

Note 8 Inventories

(At lower of cost and net realizable value)

Particulars	As at 31 March, 2018	As at 31 March, 2017
	₹	₹
Shares, Securities & Bonds As certified by management.)	26,722,000	76,333,220
Total	26,722,000	76,333,220

Note 9 Cash and cash equivalents

Particulars	As at 31 March, 2018	As at 31 March, 2017
	₹	₹
(a) Cash on hand	5,260	630
(b) Balances with banks		
In current accounts		
Axis Bank	71,747	17,541
HDFC Bank	10,000	10,000
Total	87,007	28,171
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i> is	87,007	28,171

Note 10 Short-term loans and advances

Particulars	As at 31 March, 2018	As at 31 March, 2017
	₹	₹
Balances with Government Authorities		
Unsecured, considered good		
(i) Taxes Paid (Net of Provisions and taxes paid)		
For A.Y. 2018-19	30,000	-
For A.Y. 2017-18	580,000	580,000
For A.Y. 2016-17	14,524	-
(ii) For Tax on regular assessment		
For A.Y. 2007-08	250,000	250,000
For A.Y. 2008-09	250,000	250,000
Total	1,124,524	1,080,000

Note 11 Other current assets

Particulars	As at 31 March, 2018	As at 31 March, 2017
	₹	₹
(a) Accruals		
(i) Interest accrued on Tax free Bonds	6,308,854	6,309,421
(ii) Interest accrued on Taxable Bonds	1,834,811	731,522
Total	8,143,665	7,040,943

Notes forming part of the financial statements

Note 12 Revenue from operations

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Net Income from Shares, Securities & Bond	5,752,880	1,371,088
Total	5,752,880	1,371,088

Note 13 Other income

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Dividend Income	1,922,873	-
Income from Tax Free Bonds	18,460,189	17,724,415
Short Term Capital Gain on Sale of Units of Mutual Funds	743,752	1,255,653
Short Term Capital Gain on Shares & Security	1,558,322	221,946
Long Term Capital Gain on Shares & Security	4,980,582	1,314,153
Long Term Gain on Sale of Units of Mutual Funds	1,736,975	1,544,700
Total	29,402,693	22,060,867

Note 14 Employee benefits expense

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Salaries and wages	1,051,925	1,382,658
Staff welfare expenses	78,070	100,088
Total	1,129,995	1,482,746

Note 15 Other expenses

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Expense made to earn Tax Free Income	48,000	-
Legal and Professional Fees	178,160	160,575
Listing and Exchange Fees	287,500	200,000
Miscellaneous Expenses	344,666	467,606
Office and General Expenses	862,920	136,611
Payment to Auditors	59,000	103,500
Provision for Expenses for Corporate Social Responsibility	-	710,210
Total	1,780,246	1,778,502
Notes:		
Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Payments to the auditors comprises:		
Statutory & Tax Audit Fees	59,000	103,500
Total	59,000	103,500

Notes forming part of the financial statements**Note 16 Segment Reporting**

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

Note 17 Earning Per Share

Computation for the basic earning per share of ₹ 10 each.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
(a) Net profit available for Equity Shareholders	29,793,237	19,725,707
(b) Number of Equity Shares for basic earning per share	4,698,500	4,698,500
(c) Basic Earning per Share	6.34	4.20

Note 18

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 to be 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 19 - Deferred Tax Asset/Liability

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

Note 20 - Related Party Disclosures

Name of the Party	Relationship
Sweta Kumar	Key Management Personnel (Company Secretary)
Manish Chandrahas Parikh	Key Management Personnel (CFO)
Sunil S. Sharma	Key Management Personnel (CEO)

Transaction during the year

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Managerial Remuneration to Manish Chandrahas Parikh	340,104	336,499
Managerial Remuneration to Sunil S Sharma	445,250	29,800

Note 21

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

Note 22

During the year, Company has not made provision for Corporate Social Responsibility (CSR) Expenses as the Net profit of the Company for the all three immediate previous year is below rupees five Crore.

As Per our Report attached of even date

Sd/-
Balmukund N Gattani
 Proprietor
 Membership Number: 047066

For and on behalf of
B. M. Gattani & Co.
 Chartered Accountants
 Firm No. 0113536W

Place: Mumbai
 Date: May 29, 2018

For & on behalf of Board of Directors

Sd/-
Ramakant Chokhani
 Director
 DIN: 00613176

Sd/-
Sunil S. Sharma
 Chief Executive Officer

Sd/-
Sweta Kumar
 Company Secretary

Place: Mumbai
 Date: May 29, 2018

Sd/-
Jyoti A. Jain
 Director
 DIN: 00613331

Sd/-
Manish C Parekh
 Chief Finance Officer

CHOKHANI SECURITIES LIMITED

CIN - L 67120MH1993PLC070739

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

Tel.: (91-22) 22007772/73 Fax: (91-22) 22007722

ATTENDANCE SLIP

(To be presented at the entrance)

25th ANNUAL GENERAL MEETING ON TUESDAY, JULY 03, 2018 AT 11:00 A.M.

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

Folio No. _____ DP No. _____ Clinet ID No. _____

Name of the Member _____ Signature _____

Name of the Proxyholder _____ Signature _____

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

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PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s) :

Registered address :

E-mail Id :

Folio No. / Client ID No. :

I / We being the member(s) ofShares of Chokhani Securities Limited, hereby appoint

1. Name:..... E-mail Id:.....

Address:.....

..... Signature:.....

of failing him

2. Name:..... E-mail Id:.....

Address:.....

..... Signature:.....

of failing him

3. Name:..... E-mail Id:.....

Address:.....

..... Signature:.....

As my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Fifth Annual General Meeting of the Company to be held on Tuesday July 03, 2018 at 11:00 a.m. at 5A-Maker Bhavan No.2, Sir Vithaldas Thakersey Marg, New Marine Lines, Churchgate, Mumbai-400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2018 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. Ramakant R. Chokhani, who retires by rotation and being eligible offers himself for re-appointment.
3. Appointment of Auditors.
4. Special Business : To appoint Directors as per resolution no. 4 to 12.

Signed thisday of.....2018

Signature of shareholder.....Signature of Proxyholder(s).....

Affix
Revenue
Stamp of
Rs. 1.

- NOTES: 1. **This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 5A-Maker Bhavan No.2, Sir Vithaldas Thakersey Marg, New Marine Lines, Churchgate, Mumbai 400 020, not less than 48 hours before the commencement of the Meeting.**
2. Those Members who have multiple folios with different jointholders may use copies of his Attendance slip/Proxy.

BOOK - POST

If Undelivered, Please return to:

CHOKHANI SECURITIES LIMITED

CIN - L 67120MH1993PLC070739

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