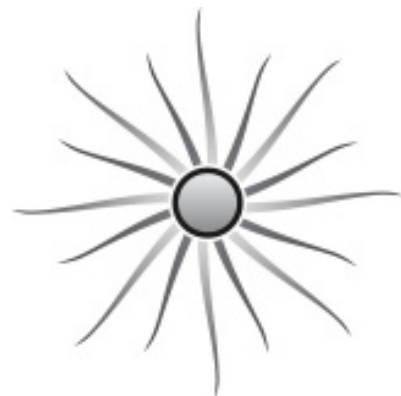


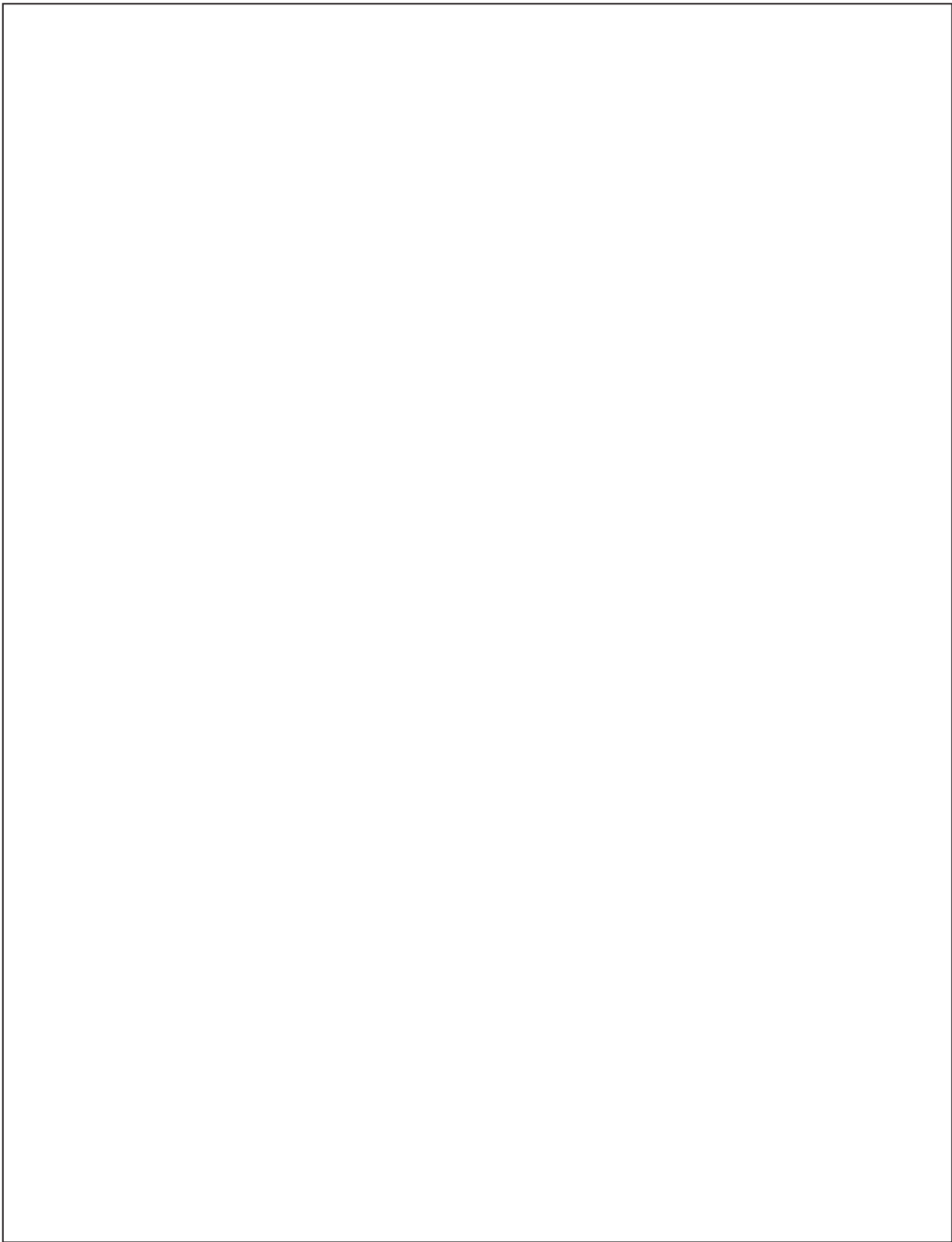


CHL LIMITED

**ANNUAL REPORT
2010 - 2011**



THE
SURYAA
NEW DELHI





CHL LIMITED

32nd Annual General Meeting

Date : 23rd September, 2011
Day : Friday
Time : 11.30 AM
Place : Hotel The Suryaa
Community Centre
New Friends Colony
New Delhi-110 025

INDEX	PAGE NO.
CHL Limited	
Notice	2
Directors' Report	6
Corporate Governance	12
Auditors' Report	26
Balance Sheet	29
Profit & Loss Account	30
Cash Flow Statement	31
Schedules	32
Notes to Accounts	39
CHL International	
Directors' Report	46
Auditors' Report	48
Balance Sheet	49
Profit & Loss Account	50
Cash Flow Statement	51
Schedule	52
Notes to Accounts	56
Consolidation	
Auditors' Report	58
Balance Sheet	59
Profit & Loss Accounts	60
Cash Flow Statement	61
Schedules	62
Notes to Accounts	69
Attendance Slip/Proxy	77

BOARD OF DIRECTORS

Dr. L. K. Malhotra - Chairman & Managing Director
Mr. D. V. Malhotra
Mr. O. P. Bajaj
Mr. A. K. Malhotra
Mr. Gagan Malhotra - Whole Time Director
Mr. Subhash Ghai
Mr. Luv Malhotra - Executive Director
Mr. R. C. Sharma
Mr. Lalit Bhasin

Company Secretary

Mr. G. J. Varadarajan
E-mail : cs@chl.co.in

Vice-President Finance & CFO

Mr. N.K. Goel
Email: nkgoel@chl.co.in

Statutory Auditors

G. Rai & Co.
Chartered Accountants
29A/1, Asaf Ali Road,
New Delhi-110 002.
Email: graico@airtelmail.in

Internal Auditor

L.N. Malik & Co.
Chartered Accountants
Ganga Plaza
18/13, W.E.A., Karol Bagh,
New Delhi-110 005.
Email: allenmalik@hotmail.com

Bankers

Hongkong & Shanghai Banking Corporation Ltd.
Andhra Bank
HDFC Bank Ltd.

Registrar and Share Transfer Agent

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor,
99, Madangir
Behind Local Shopping Centre.
New Delhi 110 062
Phone : 29961281-83 Fax : 29961284
E mail : beetalrta@gmail.com

Regd. Office

Hotel The Suryaa
Community Centre
New Friends Colony
New Delhi-110 025
Phone : 91-11-2683 5070, 4780 8080
Fax : 91-11-2683 6288, 4780 8081
E-mail : chl@chl.co.in
<http://www.chl.co.in>



NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the members of CHL Limited will be held on **Friday, the 23rd day of September, 2011 at 11.30 AM** at the Registered Office of the Company at Hotel The Surya, New Friends Colony, New Delhi 110 025 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To declare Dividend for the Financial Year ended on 31/03/2011.
3. To appoint a Director in place of Mr. R.C Sharma who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. A.K. Malhotra who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. O.P. Bajaj who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

SPECIAL BUSINESS

7. **To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

Resolved that subject to the provisions of Section 198, 269 and 309 and other applicable provisions of the Companies Act, 1956, Mr. Luv Malhotra, be and is hereby re-appointed as an Executive Director of the Company for a period of 3 years commencing from 22nd September, 2010 to 21st September, 2013 and the payment of remuneration and perquisite to him as follows:

Overall Remuneration:

Subject to the provisions of Section 198, 269 and 309 and other applicable provisions of the Companies Act, 1956 and modification/amendments thereof, if any, the remuneration payable to Managing Director, Executive Director and Whole Time Director of the company, in any financial year shall not exceed 10% (ten percent) of the net profit of the Company for all of them together. Subject to Schedule XIII of the Companies Act, 1956, in any financial year during the tenure of Mr. Luv Malhotra, if the Company has no profit or its profits are inadequate, the remuneration payable to Mr. Luv Malhotra, Executive Director of the Company shall be as under w.e.f. 01.04.2010.

Basic Salary	:	Rs.2,00,000 P.M.
House Rent Allowance	:	Accommodation with amenities such as Gas, Electricity Water, House Furnishing and Repairs, the aggregate monetary value of which being limited to 60% of basic salary per month for the purpose of which limit, perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such Rule, Perquisites shall be evaluated at actual cost.
Miscellaneous Allowances	:	Rs.30,000 P.M.
Commission	:	To be paid within the overall limit of the net profit in a financial year computed in the manner laid down under Section 349 of the Companies Act 1956.
Car & Telephone	:	Company's car with driver for Company's Business, official telephone facility at residence Personal long Distance telephone calls shall be billed by the company.

Provident Fund, Gratuity and Encashment of Leave

Company's contribution to Provident Fund, Gratuity, Encashment of Leave at the end of the tenure to the extent these either singly or together are not taxable under the Income Tax Act, shall not be included in the computation of limits for the remuneration or perquisites purpose.

Resolved Further that the Board of Directors, be and are hereby, specifically authorized to, at any time, alter at any time and vary the terms and conditions of the remuneration to be paid in the absence or inadequacy of profits, in such a manner but



so as not to exceed the limits as specified in Schedule XIII read with Section 198, 309 and other applicable provisions if any of the Act or any other amendment thereto or re-enactments thereof.

Resolved Further that the Board of Directors of the Company, be and are hereby, authorized to do all such acts, deeds, matters and things as may be considered necessary, usual, proper or expedient to give effect to the aforesaid resolution.

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

Resolved that in accordance with the provisions of Section 257 and other applicable provisions of the Companies Act, 1956 Mr. Gagan Malhotra who was appointed as Director in the casual vacancy caused due to resignation of Mr. Kumud Malhotra and who holds the office upto the date of this Annual General Meeting as per the provisions of Section 262 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director as per the provisions of Section 257 of the Companies Act, 1956 be and is hereby appointed as a Director of the Company and is not liable to retire by rotation.

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

Resolved that subject to the provisions of Section 198, 269 and 309 and other applicable provisions of the Companies Act, 1956, consent of the Members be and is hereby accorded to the appointment of Mr. Gagan Malhotra as Whole Time Director of the Company for a period of 3 years commencing from 1st April, 2010 to 31st March, 2013 and payment of remuneration and perquisites to him as follows:

Overall Remuneration:

Subject to the provisions of Section 198, 269 and 309 and other applicable provisions of the Companies Act, 1956 and modification/amendments thereof, if any, the remuneration payable to Managing Director, Executive Director and Whole Time Director of the company, in any financial year shall not exceed 10% (ten percent) of the net profit of the Company for all of them together. In any financial year during the tenure of Mr. Gagan Malhotra, if the Company has no profit or its profits are inadequate, the remuneration payable to the Whole Time Director shall be as per Schedule XIII of the Companies Act, 1956.

Within the aforesaid ceiling, the remuneration payable to Mr. Gagan Malhotra shall be as under:

Basic Salary	:	Rs. 2,00,000 P.M.
House Rent Allowance	:	Accommodation with amenities such as Gas, Electricity Water, House Furnishing and Repairs, the aggregate monetary value of which being limited to 60% of basic salary per month for the purpose of which limit, perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such Rule, Perquisites shall be evaluated at actual cost.
Misc. Allowances	:	Rs.30,000 P.M.
Car & Telephone	:	Company's car with driver for Company's business. Official telephone facility at residence. Personal Long Distance telephone calls shall be billed by the Company.

Provident Fund, Gratuity and Encashment of Leave

Company's contribution to Provident Fund, Gratuity, Encashment of Leave at the end of the tenure to the extent these either singly or together are not taxable under the Income Tax Act, shall not be included in the computation of limits for the remuneration or perquisites purpose.

Resolved Further that the Board of Directors, be and are hereby, specifically authorized to alter at any time and vary the terms and conditions of the remuneration to be paid in the absence or inadequacy of profits, in such a manner but so as not to exceed the limits as specified in Schedule XIII read with Section 198, 309 and other applicable provisions if any of the Act or any other amendment thereto or re-enactments thereof.

Resolved Further that the Board of Directors of the Company, be and are hereby, authorized to do all such acts, deeds, matters and things as may be considered necessary, usual, proper or expedient to give the effect to the aforesaid resolution.

By Order of the Board

New Delhi
Date : July 23, 2011

G.J. Varadarajan
Company Secretary

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the company. Proxy Forms must reach the Company's Registered Office at least 48 hours before the time fixed for the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 16th September, 2011 to 23rd September, 2011 (both days inclusive).
3. Members whose name appears as on 15th September, 2011 in the Register of Members after giving effect to all valid share transfers which are lodged with the Registrar and Share Transfer Agent before 16th September 2011, and as Beneficial owner at the end of the Business hours on 15th September, 2011 as per the list to be furnished by NSDL/CDSL in respect of shares held in Electronic Form, are entitled for Final Dividend.
4. Members are requested to forward their Change of Address, PAN detail, Bank Account details including 9 digit MICR number appearing on the cheque pertaining to the respective bank account to facilitate distribution of dividend through Electronic Clearing Service (ECS) to the Company/Company's Share Transfer Agents M/s Beetal Financial & Computer Services Pvt. Ltd., Beetal House, 99, Madangir, Behind Local Shopping Centre, New Delhi 110062.
5. As per the provisions of the Companies Act 1956, Dividends declared for the financial year 2004-05, 2005-06 (Interim and Final Dividend), 2006-07 (Interim and Final Dividend), 2007-08 (Interim and Final Dividend,) 2008-09 (Interim and Final Dividend), 2009-10 (Interim and Final Dividend) and 2010-11 (Interim) which remain unpaid or unclaimed for a period of 7 years in the Unpaid Dividend Account for the respective financial year of the Company is to be transferred to the Investor Education and Protection Fund of the Central Government. Members who have not encashed their Dividend Warrants pertaining to the aforesaid years may approach the Company Secretary of the company at the Registered Office of the Company for revalidation of Dividend Warrants already dispatched/issue of Demand Draft in lieu of that.
6. Dividend pertaining to the financial year ended on 31.03.2004 is being transferred to Investors Education and Protection Fund in the first week of September, 2011. As such it will not be possible to entertain dividend claim after August, 2011.
7. Members wishing to seek further information on the Accounts or the operations of the Company at the meeting are requested to send their queries at least a week in advance of the date of the meeting to the Company Secretary.
8. Members wishing to obtain the information about the Company or view the Accounts of the Company for the Financial Year ended 31/03/2011 may visit the company website www.chl.co.in.
9. Shareholders may please bring their copies of the Annual Report to the Meeting.
10. Members/Proxies should fill in the Attendance Slip for attending the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No. 7

In the 27th Annual General Meeting of the Company Mr. Luv Malhotra was appointed as Executive Director for a period of five years w.e.f. 22.09.2005 to 21.09.2010.

In the Board Meeting held on 21st September 2010, he was re-appointed as Executive Director with effect from 22.09.2010 for a period of five years with remuneration. However, due to inadequacy of profits during the year 2011, in the Board Meeting held on 27.01.2011, his tenure and the terms of his remuneration was restructured as contained in the Notice. His remuneration is recommended by the Remuneration Committee.

No other Directors except Dr. L. K. Malhotra and Mr. Luv Malhotra are interested in the resolution.

The Explanatory Statement together with the accompanying Notice are to be treated as the relevant abstracts of the terms of remuneration under section 302 of the Companies Act, 1956

Items No. 8 and No. 9.

Mr. Gagan Malhotra was appointed as a Director of the Company in Casual Vacancy caused due to resignation of Mr. Kumud Malhotra. Mr. Gagan Malhotra holds office of directorship till the conclusion of this Annual General Meeting. Pursuant to Section 257 of the Companies Act, 1956, it is proposed to appoint him as Director of the Company.



CHL LIMITED

Mr. Gagan Malhotra has rich experience of more than 18 years in the field of sales, marketing and pricing strategies. He is a Bachelor of Science from the University of Michigan USA. He has been associating with the Company as Vice President (Corporate Development) since 2007. The need of his services are felt by the organization for the achievement of the goals in the years to come. Hence, in the Board Meeting held on 29.10.2010, he was appointed as a Whole Time Director for a period of 3 years commencing from 1st April, 2010 to 31st March, 2013. His remuneration is recommended by the Remuneration Committee.

No other Directors except Mr. Gagan Malhotra is interested in the resolution

The Explanatory Statement together with the accompanying Notice are to be treated as the relevant abstracts of the terms of remuneration under section 302 of the Companies Act, 1956

New Delhi
Date : July 23, 2011

By Order of the Board

G.J. Varadarajan
Company Secretary

DIRECTORS' REPORT

TO THE MEMBERS OF CHL LIMITED

Your Directors are pleased to present their 32nd Annual Report together with the Audited Accounts for the year ended 31st March 2011.

1. FINANCIAL RESULTS AND OPERATIONAL PERFORMANCE

Particulars	2010-11 (Rs. in lacs)	2009-10 (Rs. in lacs)
Total Income		
Sales	6,561.03	70,36.97
Other Income	374.93	7,405.78
	<u>6,935.96</u>	<u>7,405.78</u>
Less: Total Expenses	4,840.78	4,871.00
	<u>4,840.78</u>	<u>4,871.00</u>
Gross Profit before Interest, Depreciation and Tax	2,095.18	2,534.78
Less : Financial Charges	436.35	381.05
Depreciation	431.26	421.12
Deferred Revenue Expenditure	-	1.40
	<u>867.61</u>	<u>803.57</u>
Profit Before Tax	1,227.57	1,731.21
Less: Provision for Tax	338.48	589.27
	<u>338.48</u>	<u>589.27</u>
Net Profit after Tax	889.09	1,141.94
Add : Profit brought forward from last year	3,881.38	3,422.76
Adjustment of last year's provision	(5.26)	1.49
Profit available for appropriation	<u>4,765.21</u>	<u>4,566.19</u>
APPROPRIATIONS		
Transferred to General Reserves	130.00	300.00
Proposed Dividend on equity shares including interim dividend	328.91	328.91
Tax on Dividend	54.63	55.90
	<u>54.63</u>	<u>55.90</u>
Balance carried to Balance Sheet	4,251.67	3,881.38
	<u>4,251.67</u>	<u>3,881.38</u>

Sales and other incomes for the year under review at Rs. 6935.96 lacs is lower than that of the previous year's sales and other incomes at Rs. 7405.78 lacs by 6.34%.



Operating profit before depreciation finance charges and tax at Rs. 2095.18 lacs for the year under review as compared to Rs. 2534.78 lacs for the previous year, is lower by 17.34 %

Net Profit after providing tax for the year under review is to Rs. 889.09 lacs as compared to Rs. 1141.94 lacs for the previous year, is lower by 22.14%.

2. BUSINESS REVIEW

Hospitality industry is very well knitted with travel and tourism industry. India is the most favourite destination for the global tourists and it experiences huge footfalls as a favourite place of visit because of its vast and rich cultural heritage.

Tourism in India was seen as a mere service sector for a long time. It is being now recognized as an export industry due its multiple advantages. Now it is one of the largest service industries in India with contribution of 6.23% to the National GDP and 8.78% of the total employment in India.

The mood is upbeat in the travel and tourism especially in the Hotel Business. At the Hotel Investment Forum India, Indian and International Hotel chains expressed optimism at the growth potential of the Indian Market and outlined big investment plans for coming years.

The business of Indian Hotel industry is very bright because the kind of the growth expected over the next couple of years or more is in tune of 15-20%. Importantly the Hotel Industry and the Hotel chain groups are very bullish and optimistic about their investment and commitment as far as the growth is concerned. Thus by reviewing the last year trend about the Hotel Industry in India we are hopeful for the better result in the near future.

3. DIVIDEND

The Board has already declared an interim dividend @ Rs. 1.50 per equity share in the Board Meeting held on 27.01.2011 for the financial year ended 31.03.2011.

The Board further recommended a Final Dividend @ Rs.1.50 per equity share in respect of the Financial Year under review.

The Final Dividend, together with the Interim Dividend, will make the total dividend @ Rs.3.00 (30%) per share in respect of the Financial Year 2010-2011. As per the provisions of the Income Tax Act 1961, the tax on Dividend will be borne by the Company.

The overall distribution of Dividend for the year under review will be Rs 383.54 lacs including Corporate Dividend Tax.

4. DIRECTORS

Mr. R. C. Sharma, Mr. A. K. Malhotra and Mr. O. P. Bajaj, Directors of the Company are due to retire by rotation at the forthcoming Annual General Meeting and they, being eligible, offer themselves for re-appointment.

Shri. Harish Chander Bhasin demised on 7th December, 2010.

Mr. Lalit Bhasin was appointed as a Director of the Company in the casual vacancy arisen due to sudden demise of Late Shri. Harish Chander Bhasin, in the Board Meeting held on 27.01.2011.

Mr. Gagan Malhotra was appointed as a Director of the Company in Casual Vacancy arisen due to resignation of Mr. Kumud Malhotra. He will vacate office at the ensuing Annual General Meeting. Pursuant to Section 257 of the Companies Act, 1956, it is proposed to appoint him as a director of the company with effect from the date of the ensuing Annual General Meeting of your company.

Subject to the approval of shareholders in the ensuing Annual General Meeting, Mr. Gagan Malhotra was appointed as a Whole Time Director of the Company for a period of 3 years commencing from 1st April, 2010 to 31st March, 2013 in the Board Meeting held on 29.10.2010. Your Board recommends for the approval of members the appointment of Mr. Gagan Malhotra as Director as well as Whole Time Director.

5. MANAGEMENT DISCUSSION AND ANALYSIS

As required by Clause 49 of the Listing Agreement with the Stock Exchange(s), Management Discussion and Analysis is annexed to the Annual Report.

6. SUBSIDIARY COMPANY

CHL International, a Joint Venture Company at Dushanbe, Tajikistan, is constructing a Hotel at Dushanbe very near to Dushanbe International Airport. All the works and structure of the Hotel have already been completed and is expected to be operational by first quarter of the year 2012.

As on the Balance Sheet date, your company holds 338,940 equity shares of 100 Somoni each in CHL International comprising of 70% of its share capital, equivalent to Rs.36.32 Crore, including call in arrears Rs. 4.16 Crore.

Your company has furnished a Corporate Guarantee to the extent of US \$18.00 million to the Export Import Bank of India on behalf of the subsidiary company

CHL International was awarded four contracts from NHPC, for draining and de-silting the Varzob River and also for repairing the dam structure of the river. Out of which two contracts were successfully completed.

The Statement as required under Section 212 of the Companies Act, 1956 in respect of the subsidiary of the Company is annexed and forms an integral part of the Annual Report

7. CONSOLIDATION OF FINANCIAL STATEMENT

Pursuant to general exemption granted in terms of Circular No. 2/2011 dated 8.02.2011 issued by Ministry of Corporate Affairs, New Delhi, under Section 212 of the Companies Act, 1956, the company has not attached Balance Sheet, Profit & Loss Account of the subsidiary company and its other documents, with the Annual Report of the Company.

However, the Company makes available of these documents upon requests by any member of the Company. Further these documents is available at the Registered Office of the Company for inspection by any member of the Company during office hours

As required under the aforesaid Circular, a summarized position of the Subsidiary has been appended to the report.

The duly audited consolidated financial statement as required under the Accounting Standard 27 and provisions of Clause 32 of the Listing Agreement has been prepared after considering the audited financial statement of your Company and its subsidiary.

8. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 217(2AA) of the Companies Act 1956, the Directors confirm as under:

- (i) That in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) The accounting policies have been applied consistently, judgments and estimates made are responsible and prudent so as to give a true and fair view of the State of Affairs of the Company as at the end of the accounting year and of the profit of the Company for that period.
- (iii) That proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities have been made.
- (iv) That the Annual Accounts have been prepared on a going concern basis.

9. CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, a Report on Corporate Governance together with Practicing Company Secretary's Certificate is annexed to the Annual Report.

10. INFORMATION IN ACCORDANCE WITH THE PROVISIONS OF SECTION 217(2A) OF THE COMPANIES ACT 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975, AS AMENDED EMPLOYED THROUGH OUT THE YEAR/PART OF THE YEAR.

There are no employees of the Company drawing remuneration above the limits specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules 1975 as amended by the Ministry of Corporate Affairs vide general Circular No. 23/2011 dated 03.05.2011



11. SECRETARIAL AUDIT

As directed by Security and Exchange Board of India (SEBI), Secretarial Audit is being carried out by Practicing Company Secretary. The finding of the Secretarial Audit have been satisfactory.

12. AUDITORS' REPORT

As regards Auditors' observations, the notes on accounts are self-explanatory and do not call for any further clarification.

13. AUDITORS

Statutory Auditors

M/s G Rai & Co. Chartered Accountants, Auditors of the Company, retire at the close of the Annual General Meeting and is eligible for re-appointment. The Company has received confirmation from the firm that the appointment will be within the limits prescribed under section 224(1) (B) of the Companies Act, 1956. The Audit Committee of the Board has recommended their appointment. The necessary resolution is being placed before the shareholder for the approval.

Internal Auditors

M/s L.N. Malik & Co. Chartered Accountants have been conducting periodic internal audit of all operations of the Company. Internal Audit Reports are being laid down before the Audit Committee for their review and for recommendation to the Board.

The Audit Committee of the Board of Directors has recommended their re-appointment.

14. PARTICULARS AS PER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF DIRECTORS) RULES 1988

Conservation of Energy

Efforts on energy conservation are being pursued continuously. Regular repairs and maintenance of all equipment/materials are carried out to ensure optimum efficiency. To give thrust on energy conservation, "optimum utilization of natural light", is focused on and energy saving lights and devices are fitted in wherever necessary and feasible. Your Company, being engaged in the Hotel business, details as per Form 'A' are not applicable

Technology Absorption

The Company being in the hospitality industry, particulars on technological absorption or expenditure on research and development are not applicable.

Foreign Exchange Earnings and Outgo

During the year under review, your Company earned Foreign Exchange equivalent to Rs. 2088.42.lacs (previous year Rs. 2443.10 lacs) and used foreign exchange to the extent of Rs. 348.24 lacs (previous year Rs. 218.04 lacs).

15. ACKNOWLEDGEMENTS

Your Directors wish to thank Central and State Governments, especially Department of Tourism, Company's Bankers, customers, suppliers for the valuable cooperation and support.

The Board of Directors also expresses their sincere thanks to the shareholders for the support and the confidence reposed in the Company.

The Board takes this opportunity to thank all employees of the Company at all levels for their commitment and dedication.

Your Directors look forward to the bright future.

For and on behalf of the Board

New Delhi
Date : July 23, 2011

Dr L.K. Malhotra
Chairman & Managing Director

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company

1.	Name of the Subsidiary Company	CJSC CHL International (incorporated at Tajikistan Ministry of Justice of Republic of Tajikistan)
2.	The financial year of the subsidiary Company ended on	31.03.2011
3.	Date from which it became subsidiary	30.10.2009
4.	a) No. of shares of the Subsidiary held by holding company in its own name at the end of the financial year of the subsidiary company	338,940 Equity shares of 100 Somoni each in the subsidiary company
	b) Extent of the interest of the Holding Company at the end of the financial year of the subsidiary	70%
5.	The net aggregate amount of the Subsidiary's Profits/(Losses) so far as it concerns the members of the Holding Company and is not dealt with in the Holding Company's Accounts	
	(i) for the subsidiary's financial year ended on March 31, 2011	Rs. 27.91 lacs
	(ii) for prior years since becoming subsidiary.	Nil
6.	The net aggregate amount of the Subsidiary's Profits/(Losses) so far it concerns the member of the Holding Company and has been dealt with in the Holding Company's Accounts:	
	(i) for the Subsidiary's financial year ended on March 31, 2011	Nil
	(ii) for prior years since becoming subsidiary	Nil
7.	Changes, if any, in the Holding Company's interest in the subsidiary between the end of the previous financial year of the subsidiary and the end of previous financial year of Holding Company.	The company acquired additional interest by way of allotment of 1,28,671 Equity Shares of 100 Somoni each, thus holds 70% of the share capital of the subsidiary company
8.	Details of material changes, if any, which occurred between the end of previous financial year of the subsidiary and the end of previous financial year of the Holding Company, in respect of :-	
	(a) The subsidiary's Fixed Asset	Rs. 4,842.17 lacs
	(b) The subsidiary's Investments	Rs. 0.31 lacs
	(c) The money lent by Exim Bank	Rs. 1,351.76 lacs
	(d) The money borrowed by it for any purpose other than that of meeting current liabilities	Nil



CHL LIMITED

Statement giving financial information of subsidiary company for the year ended 31st March 2011, as per direction given by Ministry of Corporate Affairs, New Delhi under General Circular No. 2/2011 dated 8th Feb 2011, under section 212(8) of the Companies Act 1956

Sl No	Particulars	Rs. in lac
1.	Share Capital	4,718.53
2.	Reserves and Surplus	39.87
3.	Secured Loans	1,351.78
	Total	6,110.18
4.	Fixed Assets	4,842.17
5.	Investments	0.31
6.	Net Current Assets	1,267.70
	Total	6,110.18
7.	Profit before Tax (from job work)	39.87

For and on behalf of the Board

New Delhi
Date : July 23, 2011

Dr L.K. Malhotra
Chairman & Managing Director

CHL LIMITED

CORPORATE GOVERNANCE

Corporate Governance is the set of process, customs, policies, laws and institutions affecting the way a corporation is directed, administered or controlled. Corporate Governance also includes the relationships among many stakeholders involved and the goals for which the corporation is governed. The Corporate Governance is a multi faceted subject. An important theme of the Corporate Governance is the nature and extent of accountability of the particular individuals in the organization and mechanisms that try to reduce or eliminate the principal-agent problem. A related but separate thread of discussions focuses on the impact of a Corporate Governance system on economic efficiency with strong emphasis on shareholders' welfare. This aspect particularly present in contemporary public debates and developments in regulatory policy.

BOARD OF DIRECTORS

As on 31st March 2011, the Company has nine Members on the Board. Dr. L.K. Malhotra, Chairman & Managing Director, Mr. Luv Malhotra, Executive Director and Mr. Gagan Malhotra, Whole Time Director are the whole time Executive Directors. Remaining Six Directors are Non-Executive Directors. Among the Six Directors, Two are Non-Executive Non-Independent Directors and Four are the Non-Executive Independent Directors.

Name of Directors	Designation	No. of Directorships held in other companies*	No. of Board/Committee Membership held in other companies	
			Member	Chairman
Executive				
Dr. L.K. Malhotra	Chairman & Managing Director	4	1	3
Mr. Luv Malhotra	Executive Director	2	Nil	Nil
Mr. Gagan Malhotra**	Whole Time Director	Nil	Nil	Nil
Non Executive Non-Independent				
Mr. D.V Malhotra	Director	Nil	Nil	Nil
Mr. A.K. Malhotra	Director	1	Nil	Nil
Non Executive Independent				
Mr. O.P. Bajaj	Director	Nil	Nil	Nil
Mr. Subhash Ghai	Director	3	Nil	1
Mr. Lalit Bhasin***	Director	14	4	5
Mr. R.C Sharma	Director	5	4	Nil

*Excluding Private, Foreign and Companies registered under Section 25 of the Companies Act 1956.

All Directors have as on 31st March 2011, filed the requisite declaration stating that the disqualification contemplated under Section 274 (1) (g) of the Companies Act 1956 do not apply to them.

** During the year under review, Mr. Gagan Malhotra was appointed as a Director in place of Mr. Kumud Malhotra in the Board Meeting held on 25.01.2010 and further he was appointed as a Whole Time Director w.e.f. 01.04.2010 in the meeting of the Board of Directors held on 29.10.2010.

***After the sad demise of Shri Harish Chander Bhasin on 07.12.2010, a casual vacancy has arisen. Mr. Lalit Bhasin was appointed as a Director in place of Late Shri Harish Chander Bhasin, in the Board Meeting held on 27.01.2011.

**DIRECTORS' PROFILE****1. Dr. L. K. Malhotra**

Dr. L. K. Malhotra, aged 67 years, is Hon'y Ph. D in Business Management. He has an experience of 46 years in various industries. Initially he started his carrier with M/s A. N. Malhotra & Sons, Kuwait which was engaged in trading of consumer products. He was responsible for the management of Sales & Marketing Division of the firm. After associating with various trades in Kuwait he finally shifted to India and joined CHL Limited as Director and became Managing Director in the year 1985. He is Secretary for Indo Kuwait NRI Forum and President of Forum For Better Delhi. With the bifurcation of USSR and formation of various countries under CIS, he took active interest in promoting the relationship between India and Tajikistan and was instrumental to arrange Government level discussion between India and Tajikistan. Vide a presidential decree issued by the President of Republic of Tajikistan, he was appointed as Honorary Consul of Tajikistan for India in 1994 and continued till they opened their Embassy in New Delhi in 2003. He is President & Chairman of Mataji Melan Devi Society (Regd.), a Charitable Trust. He is also a trustee member of Swami Ram Tirath Mission, Dehradun.

2. Mr. D. V. Malhotra

Mr. D. V. Malhotra, aged 72 years, is a Non-Resident Indian based at Kuwait and he is one of the prominent figures of Indian Origin and is known industrialist with wide and vast experience in the field of General Trading and Business in Kuwait.

3. Mr. A. K. Malhotra

Mr. A. K. Malhotra, aged 62 years, is a hotelier and has an experience of more than 22 years in the field of Hospitality Industry. He is Managing Director of M/s Mela Hotels Limited.

4. Mr. O. P. Bajaj

Mr. O. P. Bajaj, aged 77 years, is a Non Resident Indian based at Bangkok. He has vast experience in the field of Managing Hotels and is a well-known Industrialist in Bangkok. He owns three Hotels in Bangkok

5. Mr. Subhash Ghai

Mr. Subhash Ghai, aged 68 years, is a renowned and well known and leading Film Director. He is an eminent and outstanding personality in film industry with 35 years of experience. He ventured into selling of films directly to the overseas clients through his film Saudagar in the year 1991. He has been honoured by the United States Senate in October, 1996 for his achievements as producer and director. He is responsible for bringing insurance coverage to Indian Film Industry with 'Taal' being the first film to get insured. He is the founder of "Whistling Woods International"- an institute for film training. He is also working on introduction of digital production system to be installed in theaters, which will result into reducing the cost of prints to producers and reduction of running cost of prints to the theater owners. He is one of the prominent of figures in the entertainment business and film industrial life of Mumbai.

6. Mr. Luv Malhotra

Mr. Luv Malhotra, aged 38 years, is M.Sc. (Economics) from University of Buckingham. He has an experience of 13 years in the field of Hospitality Industry. He joined the Company as General Manager (Co-ordination) in the year 1998. Thereafter, he was inducted on the Board of the Company as an Executive Director in the year 2000. Since then, he looks after strategic planning and day to day operations of the Company.

7. Mr. R. C. Sharma

Mr. R. C. Sharma, aged 71 years, is an I.P.S. (Retired), and former Director of Central Bureau of Investigation. He has rich and vast experience in the fields of public administration and information technologies.

8. Mr. Gagan Malhotra

Mr. Gagan Malhotra, aged 43 years, is B. Sc. from University of Michigan, USA. He got rich experience in the field of Sales Management, Customer Management, and Project and Operational Management. He is expertise in planning, customer services, staff training, price strategies and identification of new business opportunities, strategic market plan execution and creating a team environment to increase the productivity. He has joined the Board with effect from 25.01.2010 and thereafter he was appointed as a Whole Time Director w.e.f. 01.04.2010 for three years in the Board Meeting held on 29.10.2010.

9. Mr. Lalit Bhasin

Mr. Lalit Bhasin aged 43 years, is B.Com from Shri Ram College of Commerce, Delhi. He is well known in the field of financial service industry. He is President of HB Charitable Trust.



DETAILS OF THE DIRECTORS (RETIREMENT BY ROTATION) FOR APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETINGS (A.G.M.) PURSUANT TO CLAUSE 49 (VI A) OF THE LISTING AGREEMENT

Name of Directors	Age	Date of last Re-Appointment in the A.G.M.	List of other Companies in which Directorship held including other Board committee members*
Mr. R.C Sharma	71 Years	30.09.2008	1. Sir Shadilal Enterprises Ltd. 2. HB Portfolio Ltd. 3. PCI Ltd. 4. SIS Limited 5. Indsec Securities & Finance Ltd. Audit Committee : 1. Sir Shadilal Enterprises Ltd. - Member 2. PCI Ltd. - Member Remuneration Committee 1. PCI Ltd. - Member Investors' Grievances Committee 1. PCI Ltd. - Member
Mr. A.K. Malhotra	62 Years	23.09.2009	1. Mela Hotels Ltd. - MD 2. Malbros Farms Pvt Ltd. 3. Vatsal Foods Pvt Ltd.
Mr. O.P. Bajaj	77 Years	23.09.2009	NIL
Mr. Subhash Ghai	68 Years	21.09.2010	1. Mukta Arts Limited – Chairman & MD 2. Whistling Woods International Limited 3. Connect 1 Ltd 4. Mukta Tele Arts Pvt. Ltd. 5. Coruscant Tec Pvt. Ltd.
Mr. D.V. Malhotra	72 Years	21.09.2010	Nil
Mr. Lalit Bhasin**	43 Years	-	1. HB Leasing & Finance Co. Ltd. - Chairman 2. HB Stockholdings Ltd. - Chairman 3. HB Portfolio Ltd. - Chairman 4. HB Estate Developers Ltd. - Chairman 5. RRB Securities Ltd. - Chairman 6. HB Securities Ltd. 7. Taurus Asset Management Co. Ltd. 8. Har Sai Investments Ltd. 9. RRB Master Securities Delhi Ltd. 10. AHL Hotels Ltd. 11. Raja Ram Bhasin Share & Stock Brokers Ltd. 12. Bhasin Share & Stock Brokers Ltd. 13. CHL (South) Hotels Ltd. 14. Indo Continental Hotels & Resorts Ltd. 15. HB Financial Consultants Pvt. Ltd. 16. HBB Properties Pvt. Ltd. 17. RRB House Finance Pvt. Ltd. 18. Pal Properties (India) Pvt. Ltd. 19. ALMR Gem & Trading Pvt. Ltd. Audit Committee 1. HB Leasing & Finance Co Ltd - Member 2. Indo Continental Hotels & Resorts Ltd - Member Investors' Grievances Committee 1. RRB Securities Ltd. - Member 2. HB Leasing & Finance Co Ltd. - Member

* Excluding foreign and Companies registered under Section 25 of the Companies Act 1956.

** Mr. Lalit Bhasin was appointed as a Director in the Board Meeting held on 27.01.2011 in place of Late Shri H.C. Bhasin, who was re-appointed in the last A.G.M. held on 21.09.2010.



CHL LIMITED

DETAILS OF NON RETIRING DIRECTORS

Name of Directors	Age	Date of last Appointment / Re-Appointment w.e.f.	List of other Companies in which Directorship held* including other Board committee members
Dr. L. K. Malhotra Chairman & Managing Director	67 Years	15.07.2010	1. Mohan Meakin Ltd. 2. Taurus Investment Trust Co. Ltd. 3. Mohan Rocky Springwater Breweries Ltd. 4. Kyjol Securities and Investments Pvt. Ltd. 5. CHL (South) Hotels Ltd. 6. Sunkalp Portfolio Investments Private Ltd. Audit Committee: 1. Mohan Meakin Ltd. - Chairman 2. Taurus Investment Trust Co. Ltd. - Member Remuneration Committee: 1. Mohan Meakin Ltd. - Chairman Investors' Grievances Committee: 1. Mohan Meakin Ltd. - Chairman
Mr. Luv Malhotra Executive Director	38 Years	22.09.2010	1. CHL (South) Hotels Ltd 2. Kyjol Securities and Investments Pvt. Ltd. 3. Satyam Cineplexes Ltd. 4. Gold Leaf Organics Pvt. Ltd.
Mr. Gagan Malhotra Whole Time Director	43 Years	01.04.2010	1. Rache Overseas Pvt. Ltd. 2. Gulistan Promoters & Developers Pvt. Ltd.

* Excluding foreign and Companies registered under Section 25 of the Companies Act 1956

BOARD MEETINGS AND ATTENDANCE

During the year ended on 31st March 2011, five Board Meetings were held.

S. No.	Date of Meeting	Board Strength	Number of Directors Present
1.	28.04.2010	9	8
2.	30.07.2010	9	6
3.	21.09.2010	9	8
4.	29.10.2010	9	6
5.	27.01.2011	9	8

ATTENDANCE

Attendance of Directors at the Board Meetings held during the financial year ended on 31st March, 2011 and at the 31st Annual General Meeting held on 21st September, 2010 is as under:

S.No.	Name of Directors	No. of Board Meetings attended	Attendance at the last AGM
1.	Dr. L.K. Malhotra	5	Yes
2.	Mr. D.V Malhotra	4	Yes
3.	Mr. O.P. Bajaj	5	Yes
4.	Mr. A.K. Malhotra	4	Yes
5.	Mr. Subhash Ghai	1	Yes
6.	Mr. Luv Malhotra	5	Yes
7.	Mr. R.C Sharma	5	Yes
8.	Mr. Gagan Malhotra	5	Yes
9.	Late Shri H. C. Bhasin*	1	No
10.	Mr. Lalit Bhasin**	1	N/A

*Late Shri H. C. Bhasin demised on 07.12.2010.

**Mr. Lalit Bhasin was appointed as a Director in the Board Meeting held on 27.01.2011

AUDIT COMMITTEE

Terms of Reference of the Audit Committee are as per statutory guidelines that inter-alia, include overseeing financial reporting processes, reviewing quarterly, half yearly and annual financial results, adequacy of internal control systems, internal audit function, discussions with the auditors about the scope of audit including the observations of the auditors and discussion with internal auditors on any significant findings and also to investigate any activity within its terms of reference and to seek any information it requires from any employees and to secure the attendance of outsiders with relevant experience and expertise, where considered necessary.

DETAILS OF MEETINGS HELD

During the year ended 31st March 2011, four Audit Committee Meetings were held.

S. No.	Date of Meeting	Audit Committee Strength	Number of Directors Present
1.	28.04.2010	4	4
2.	29.07.2010	4	3
3.	28.10.2010	4	3
4.	27.01.2011	4	4

ATTENDANCE

Quorum for the meetings was there in accordance with the provisions of Companies Act and Listing Agreements.

S.No.	Members of Audit Committee	Position	No. of Meetings attended
1.	Mr. O.P Bajaj	Chairman	4
2.	Mr. Luv Malhotra	Member	4
3.	Mr. R.C Sharma	Member	4
4.	Late Shri H. C. Bhasin*	Member	1
5.	Mr. Lalit Bhasin**	Member	1

* Late Shri H. C. Bhasin demised on 07.12.2010

** Mr. Lalit Bhasin was appointed as a member of Audit Committee in the Board Meeting held on 27.01.2011

REMUNERATION POLICY

The Remuneration Policy of the Company for the managerial personnel is based on the performance of the Company, track record, potential and performance of the individual managers, external competitive environment and decided by the management. The remuneration of Directors is recommended by the Remuneration Committee of Directors to the Board of Directors.

REMUNERATION COMMITTEE

The Company has a Remuneration Committee, comprising of three Directors Mr. O.P Bajaj, Mr. Subhash Ghai and Mr. Lalit Bhasin.

DETAILS OF MEETINGS HELD

During the year under review, two Remuneration Committee Meetings were held.

S. No.	Date of Meeting	Remuneration Committee Strength	Number of Directors Present
1.	30.07.2010	3	2
2.	21.09.2010	3	2

ATTENDANCE

Quorum for the meetings was there in accordance with the provisions of Companies Act and Listing Agreements.

S.No.	Members of Remuneration Committee	Position	No. of Meetings attended
1.	Mr. O.P Bajaj	Chairman	2
2.	Mr. Subhash Ghai	Member	1
3.	Late Shri H. C. Bhasin*	Member	1
4.	Mr. Lalit Bhasin**	Member	N/A

* Late Shri H. C. Bhasin demised on 07.12.2010

** Mr. Lalit Bhasin was appointed as a Member of Remuneration Committee in the Board Meeting held on 27.01.2011



CHL LIMITED

Sitting Fees

Sitting Fee paid to Non-executive Directors is as under:

Name of Directors (Non-Executive)	Sitting Fees (Rs. in lac)
Mr. D.V Malhotra	0.80
Mr. A.K. Malhotra	0.80
Mr. O.P. Bajaj	2.20
Mr. Subhash Ghai	0.40
Mr. R.C Sharma	1.80
Mr. Lalit Bhasin	0.20
Late Shri H. C. Bhasin*	0.60

*Ceased to be Director due to his sad demise on 07.12.2010

Sitting fee paid to Executive Directors during the year under review is as under:

Name of Directors	Sitting Fees (Rs. in lac)
Dr. L.K. Malhotra , Chairman & Managing Director	1.00
Mr. Luv Malhotra, Executive Director	1.80
Mr. Gagan Malhotra, Whole Time Director	1.00

The Company did not have any pecuniary relationship or transactions with the Non Executive Directors/Executive Directors during the financial year 2010-2011

Remuneration paid to working Directors is as under:

(Rs. in lac)

Name of Directors	Salary & Allowance	Contribution to PF
Dr. L.K. Malhotra	42.00	2.88
Mr. Luv Malhotra	42.00	2.88
Mr. Gagan Malhotra	42.00	2.88

INVESTORS/SHAREHOLDERS GRIEVANCES COMMITTEE

The Committee was constituted by the Board in their meeting held on October 31, 2001. Following are the members of the Committee:-

Name of the Directors	Position
Mr. O.P. Bajaj	Chairman
Late Shri H. C. Bhasin*	Member
Mr. Lalit Bhasin**	Member
Mr. A.K. Malhotra	Member

* Late Shri H. C. Bhasin demised on 07.12.2010

** Mr. Lalit Bhasin was appointed as a member of Grievances Committee in the Board Meeting held on 27.01.2011

Company Secretary is the Compliance Officer. Meetings are held as and when the attention of the Committee arises. During the Financial Year no meeting was held. The Company attends to the investors/shareholders, correspondence and share transfers expeditiously and usually replies are sent within a period of 15 days of receipt, except in those cases which are disputed and sub-judice. There are no pending share transfers as on 31st March 2011. The Company furnishes necessary documents/information to Shareholders.



The Company received 22 complaints from shareholders during the year which interalia included non receipt of Annual Report, Transmission of Shares and past years' dividend. The grievances were duly attended to and the Company has furnished necessary documents/information to the shareholders. No grievances were pending at the year end.

GENERAL BODY MEETINGS

The last three Annual General Meetings were held at Hotel The Surya, New Friends Colony, New Delhi 110025 on 30.09.2008, 23.09.2009 and 21.09.2010 respectively.

No Special Resolution requiring a postal ballot is being proposed for the ensuing AGM.

DISCLOSURES

Disclosures on materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, the Directors, or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large

Transactions with related parties are disclosed in Sl. II Notes on Accounts, Sl. No. 11 of Schedule 16 to the Annual Accounts for the Financial Year 2010-2011. These transactions are not of material nature and do not have any potential conflict with the interest of the Company.

Disclosure by Senior Management in accordance with Clause 491V (F) (ii) of the Listing Agreement

The Senior Management of the Company has confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions with the Company that may have potential conflict with the interests of the Company at large.

Disclosures on Compliance of law

The Company has complied with the mandatory requirements of the Stock Exchange, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures were imposed by SEBI, Stock Exchanges, or any statutory authorities on any matter related to capital markets during the last three years.

Whistle Blower Policy

The Company does not have any Whistle Blower Policy as of now but no personnel is being denied any access to the Audit Committee.

Details of compliance with mandatory requirements and adoption of non mandatory requirements

The Company has complied with all the mandatory requirements as per clause 49 of the Listing Agreement with the Stock Exchanges. Out of the non mandatory requirements, the requirement as to Remuneration Committee is in place.

Certificate from the Managing Director and the Head of Finance/CFO

Certificate from Dr. L. K. Malhotra, Managing Director and Mr. N.K. Goel, Vice President (Finance)/CFO in terms of clause 49 (V) of the Listing Agreements with the Stock Exchanges for the financial year ended 31st March, 2011 was placed before the Board of Directors of the Company in its meeting held on 23rd July, 2011.

The Company has well established internal control systems and procedures which in certain cases are in the process of being further documented and updated.

Code of Conduct

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

Code of Conduct which commits to carry out all its activities in compliance with law, in the frame work of straightforward competition and with honesty, integrity, fairness and good faith and in compliance with the lawful interest of all its shareholders, viz. shareholders, creditors, customers, employees, trade and society at large.

Code of Conduct which exemplifies care for customers by sensing their future needs and comforts with warm services.



CHL LIMITED

Code of Conduct which demonstrate team work, mutual trust, respect and two way communication that excels that customers/ employees are our key asset.

All Board Members and Senior Management personnel have affirmed compliance with the Code on an annual basis. A declaration to this effect signed by the Managing Director forms part of this Annual Report and annexed to this Report.

To

All Members

This is to certify that all Board Members and Senior Management Personnel(s), to whom the Code of Conduct of the Company applies, are complying/abiding by the same and no instance of non-compliance with the same has been reported till date.

Place : New Delhi
Date : July 23, 2011

Dr. L.K. Malhotra
Chairman & Managing Director

MEANS OF COMMUNICATION

The Company regularly intimates un-audited/audited financial results to the Bombay Stock Exchange and Delhi Stock Exchange. These financial results are normally published in the Business Standard in English and Hindi edition.

SHAREHOLDERS INFORMATION

32nd Annual General Meeting

Date, Time and Venue

23rd September, 2011 at 11.30.AM at
Hotel The Suryaa, New Friends Colony,
New Delhi 110025

Financial Calendar for 2011-12 (Tentative)

For the Quarter ending

June 2011

September 2011

December 2011

March 2012

Adoption of Quarterly Results

3rd/4th week of

July 2011

October 2011

January 2012

April 2012

Book Closure Dates

16th September, 2011 to 23rd September, 2011 (Both days inclusive)

Final Dividend Payment

Members whose names appear as on 15th Sept 2011 in the Register of members and as Beneficial Owner at the end of the Business hours on 15th Sept. 2011 as per the list to be furnished by NSDL / CDSL in respect of shares held in Electronic Form, are entitled Final Dividend.

CODE OF CONDUCT

The Code of Conduct as adopted by Board of Directors is applicable to Directors, Senior management and Employees of the company. The code is derived three interlinked fundamental principles, viz, good corporate governance, good corporate citizenship and exemplary personal conduct. The code is available on the company's corporate website.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

Code of conduct for prevention of insider trading as approved by the Board of Directors, inter-alia, prohibits purchase/sale of securities of the company by directors and employees of the company while in possession of unpublished price sensitive information in relation to the company. The code is available on the company's corporate website.

LISTING ON STOCK EXCHANGE(S)

DELHI STOCK EXCHANGE

The Equity Shares of the Company stand listed on the Delhi Sock Exchange (File No. 3950). The last officially quoted price was Rs. 47 in the year 1998-1999. There was no trading in the Company's Share on Delhi Stock Exchange during the last several financial years including the financial year 2010-11.



BOMBAY STOCK EXCHANGE

The equity shares of the Company was listed at Bombay Stock Exchange w.e.f. 4th July, 2008 in the category of B list. The Scrip Code No. is 532992. The official quoted price at the Bombay Stock Exchange is as under :

Scrip Code:532992 Company:: CHL LTD
For the Period: April 2010 to March 2011

Month	Open Price (Rs.)	High Price (Rs.)	Low Price (Rs.)	Close Price (Rs.)	No. of Shares	No. of Trades	Total Turnover (Rs.)
April 2010	107.00	150.00	106.05	120.50	1,11,721	1,366	1,38,95,053
May 2010	122.00	129.00	100.00	100.75	28,391	384	32,62,205
June 2010	102.05	119.00	96.90	107.80	36,417	489	38,40,090
July 2010	109.95	128.00	106.05	124.70	1,08,134	1,634	1,36,35,559
Aug 2010	120.00	137.00	106.00	129.15	1,03,355	1,360	1,26,90,205
Sept 2010	125.00	132.95	115.05	120.40	63,315	929	79,61,532
Oct 2010	124.00	138.00	102.00	111.30	86,315	1,475	1,01,77,000
Nov 2010	108.30	125.70	100.05	106.65	41,135	619	47,040,943
Dec 2010	111.98	112.90	80.00	88.95	92,261	467	79,70,551
Jan 2011	93.00	93.35	82.50	82.50	6,855	167	5,95,388
Feb 2011	85.95	86.00	76.20	76.20	12,823	121	10,61,148
March 2011	80.00	83.00	72.75	75.10	66,676	136	51,87,722

REGISTRAR AND SHARE TRANSFER AGENT

The Address of the Registrar and Transfer Agent is as under :

Beetal Financial & Computer Services Pvt. Ltd.
 Beetal House, 3rd Floor, 99, Madangir
 Behind Local Shopping Centre.
 New Delhi 110 062
 Phone : 29961281-83 Fax : 29961284
 E mail : beetalrta@gmail.com

Shareholders are requested to contact for the queries in respect of share transfer/change of address and other allied matters to the above Registrar and Transfer Agent.

SHARE TRANSFER SYSTEM

The Board of Directors of the Company has delegated the power of share transfer to the Managing Director/Company Secretary with appropriate individual limits. They periodically attend to the share transfer formalities. The shares received for transfer in physical mode by the Company are transferred expeditiously and thereafter option letter for simultaneous demat of shares are being sent within a period of 20 days from the date of receipt, provided the documents are complete and the shares under transfer are not under dispute. The share certificates duly endorsed are being returned immediately to those who do not opt for simultaneous transfer cum dematerialization. Confirmation in respect of the requests for dematerialization of shares is sent to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CSDL) within 15 days.

INTERNATIONAL SECURITIES IDENTIFICATION NUMBER INE790 DO1012 (with NSDL and CDSL)

DEMATERIALISATION OF SHARES

The shares of the Company are in compulsory demat segment of both the National Securities Depository Limited and the Central Depository Services Ltd. As on March 31, 2011, 7923912 Equity Shares of the Company, forming 72.27% of the Share Capital of the Company, stand dematerialized.



CHL LIMITED

DIVIDEND HISTORY

The dividend history of the Company for the last ten years is as under:-

S. No.	Financial Year	% of Dividend	Total Dividend (Rs. in lacs)
1	2001-2002	NIL	Nil
2	2002-2003	NIL	Nil
3	2003-2004	15%	164.45
4	2004-2005	15%	164.45
5	2005-2006	15% (Interim) 15% (Final)	164.45 164.45
6	2006-2007	20% (Interim) 20% (Final)	219.27 219.27
7	2007-2008	20% (Interim) 20% (Final)	219.27 219.27
8	2008-2009	15% (Interim) 15% (final)	164.45 164.45
9	2009-2010	15% (Interim) 15% (Final)	164.45 164.45
10	2010-2011	15% (Interim) 15% (Final)*	164.45 164.45

* Subject to the approval of shareholders in the ensuing Annual General Meeting

UNCLAIMED DIVIDENDS

Dividends in respect of the following years remaining unclaimed for seven years from the date of disbursement will be transferred as per Section 205 C of the Companies Act 1956, to the Investor Education and Protection Fund of the Central Government (IEPF)

Particulars of Dividend disbursements and proposed dates of transfer to the IEPF are as under:

Financial Year Ended	Date of declaration of dividend	Due for transfer
31st March 2004*	03.09.2004	September, 2011
31st March 2005	10.09.2005	September, 2012
31st March 2006 (Interim)	30.01.2006	January, 2013
31st March 2006 (Final)	27.09.2006	September, 2013
31st March 2007 (Interim)	31.01.2007	January, 2014
31st March 2007 (Final)	30.07.2007	July, 2014
31st March 2008 (Interim)	29.01.2008	January, 2015
31st March 2008 (Final)	30.09.2008	September, 2015
31st March 2009 (Interim)	30.01.2009	January, 2016
31st March 2009 (Final)	23.09.2009	September, 2016
31st March 2010 (Interim)	25.01.2010	January, 2017
31st March 2010 (Final)	21.09.2010	September, 2017
31st March 2011 (Interim)	27.01.2011	January, 2018

*Unpaid Dividend pertaining to the year ended on 31.03.2004 is being transferred to Investors Education and Protection Fund (IEPF) in the month of September, 2011. As such it will not be possible to entertain dividend claim pertaining to the year 2004, after August, 2011. Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

Shareholders who have not yet encashed their Dividend Warrants relating to the above years are urged to immediately get in touch with the Company Secretary so that these could be promptly disbursed.



BANK DETAILS

Shareholders holding shares in physical form are requested to notify/send the following to the Company/ M/s Beetal Financial & Computer Services Pvt. Ltd. to facilitate better servicing, any change in their address/mandate/bank details and particulars of the Bank Account in which they wish their dividend to be credited, in case the same have not been furnished earlier.

Shareholders are advised that respective bank details and address as furnished by them or by NSDL/CDSL to the Company, for shares held in the physical form and in the dematerialized form respectively, will be printed on dividend warrants so as to protect against fraudulent encashment.

Shareholders who wish to receive dividend in a Bank Account other than one specified by them while opening their Depository Account, may notify their Depository Participants (DPs) of such change in Bank Account. Shareholders are also requested to furnish complete details of their respective Bank Accounts including the MICR code of the bank to their DPs.

RECONCILIATION OF SHARE CAPITAL AUDIT

Reconciliation of Share Capital Audit is being carried out every quarter by Practicing Company Secretaries – A. Chadha & Associates and the Audit reports are placed before the Board for their consideration and review and filed regularly with the Stock Exchanges within the stipulated time.

ELECTRONIC CLEARING SERVICE (ECS) FACILITY

The Company, with respect to payment of dividend, will provide the facility of ECS to Shareholders. Shareholders holding shares in physical form, who now wish to avail the ECS facility, may authorize the Company by sending their ECS mandate in the prescribed form to the Registrar and Transfer Agent of the Company M/s Beetal Financial & Computer Services Pvt. Ltd. The ECS mandate form can be had from M/s Beetal Financial & Computer Services Pvt. Ltd. on request.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2011

Range of shares (in Rs.)	No. of shareholders	Percentage of Shareholders to total	No. of shares of Rs. 10 each held	Percentage to total shareholding
Upto 5,000	1736	87.32	1,88,404	1.7185
5,001 to 10,000	95	4.78	82,757	0.7548
10,001 to 20,000	41	2.06	67,430	0.6150
20,001 to 30,000	30	1.51	76,265	0.6956
30,001 to 40,000	2	0.10	7,348	0.0670
40,001 to 50,000	19	0.96	90,455	0.8250
50,001 to 1,00,000	17	0.86	1,34,207	1.2242
1,00,001 and above	48	2.41	1,03,16,792	94.0999
TOTAL	1,988	100.00	1,09,63,658	100.0000

SHAREHOLDING PATTERN AS ON MARCH 31, 2011

CATEGORY	No. of Shareholders	No. of Shares held	Percentage of Share holding
Promoters (including persons acting in concert)	28	78,22,988	71.35
Banks/Financial Institutions	1	300	-
Private Bodies Corporate	62	2,18,461	1.99
Other NRIs	138	23,76,203	21.68
Indian Public	1,759	5,45,706	4.98
TOTAL	1,988	1,09,63,658	100.00



ADDRESS FOR CORRESPONDENCE

Communications may be sent to the Company/R&T Agent of the Company

The Company Secretary
CHL Limited
Hotel The Suryaa
New Friends Colony
New Delhi 110025
E-mail: chl@chl.co.in
Phone : 91-11-26835070, 47808080
Fax : 91-11-26836288 , 47808081

R & T Agent

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor,
99, Madangir
Behind Local Shopping Centre.
New Delhi 110 062
Phone : 29961281-83 Fax : 29961284
E mail : beetalrta@gmail.com

ECONOMIC SCENARIO AND HOSPITALITY SECTOR

An improving economic scenario and demand for more hotel rooms across categories in persuading international hotel chains to sign new management contracts with Indian developers and property owners according to analysts. The industry will witness the announcement of a number of new hotels in the years to come.

The Indian hotel room market for 10 metros is expected to expand at a Compounded Annual Growth Rate (CAGR) of 17% to Rs. 11,900 Crore during the year 2010-13, according to the study by Knight Frank India. In terms of the number of rooms sought per day, the hospitality sector is estimated to grow at CAGR of 10.30%.

The Hotel Industry comprises a major part of the Tourism Industry. Historically viewed as an industry providing a luxury service valuable to the economy only as a foreign exchange earner, the industry today contributes directly to the employment (directly employing around 0.15 million people) and indirectly facilitates tourism and commerce.

Hotel companies foresee a further rise in room rates in the NCR region due to the Commonwealth Games. There has been a virtual race in the industry to set up properties in the NCR region. Investors need to keep this dynamics in mind while buying into stocks in this segment.

The Indian Hospitality Industry is projected to grow at a rate of 8.8% between 2007-2016. Government is also taking steps for the development of this sector by substantially upgrading the regional airports in smaller towns and privatization and expansion of Delhi and Mumbai airport. This will improve the business prospects of the hotel industry.

MANAGEMENT DISCUSSION AND ANALYSIS

(a) A Profile of the business unit

Hotel The Suryaa, a 5-Star Deluxe Hotel owned by CHL Limited is located at New Friends Colony in South Delhi at a distance of 20 minutes drive from Connaught Place and 40 minutes drive from the domestic airport. The company has marketing alliance with US based Preferred Hotel Group (PHG). PHG is a global leader in the hospitality industry delivering high performance sales, marketing and technology solutions to 750 independent hotels and resorts in more than 90 countries.

Under the marketing agreement entered with PHG, it has agreed to provide international and regional sales, marketing and reservation activities.

The Hotel has 142 superior, spacious rooms, 92 stunningly designed club rooms, 10 deluxe suites and 1 presidential suite. The Hotel offers food with quality and style and there is enough variety of food so that one can enjoy and relish. The food is international, contemporary and casual. Seven – an interactive restaurant serving traditional Indian food in a contemporary

style with seven different cooking techniques under one roof; Sampan – the 94 cover restaurant for authentic Cantonese and Szechwan Specialties with a live band and a panoramic roof top view of the city; Le café – the 24 hour multi cuisine restaurant; Atrium Lounge Bar – one can enjoy the world's finest liquors and sprits; Mirage- Discotheque – music played can range from DJ, hip hop to house and trance in one of the advanced acoustic ambience; Club one – the fitness center which offers a full fledged Ayurvedic Treatment Center cum Spa, physical therapy, cardiopulmonary rehabilitation and weight control programs.

(b) **Internal Control System and their adequacy**

In the opinion of the management, the internal control systems are adequate. Internal checks, interdependence of jobs responsibilities ensure joint discussions and approvals before any financial commitment is made. Internal Audits are being carried out by the Internal Auditor M/s. L.N. Malik & Co. periodically. Internal Audit Reports are periodically placed before the Audit Committee for review. The Board of Directors take due consideration of the recommendations of the Audit Committee.

(c) **Risk and concerns**

There is no risk or concern other than those which are common such as rise in raw material prices, downturn in economy, civil disturbances and war like situations.

(d) **Financial performance and operational performance**

The Company's financial performance for the year under review is not impressive as compared to last year's performance due to cut throat competition in tariff rate. The turnover of the Company is lower by 6.34% as compared to the previous year's turnover. Operating Profit and Net Profit after Tax for the year under review are lower by 17.34% and 22.14% respectively over the previous year's profit. It is hoped that in the coming years the situation will improve.

(e) **Human Resources and Industrial Relations**

The HRD Department of the Hotel looks after the training requirements for general management, kitchen and housekeeping. The Company has paid attention to recruitment and development of all categories of staff. The industrial relations between the employees and the Company continue to be cordial and your Directors wish to place on record their appreciation for the contribution made by the employee at all levels.

(f) **Cautionary Statement**

Management Discussion and Analysis Report to the shareholders is in compliance with the Corporate Governance Standard incorporated in the Listing Agreement and as such cannot be construed as holding our for any forecast/projection/expectation. Actual results could differ materially from those expressed or implied

Management Discussion and Analysis Report forms part of the Report of the Directors.

CERTIFICATE BY CEO/CFO

Pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby certified that for the financial year ended March 31, 2011:

1. We have reviewed financial statements and the cash flow statements for the year and that to the best of our knowledge and belief, these statements:
 - (i) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year that is fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take, to rectify these deficiencies.



CHL LIMITED

4. We have indicated to the Auditors and the Audit Committee :
- (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

N.K. Goel
Vice President (Finance)

Dr. L. K. Malhotra
Chairman & Managing Director

Place: New Delhi
Date: July 23, 2011

CERTIFICATE FROM SECRETARIAL AUDITOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT

The Company has obtained a certificate from M/s A. Chadha & Associates, Practicing Company Secretaries, New Delhi regarding compliance of Corporate Governance as stipulated in Clause 49 of the Listing Agreement. The Certificate is annexed.

A. CHADHA & ASSOCIATES
Company Secretaries
29 A/I, 4th Floor, Asaf Ali Road, New Delhi - 110 002
Phone 011- 2323-1847, 2323-4189
Email: arvindchadha@yahoo.com

COMPLIANCE CERTIFICATE

To The Members of CHL Limited

1. We have examined the compliance of conditions of Corporate Governance by CHL Limited (the Company) , New Delhi for the year ended on 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.
4. We state that no investor grievances are pending for the period exceeding one month against the Company as per the records maintained by the Shareholders' Grievances Committee.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company

For A. CHADHA & ASSOCIATES
COMPANY SECRETARIES

ARVIND CHADHA
Proprietor

FCS: Membership No. 5271

New Delhi
Date : July 23, 2011



AUDITORS' REPORT

**THE SHAREHOLDERS,
CHL LIMITED
NEW DELHI.**

We have audited the attached Balance Sheet of M/s. CHL LIMITED, as at 31st March 2011 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order 2003 as amended by companies (Auditor's Report)(Amendment) Order, 2004, issued by the Government of India in terms of Section 227 (4 A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the annexure referred to above we report that:-

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of the audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books;
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3c) of Section 211 of the Companies Act, 1956; subject to:
Note No. K-(ii) regarding accounting of license fee from shops on receipt basis instead of on accrual as required by AS-9. (In the absence of requisite information the effect on profit has not been quantified)
- (v) On the basis of the written representations received from the Directors, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- (vi) Subject to the qualification mentioned in para (iv) above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011; and
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended March 31, 2011.
 - (c) in case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For G. RAI & CO.
CHARTERED ACCOUNTANTS
(REGISTRATION NO. 001479N)**

**GULSHAN RAI
PROPRIETOR**

MEMBERSHIP NO. 3921

PLACE : NEW DELHI

Date : July 23, 2011



**ANNEXURE
(TO THE AUDITORS' REPORT DATED 23-07-2011)**

1. In respect of its Fixed Assets:
 - (a) Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information .
 - (b) Fixed assets have been physically verified by the management at reasonable intervals. As explained to us, no material discrepancies were noticed on such verification.
 - (c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year.
2. In respect of its inventories;
 - (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company has maintained proper records of inventories. As explained to us, the discrepancies noticed on verification between physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
3. In respect of loans to or by the companies/firms/parties listed in register maintained u/s 301 of the Companies Act 1956, according to the information and explanation given to us :-
 - (a) The Company has not granted any loans, secured or unsecured, to companies, firm or other parties stated in the register maintained u/s 301 of the Act.
 - (b) The Company has not taken any loan, secured or unsecured from companies, firms, or other parties stated in the register maintained u/s 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and also for the sale of goods and services.
5. According to the information and explanations given to us,
 - A) particulars of the contracts or arrangements referred to in section 301 of the Companies Act 1956 have been entered in the register required to be maintained under that section and
 - B) transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakh in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market price.
6. The Company has not accepted deposits from the public within the meaning of section 58A and section 58AA of the act & the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of business.
8. The Central Government has not prescribed the maintenance of cost records by the Company under section 209(1) (d) of the Companies Act, 1956, therefore the provision of clause 4 (viii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
9. According to the information and explanations given to us in respect of statutory dues:
 - a. The Company has been regular in depositing undisputed dues of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service tax, Customs Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities during the year.
 - b. There were no undisputed amounts outstanding as at 31st March 2011 for a period of more than 6 months from the date they became payable.
 - c. As per certificate issued by Tax Auditor/Advisor of the company dues relating to items, as listed below which have not been deposited till the year end on account of disputes pending adjudication;

S.No.	Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount related	Forum where dispute is pending
1	Income-tax Act 1961	Income tax	3381982	AY 1999-00	ITAT
2	Income-tax Act 1961	Income tax	5176278	AY 2000-01	ITAT
3	Income-tax Act 1961	Income tax	10000	AY 2001-02	ITAT
4	Income-tax Act 1961	Income tax	9802032	AY 2005-06	ITAT
5	Income-tax Act 1961	Income tax	25489311	AY 2008-09	CIT (Appeal)

10. The Company has neither accumulated losses nor incurred any cash loss as at the yearend or at the end of the immediately preceding financial year.
11. According to the records of the Company examined by us and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to the banks or Financial Institutions.
12. According to the records of the company examined by us and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund / nidhi / mutual benefit fund / society. Therefore provisions of clause 4(xiii) of the Companies (Auditors Report) order 2003 are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) order 2003 are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions except as disclosed in note no. 9 of schedule 16 annexed to the financial statements.
16. In our opinion and according to information and explanations given to us, the term loan taken during the year has been applied for the purpose for which it was obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the funds raised on short term basis have, prima-facie, not been used for long-term investment.
18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money through public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor we have been informed of any such case by the Management.

For G. RAI & CO.
CHARTERED ACCOUNTANTS
(REGISTRATION NO. 001479N)

GULSHAN RAI
PROPRIETOR
MEMBERSHIP NO. 3921

PLACE : NEW DELHI
Date : July 23, 2011



CHL LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	As at 31st March, 2011 Rs. in Lac		As at 31st March, 2010 Rs. in Lac	
SOURCES OF FUNDS					
Shareholder's Funds					
Capital	1	1,096.37		1,096.37	
Reserves and Surplus	2	7,192.60	8,288.97	6,692.32	7,788.69
Loan Funds					
Secured Loans	3		4,266.94		2,995.87
Deferred Tax Liabilities			441.95		556.14
Security deposit			207.20		211.11
TOTAL			13,205.06		11,551.81
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	4	9,605.18		9,001.63	
Less: Depreciation		3,980.20		3,757.19	
Net Block		5,624.98		5,244.44	
Capital Work in progress		314.12	5,939.10	120.76	5,365.20
Investments	5		3,531.69		2,510.27
Current Assets, Loans and advances					
Inventories	6	375.79		312.07	
Sundry Debtors		531.16		579.41	
Cash and Bank Balances		2,613.97		2,202.88	
Loans and Advances		1,318.04		1,726.99	
		4,838.96		4,821.35	
Less Current Liabilities and Provisions					
Current Liabilities		827.38		776.84	
Provisions		277.31		368.17	
	7	(1,104.69)		(1,145.01)	
Net current Assets			3,734.27		3,676.34
TOTAL			13,205.06		11,551.81
Notes to the Accounts	16		-		-

As per our report of even date attached

for G. Rai & Co.
Chartered Accountants
Reg. No. 001479N

Gulshan Rai
Proprietor
Membership No. 3921

New Delhi
Date : July 23, 2011

For and on behalf of the Board of Directors

O.P. BAJAJ
Director

N.K. GOEL
Vice President Finance

Dr. L. K. MALHOTRA
Chairman & Managing Director

G. J. VARADARAJAN
Company Secretary



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	For the year ended 31st March, 2011 Rs. in Lac	For the Year ended 31st March, 2010 Rs. in Lac
INCOME			
Rooms, Food, Beverage, Smokes & Other Services	8	6,561.03	7,036.97
Other Income	9	374.93	368.81
		6,935.96	7,405.78
EXPENDITURE			
Consumption of Provisions, Wines & Smokes	10	757.76	707.62
Payment to and provision for employees	11	1,429.97	1,456.75
Operating & General Expenses	12	2,359.80	2,269.46
Selling Expenses	13	293.25	437.17
Financial Expenses	14	436.35	381.05
		5,277.13	5,252.05
Profit before Depreciation, Provision for Taxation & Deferred Revenue Expenditure		1,658.83	2,153.73
Depreciation		431.26	421.12
Deferred Revenue Expenditure		-	1.40
Profit /(Loss) before Tax		1,227.57	1,731.21
Provision for Taxes	15	338.49	589.28
Profit/(Loss) for the year		889.08	1,141.93
Adjustment of last year's provision		(5.26)	1.50
Profit and (Loss) brought from last year		3,881.38	3,422.76
Profit/(Loss) available for appropriation		4,765.20	4,566.19
APPROPRIATIONS			
Transferred to General Reserve		130.00	300.00
Proposed & Interim Dividend		328.91	328.91
Income Tax on Interim & Proposed Dividend		54.63	55.90
Balance carried to Balance Sheet		4,251.66	3,881.38
Earnings Per Share		Rs.	Rs.
Basic/Diluted earnings per share		8.11	10.42
Face value per share		10	10

As per our report of even date attached

for G. Rai & Co.
Chartered Accountants
Reg. No. 001479N

Gulshan Rai
Proprietor
Membership No. 3921

New Delhi
Date : July 23, 2011

For and on behalf of the Board of Directors

O.P. BAJAJ
Director

N.K. GOEL
Vice President Finance

Dr. L. K. MALHOTRA
Chairman & Managing Director

G. J. VARADARAJAN
Company Secretary



CHL LIMITED

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2011

Cash Flow Statement for the year ended	2010-2011 (Rs. in Lac)	2009-2010 (Rs. in Lac)
A) Cash Flow From Operating Activities		
Net Profit before Tax & Extraordinary Items	1,227.57	1,731.20
Adjustments for		
Depreciation	431.26	421.12
Dividend Income	(0.91)	(0.01)
Bad Debts	170.27	-
Misc. Expense Written off	-	1.40
Extra Ordinary Items	-	-
Loss/(Profit) on Sale of Assets	0.59	-
Scrapped/Discarded Assets written off	115.30	-
Profit on sale of Investment	1.00	(30.67)
Interest Expenditure	436.35	381.04
Interest Received	(307.76)	(268.77)
Operating Profit before Working Capital Changes	2,073.67	2,235.31
Adjustments for		
(Increase) Decrease in Inventories	(63.72)	21.20
Increase (Decrease) in Trade Payables & Provisions	9.66	(111.62)
(Increase) Decrease in Trade & Other Receivables	(42.77)	(119.86)
(Increase) Decrease in Loans & Advances	354.95	(166.22)
Cash generated from Operations	2,338.71	1,858.81
Income Tax (Paid)/Refund	(529.53)	(552.13)
Net Cash from Operating Activities (A)	1,802.26	1,306.68
B) Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1,122.02)	(76.53)
Sale of Fixed Assets	0.98	-
Inter-corporate Deposit	-	-
Purchase of Investment	(150.67)	(0.10)
Investment in Subsidiary	(871.75)	(1950.01)
Sale of Investments	-	143.67
Advance to Associate Companies	-	1,122.36
Interest Received	307.76	268.77
Dividend Received	0.91	0.01
Net Cash used in Investing Activities (B)	(1,834.79)	(491.83)
C) Cash Flow from Financing Activities		
Interest Paid	(436.35)	(381.04)
Increase / (Decrease) in Security Deposit	(3.91)	(6.57)
Dividend Paid	(331.92)	(334.86)
Dividend Tax Paid	(55.27)	(55.90)
Increase / (Decrease) in long term Borrowing	879.40	(354.00)
Increase / (Decrease) in Short term Loan	391.67	302.28
Net Cash used in Financing Activities (C)	443.62	(830.09)
Net increase/ decrease in cash and cash equivalents (A+B+C)	411.09	(15.24)
Cash & Cash Equivalent (Opening Balance)	2,202.88	2,218.12
Cash & Cash Equivalent (Closing Balance)	2,613.97	2,202.88

Note:

- The above cash flow statement has been prepared under indirect method as set out in Accounting Standard (AS-3) and is based on the Balance Sheet as at 31st March 2011 and the related Profit and Loss Account for the year ended on that date.
- Previous year figures has been regrouped and rearranged wherever necessary in order to confirm to this year's presentation.

As per our report of even date attached

For and on behalf of the Board of Directors

for G. Rai & Co.
Chartered Accountants
Reg. No. 001479N

O.P. BAJAJ
Director

Dr. L. K. MALHOTRA
Chairman & Managing Director

Gulshan Rai
Proprietor
Membership No. 3921

N.K. GOEL
Vice President Finance

G. J. VARADARAJAN
Company Secretary

New Delhi
Date : July 23, 2011



**SCHEDULE 1 TO 16 - ANNEXURE TO AND FORMING PART OF THE
BALANCE SHEET AS AT 31ST MARCH, 2011**

	As at 31st March, 2011 Rs. in Lac	As at 31st March, 2010 Rs. in Lac
SCHEDULE - 1 SHARE CAPITAL		
Authorised		
3,00,00,000 Equity Shares of Rs. 10/- each (Previous Year 3,00,00,000)	<u>3,000.00</u>	<u>3,000.00</u>
Issued, Subscribed and Paid up		
1,09,63,658 Equity Shares of Rs. 10/- each (Previous Year 1,09,63,658)	<u>1,096.37</u>	<u>1,096.37</u>
	<u>1,096.37</u>	<u>1,096.37</u>
SCHEDULE - 2 RESERVES AND SURPLUS		
CAPITAL RESERVE		
As per last Balance Sheet	0.94	0.94
CAPITAL REDEMPTION RESERVE		
As per last Balance Sheet	110.00	110.00
GENERAL RESERVE		
As per last Balance Sheet	2,700.00	2,400.00
Add Transferred from Profit & Loss Account	<u>130.00</u>	<u>300.00</u>
	4,251.66	3,881.38
PROFIT & LOSS ACCOUNT		
	<u>7,192.60</u>	<u>6,692.32</u>
SCHEDULE - 3 LOAN FUNDS		
SECURED LOANS		
Term Loan	2,807.50	1,956.20
Hire Purchase Loan	103.39	75.29
Overdraft from Banks	<u>1,356.05</u>	<u>964.38</u>
	4,266.94	2,995.87
	<u>4,266.94</u>	<u>2,995.87</u>

Notes :

- Term Loan of Rs. 1674.17 lacs (Previous Year Rs.303.42 lacs) is secured by pari passu charge over entire present & future Fixed Assets of the company and Rs. 1133.33 lacs (Previous Year Rs.1652.78 lacs) is secured by paripassu charge over entire fixed assets and exclusive charge on current assets. (Repayable in one year Rs. 976.67 lacs , Previous Year Rs. 861.11 lacs)
- Hire purchase loans are against hypothecation of vehicles. (Repayable in one year Rs. 34.22 lacs, Previous year Rs. 44.45 lacs)
- Overdraft facility is against pledge of fixed deposit aggregating to Rs. 2466.84 lacs (Previous Year Rs. 1856.84 lacs)

SCHEDULE - 4 FIXED ASSETS (Figures in Lac Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2010	Additions during the year	Sales/ Transfer	As at 31.03.2011	As on 01.04.2010	During the year	Adjust- ments/ Transfer	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
Land (Leasehold)	599.31	-	-	599.31	-	-	-	-	599.31	599.31
Land & Building (Noida)	237.28	3.20	-	240.48	-	-	-	-	240.48	237.28
Building	2,883.24	279.41	84.05	3,078.60	570.24	48.88	33.13	585.99	2,492.61	2,313.00
Plant & Machinery	3,215.00	383.27	114.60	3,483.67	2,065.52	188.46	74.66	2,179.32	1,304.35	1,149.48
Plant & Machinery (Noida)	90.90	-	-	90.90	-	-	-	-	90.90	90.90
Furniture, Fixture and Fitting	1,108.44	134.06	110.34	1,132.16	783.55	100.31	91.81	792.05	340.11	324.89
Office & Other Equipments	94.20	4.04	4.30	93.94	18.48	4.87	1.31	22.04	71.90	75.72
Computers	159.44	21.90	8.90	172.44	68.39	26.13	5.98	88.54	83.90	91.05
Vehicles	613.82	102.78	2.92	713.68	251.01	62.61	1.36	312.26	401.42	362.81
TOTAL - Current Year	9,001.63	928.66	325.11	9,605.18	3,757.19	431.26	208.25	3,980.20	5,624.98	5,244.44
Previous Year	8,837.47	164.15	-	9,001.63	3,336.06	421.12	-	3,757.19	314.12	120.76
Capital Work in Progress									5,939.10	5,365.20

	As at 31st March, 2011 Rs. in Lac	As at 31st March, 2010 Rs. in Lac		
SCHEDULE - 5 INVESTMENTS (AT COST)				
LONG TERM INVESTMENTS				
In Equity Shares (Quoted & Fully Paid)				
500 Advani Hotels & Resorts (India) Ltd. of Rs.2/- each (Previous Year 500)	0.01	0.01		
25 Asian Hotels (East) Ltd. of Rs.10/- each (Previous Year 25)	0.01	0.01		
25 Asian Hotels (North) Ltd. of Rs.10/- each (Previous Year 25)	0.01	0.01		
25 Asian Hotels (West) Ltd. of Rs.10/- each (Previous Year 25)	0.01	0.01		
50 EIH Associate Hotels Ltd. of Rs.10/- each (Previous Year 50)	0.01	0.01		
75 EIH Ltd. of Rs.2/- each (Previous Year 75)	0.02	0.02		
50000 Essar Steel Ltd of Rs. 10/- each (Previous Year 50000)	21.63	21.63		
250 Hotel Leela Venture Ltd. of Rs.2/- each (Previous Year 250)	0.01	0.01		
100 Indian Hotels Ltd. of Rs.1/- each (Previous Year 100)	0.01	0.01		
30 ITC Ltd. of Rs.1/- each (Previous Year 15)	0.01	0.01		
15 Jaiprakash Associates Ltd.of Rs. 2/- each (Previous Year 15)	0.01	0.01		
5000 Morepen Laboratories Ltd. of Rs. 2/- each (Previous Year 5000)	0.75	0.75		
100000 Penta Media Graphics Ltd. of Rs. 1/- each (Previous Year 100000)	1.00	1.00		
28800 Reliance Power Ltd. of Rs.10/-each (Previous Year 28800)	62.77	62.77		
100 Royal Manor Hotels & Industries Ltd. of Rs.10/- each (Previous Year 100)	-	-		
100 Sayaji Hotels Ltd. of Rs.10/- each (Previous Year 100)	0.01	0.01		
259984 HB Estate Developers Ltd of Rs. 10/-each (Previous Year NIL)	150.67	-		
10 Taj GVK Hotels & Resorts Ltd of Rs.2/- each (Previous Year 10)	0.02	0.02		
	<u>236.96</u>	<u>86.29</u>		
In Equity Shares (Unquoted & Fully Paid)				
150 Bharat Hotels Ltd. of Rs.10/- each (Previous Year 150)	0.01	0.01		
100 KMAHP Pvt Ltd. of Rs.10 each (Previous Year 100)	0.01	0.01		
1000 Jagriti Hydro Power Pvt Ltd of Rs.10/- each (Previous Year 1000)	0.10	0.10		
324500 Jaipur Stock Exchange of Rs. 10/- each (Previous Year 324500)	58.41	58.41		
	<u>58.53</u>	<u>58.53</u>		
In Equity Shares (Unquoted) - In Subsidiary				
338940 CHL International of Somoni 100 each(Previous Year 210269) (Less Calls in Arrear unpaid)	3,632.32 (416.12)	2,344.45 -		
	<u>3,216.20</u>	<u>2,344.45</u>		
In Equity Shares (Unquoted, Fully Paid up) Associate Companies				
100000 CHL (South) Hotels Ltd of Rs.10/- each (Previous Year 100000)	10.00	10.00		
CHL Biotech Pvt Ltd	-	1.00		
	<u>10.00</u>	<u>11.00</u>		
In Mutual Funds				
In Units/Mutual Funds (NAV Quoted and Fully Paid)				
100000 Osian Art Fund	10.00	10.00		
	<u>10.00</u>	<u>10.00</u>		
TOTAL	<u>3,531.69</u>	<u>2,510.27</u>		
	Book Value	Market Value	Book Value	Market Value
AGGREGATE VALUE OF Quoted Investments	246.96	193.03	96.28	72.89
Sale and Purchase during the year		Sales		Purchase
	Lac No	Value	Lac No	Cost
Mutual Fund Redemption during the year	NIL	NIL	NIL	NIL
Quoted Shares sale during the year	NIL	NIL	2.60	150.67

**CHL LIMITED**

As at
31st March, 2011
Rs. in Lac

As at
31st March, 2010
Rs. in Lac

SCHEDULE - 6 CURRENT ASSETS, LOANS & ADVANCES**A. Current Assets****I. Inventories (at cost or realisation value whichever is lower and as certified by the Management)**

i) Chinaware, Glassware, Silverware ,Linen etc	134.07		118.50	
ii) Kitchen Accessories	82.53		71.26	
iii) Provision, Food, Beverages etc.	99.22		86.63	
iv) General Stores and Spares	59.97	375.79	35.68	312.07

II. SUNDRY DEBTORS

(Unsecured considered Good)

i) Outstanding for over Six Months	17.40		21.44	
ii) Doubtful Debts	-		80.96	
ii) Others	513.76	531.16	477.01	579.41

III. CASH AND BANK BALANCES

i) Cash & Cheques on Hand	25.41		282.00	
ii) Scheduled Banks				
a) In current Accounts	82.97		47.41	
b) In fixed deposits Accounts	2,505.59	2,613.97	1,873.47	2,202.88

B. LOANS AND ADVANCES

(Unsecured-considered good)

Advances recoverable in cash or kind or for value to be received considered good

i) Advances to Subsidiary	-		472.86	
ii) Other advances	928.38		899.79	
iii) Security Deposits	30.80		26.09	
iv) Prepaid Expenses	118.73		114.37	
v) Tax Refundable	240.13	1,318.04	213.88	1,726.99
		<u>4,838.96</u>		<u>4,821.35</u>

SCHEDULE - 7 CURRENT LIABILITIES AND PROVISIONS**A CURRENT LIABILITIES**

Sundry Creditors	803.68		750.13	
Unclaimed Dividend	23.70	827.38	26.71	776.84

B PROVISIONS

i) Provision for Taxation	-		46.34	
ii) Proposed Dividend	164.45		164.45	
iii) Income Tax on Proposed Dividend	27.32		27.95	
iv) Provision for Employee Benefits	85.54		129.43	
		<u>277.31</u>		<u>368.17</u>
		<u>1,104.69</u>		<u>1,145.01</u>

For the year ended
31st March, 2011
Rs. in Lac

For the year ended
31st March, 2010
Rs. in Lac

SCHEDULE - 8 INCOME FROM ROOMS, FOOD, BEVERAGE, SMOKES & OTHER SERVICES

Rooms	3,486.53	3,880.46
Food, Beverage & Smokes	1,851.94	1,867.34
Wine & Liquor	388.36	336.99
Licence Fee	499.38	544.58
Telex & Telephones	59.40	131.49
Health Club & Beauty Parlour	86.78	106.56
Other Services	188.64	169.55
	<u>6,561.03</u>	<u>7,036.97</u>

SCHEDULE-9 OTHER INCOME

Interest earned	307.76	268.77
Dividend Income	0.91	0.01
Scrap & Other Income	48.63	57.10
Profit on Sale of Investment	-	30.68
Excess Provisions & Miscellaneous Income	17.63	12.25
	<u>374.93</u>	<u>368.81</u>

SCHEDULE-10 CONSUMPTION OF PROVISIONS, WINES AND SMOKES

A. PROVISIONS, BEVERAGES & SMOKES

Opening Stock	24.94	22.60
Add: Purchases	610.97	578.56
	<u>635.91</u>	<u>601.16</u>
Less : Closing stock	28.71	24.94
	<u>607.20</u>	<u>576.22</u>

B. WINE & LIQUOR

Opening Stock	61.69	82.35
Add: Purchases	159.38	110.74
	<u>221.07</u>	<u>193.09</u>
Less : Closing Stock	70.51	61.69
	<u>150.56</u>	<u>131.40</u>
	<u>757.76</u>	<u>707.62</u>

SCHEDULE-11 PAYMENT TO AND PROVISION FOR EMPLOYEES

Salaries, Wages, Stipend & Bonus	1,185.35	1,199.61
Contribution to Provident, Gratuity & Other Funds	119.25	126.67
Employees Welfare Expenses	125.37	130.47
	<u>1,429.97</u>	<u>1,456.75</u>

	For the year ended 31st March, 2011 Rs. in Lac	For the year ended 31st March, 2010 Rs. in Lac
SCHEDULE - 14 FINANCIAL EXPENSES		
Interest on Term Loan	306.01	209.53
Interest others	121.54	159.51
Bank & Financial Charges	8.80	12.01
	<u>436.35</u>	<u>381.05</u>

SCHEDULE - 15 PROVISION FOR TAXES

- Provision for Income Tax	450.00	594.57
- Provision for Wealth Tax	2.68	2.58
- Provision for Deferred Tax	(114.19)	(7.87)
Total Provision	<u>338.49</u>	<u>589.28</u>

**SCHEDULE - 16 NOTES TO ACCOUNTS****I. SIGNIFICANT ACCOUNTING POLICIES**

Annexed to and forming part of the Statement of Accounts for the year ended 31st March 2011.

A) BASIS OF ACCOUNTING

- i. Financial statements are prepared under the historical cost convention, on accrual basis of accounting (except where otherwise stated hereinafter) in accordance with the accounting principles generally accepted in India and in compliance with the provisions of Companies Act, 1956, and comply with the mandatory accounting standards specified in Companies (Accounting Standard) Rules 2006, prescribed by the Central Government.
- ii. The preparation of financial statements, in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

B) FIXED ASSETS AND DEPRECIATION

1. Fixed assets are stated at cost, less depreciation/amortization and impairment losses if any. Cost includes all expenditure necessary to bring the assets to its working condition for its intended use. Capital work in progress comprises of advances to suppliers/service providers and incidental expenditure where the fixed asset is not ready for its intended use as at the balance sheet date. In the case of new undertaking, preoperative expenses are capitalized upon the commencement of commercial operation.
2. Cost of asset(s) replaced but still usable is not reduced from the cost of the asset(s) till it is sold / discarded. If the cost of the asset(s), discarded / sold is not ascertainable, cost of replacement of such asset(s), (discounted as per "indexed cost formula" prescribed under Income Tax Act, 1961) is taken as the cost of such asset(s) for the purpose of deduction from the cost.
3. Expenses on complete renovation / rebuilding of an existing asset resulting in substantial increase in useful life are capitalized. Residual value of the original asset, renovated or rebuilt is reduced from the cost, if material.
4. Depreciation is provided on straight-line method basis in accordance with the provisions of section 205 (2) (b) of the Act, in the manner and at the rates specified in Schedule XIV of the said Act.
5. Intangible Assets are depreciated on straight line method over the useful life thereof, which is taken as three years.

C) IMPAIRMENT OF ASSETS

The carrying amounts of the asset(s) are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and, where carrying amounts exceed the recoverable amount, the assets are written down to their recoverable amount.

D) INTANGIBLE ASSETS

Accounting treatment of intangible assets like computer software is made in accordance with AS-26.

E) ASSETS ON LEASE

Accounting treatment of assets taken on lease is being made in accordance with AS-19.

F) BORROWING COST

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

G) FOREIGN CURRENCY TRANSACTION

1. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.

2. Monetary items denominated in foreign currencies at the year end are restated at year end rates.
3. Non monetary foreign currency items are stated at cost.
4. Any income or expense on account of exchange difference either on settlement or on translation is recognized as revenue except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets or where the amount of difference is not material.

H) INVESTMENTS

Long term investments are carried at cost. However, provision is made to recognize a decline, other than temporary, in the value of long term investments.

Current investments are carried at lower of cost and fair value, determined on an individual basis.

I) CURRENT ASSETS

Inventories are valued at lower of cost and estimated net realizable value after providing for cost of obsolescence and other anticipated loss wherever considered necessary, if material. Cost is determined by using the first in first out (FIFO) basis.

Linen, Glassware, Chinaware etc. issued to rooms and outlets are treated as replacement of old/worn out items and charged to Profit & Loss Account and items in use at the close of the year are included in inventories.

J) RETIREMENT AND OTHER EMPLOYEES BENEFITS

The company has classified various benefits to employees under "Defined Contribution Plan, and Defined Benefit Plan".

i. Defined Contribution Plan

- a) Contributions payable by the company to the concerned Government Authorities in respect to Provident Fund, Family Pension Fund and Employees State Insurance are charged to the Profit and Loss Account on accrual basis.
- b) Gratuity liability as on the Balance Sheet date is determined by the insurance company with whom the company has taken a group gratuity policy, on the basis of actuarial valuation using projected unit credit method and such liability has been provided in these accounts.

ii. Defined Benefit Plan

Short term compensated absences are recognized as expense, at the undiscounted amount, in Profit and Loss Account of the year in which they are incurred.

Long term compensated absences are provided for based on the actuarial valuation as per projected unit credit method, as at the Balance Sheet date.

Actuarial gains and losses are immediately taken to Profit and Loss Account as income or expenses without resorting to any amortization.

K) RECOGNITION OF INCOME & EXPENDITURE

- i. Sales and Services are stated net of discount / allowances.
- ii. Claims recoverable / payable are recognized to the extent admitted. As per practice consistently followed, license fee from shops is recognized in the year of receipt. Unclaimed credit balances and excess provision of expenditure are treated as revenue of the year in which such amounts cease to be Company's liability.
- iii. Discarded assets (carpets etc.) are charged to the profit & loss account at written down value. Amount realized, if any, on sale of such items is treated as income. Scrap value is recognized, if material.

L) CONTINGENT LIABILITIES

Contingent Liabilities are disclosed after careful examination of the facts and legal aspects of the matter involved.

M) TAXATION

Provision for current taxation is made in accordance with Income Tax Laws applicable to the assessment year. Wealth tax for the year is provided as per the Wealth Tax Act and Rules 1957.

II. Table Showing Change in Benefit Obligation :		
Projected Benefit Obligations (PBO) at the beginning of the year	80.49	88.38
Interest Cost	6.12	6.79
Service Cost	8.28	8.34
Benefits paid	(7.93)	(6.96)
Actuarial (gain) loss on obligations	(23.07)	(16.06)
PBO at the end of the year	63.89	80.49
III. Tables of Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contributions/Transfers	7.93	6.96
Benefits paid	(7.93)	(6.96)
Gain / (loss) on Plan Assets	-	-
Fair Value of Plan Assets at the end of the year	-	-
IV. Tables of change in Plan Assets		
Fair Value of Plan Assets at the beginning of the year	-	-
Actual return on Plan Assets	-	-
Contributions/Transfers	7.93	6.96
Benefits paid	(7.93)	(6.96)
Fair value of Plan Assets at the end of the year	-	-
Excess of actual over expected return on Plan Assets	-	-
V. Funded Status	(63.89)	(80.49)
VI. Limits of Corridor not considered since total actuarial gain/loss is being recognized		
Actuarial gain/(loss) for the year – Obligation	23.07	16.06
Actuarial gain (loss) for the year - Plan Assets	-	-
Sub-Total	23.07	16.06
Actuarial (gain)/loss recognized	(23.07)	(16.06)
Unrecognized actuarial gains (losses) at the end of the year	-	-
VII. The Amounts to be recognized in Balance Sheet and Income Statement and the related analysis		
Present Value of Obligation	63.89	80.49
Fair value of Plan Assets	-	-
Difference	63.89	80.49
Unrecognised Actuarial gains (losses)	-	-
Unrecognised Transitional Liability	-	-
Liability Recognised in Balance Sheet	63.89	80.49
VIII. Net Periodic Cost		
Current Service Cost	8.28	8.34
Interest Cost	6.12	6.79
Expected Return on Plan Assets	-	-
Net Actuarial (gain) loss recognised in the year	(23.07)	18.55
Expenses Recognised in the Income Statement	(8.67)	(0.92)
IX. Movements in the liability recognised in the Balance Sheet:		
Opening Net Liability	80.49	88.38
Expense as above	(8.67)	(0.92)
Contributions/Transfers	(7.93)	(6.96)
Closing Net Liability	63.89	80.49



CHL LIMITED

11. AS-17 on Segment Reporting is not applicable as the company is engaged only in hotel business and at one location.

12. Contribution to Political party: Rs. 0.21 lacs (Previous Year Rs. 5.00 lacs)

13. **Related party transactions**

- Subsidiary Company CHL International
- Associate Companies CHL (South) Hotels Limited
- Key Management Personnel Dr. L.K.Malhotra Chairman & Managing Director
Mr. Luv Malhotra Executive Director
- Entities controlled by Directors or their relatives Kyjol Securities and Investments Pvt Ltd.
Mela Hotels Limited
Sunkalp Portfolio Investments Pvt Ltd.
United Exports

Name of Party	Relationship	Nature of Transaction	Transaction Value (Rs. in lacs)	Bal. as on 31/03/2011* (Rs. in lacs)	Bal. as on 31/03/2010* (Rs. in lacs)
a) United Exports	A firm in which Director's relative is partner	Purchase of goods	14.85	(2.90)	(1.02)
b) Mohan Meakin Ltd	A company in which Director is Director	-do-	0.14	(0.06)	NIL
c) CHL International	Subsidiary	Advance Investment	399.29 1287.87	(416.12) 3632.32	472.86 2344.45
d) Mataji Melan Devi Society (Regd)	Trustee	Donation	11.00	NIL	NIL

* FIGURES IN BRACKET INDICATE PAYABLE

14. Managerial Remuneration to Directors

Particulars

2010-2011
(Rs. in lacs)

2009-2010
(Rs. in lacs)

Salary & Allowances

126.00

172.00

Contribution to P.F.

8.64

12.96

Other benefit/perquisites

3.80

2.80

Commission to Directors

NIL

NIL

Sitting Fee to other Directors

6.80

8.00

15. EARNING PER SHARE

Profit after Taxation

889.08

1141.93

Weighted average number of equity shares outstanding

109.64

109.64

Basic & Diluted earning per share in rupee (face value – Rs. 10/- per share)

8.11

10.42

16. DEFERRED TAX LIABILITIES

(A) Deferred Tax Liability

Depreciation on Fixed Assets

441.94

564.35

Total (A)

441.94

564.35

(B) Deferred Tax Asset

Disallowance u/s 43 (B) of Income Tax

-

8.21

Total (B)

-

8.21

Net Deferred Tax Liabilities (A-B)

441.94

556.14

17. A. The company has been exempted vide order No. 46/222/2008/CL-III dated 05/02/2009 of Ministry of Company Affairs, Government of India u/s 211(4) of the Companies Act, 1956 from the disclosure of quantitative details of turnover, stocks, purchases, production and consumption of raw material for the financial years ended 31st March 2009, 31st March 2010 and 31st March 2011.

B	C.I.F. Value of Imports	2010-2011	2009-2010
		(Rs. in lacs)	(Rs. in lacs)
a)	Food & Beverage	Nil	Nil
b)	Wine & Liquor – through canalizing agencies.	65.55	29.00
c)	Components, spare parts and stores	17.91	Nil
d)	Capital Goods	185.22	Nil
C.	Expenditure in Foreign Currency – on payment basis		
i.	Technical Services	71.67	127.31
ii.	Others	73.44	90.73
D.	Earning in Foreign Exchange – on receipt basis		
	On account of hotel services	2,088.42	2,443.10

E. **Remittance in Foreign Currency on account of Dividend to non resident shareholders**

The particulars of dividend remitted, including to Non Resident External Account (NRE) are given below:

Final Dividend	Current Year	Previous Year
1. No. of Non Resident shareholders	139	141
2. No. of equity shares held by them	88.37	88.39
3. Rupees (in lakhs) equivalent of amount paid in Foreign currency	96.86	96.86
4. Amount of Rupees (in lakhs) remitted to banks in India.	35.68	35.72
5. Year to which Relates	2009-10	2008-09
Interim dividend		
1. No. of Non Resident shareholders	138	144
2. No. of equity shares held by them	88.34	88.40
3. Rupees (in lakhs) equivalent of amount paid in Foreign currency	96.86	96.86
4. Amount of Rupees (in lakhs) remitted to banks in India.	35.64	35.73
5. Year to which Relates	2010-11	2009-10

18. Amount transferred to investor education and protection fund as required under section 205 C of the Companies Act as Rs. NIL (Previous Year Nil)
19. Previous year's figures have been regrouped and rearranged wherever necessary to make it comparable with the Current Years figures. All figures have been rounded off to nearest lac rupee.
20. Balance Sheet abstract and Company's General Business profile

a. **Registration Details**

CIN No.	L55101DL1979PLC009498
State Code	55
Balance Sheet Date	31.03.2011

b. **Capital raised during the year**

Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement	NIL



CHL LIMITED

c. Position of mobilization and deployment of funds	
Total Liabilities	13205.06
Total Assets	13205.06
SOURCE OF FUNDS	
Paid-up Capital	1096.37
Reserve & Surplus	7192.60
Secured Loans	4266.94
Unsecured Loans (Security Deposits)	207.20
Deferred Tax (Net)	441.95
APPLICATION OF FUNDS	
Net Fixed Assets	5946.02
Investments	3531.69
Net Current Assets	3727.35
d. Performance of the Company	
Turnover	6935.96
Total Expenditure	5708.39
Profit / (Loss) before Tax	1227.57
Profit / (Loss) after Tax	889.08
Earning per share	8.11
Dividend Rate (%)	30
e. Generic names of three Principal products/services of the Company (as per monetary terms)	
Items Code (ITC Code)	NA
Product Description	Hotel Business

Signatures to Schedule 1 to 16.

For and on behalf of the Board of Directors

N.K. GOEL
Vice President Finance

G. J. VARADARAJAN
Company Secretary

Dr. L. K. MALHOTRA
Chairman & Managing Director

O.P. BAJAJ
Director

New Delhi
Date : July 23, 2011

DIRECTORS' REPORT

To the Members of CHL International

Your Directors have pleasure in presenting the Annual Report along with the Audited Annual Accounts for the Financial Year ended on 31st March, 2011.

Project

Members are aware that the project of the Hotel is being financed by Export Import Bank of India (EXIM Bank) by way of Term Loan to the extent of US \$ 18.00 Million. The holding Company CHL Limited has furnished an unconditional and irrevocable guarantee to EXIM Bank at the request of your Company.

The ongoing construction of the hotel has been substantially completed. The interior design and other service works are also at the final stage. The operation of the hotel is being expected to be commenced at the end of the first quarter of the Year 2012.

Your Company has been awarded four contracts from NHPC, for draining and de-silting the Varzob River and also for repairing the dam structure of the river. Out of which two contracts were successfully completed and earned profit of Rs. 39.87 lacs.

Paid up share capital

The paid up share capital of the Company was increased from 25.00 Million Somoni (comprising of 250,000 equity shares of 100 Somoni each) to 48.42 Million Somoni (comprising of 484,200 equity shares of 100 Somoni each) by allotment of 23.42 Million Somoni (comprising of 234,200 equity share of 100 Somoni each).

As at the end of the Financial Year the Promoters Shareholders viz CHL Limited holds 338,940 equity shares of 100 Somoni each equivalent to 70% of the total share capital and Al-Zahem & Malhotra General Trading Co. w.l.l. holds 145,260 equity shares of 100 Somoni each equivalent to 30% of the total share capital

Directors

The Board of Directors comprises of Dr. L. K. Malhotra, Mr. D. V. Malhotra, Mr. Luv Malhotra, Mr. Gagan Malhotra, and Mr. Lalit Bhasin.

Mr. N. K. Goel who resigned from the directorship of the company on 04.12.2009 was inducted on the Board w.e.f 21.09.2010

Dividend

Company has not yet started any operational activity. Hence, the Directors of your company are unable to recommend any dividend for the year under review.

Particulars of Deposit

Your company has not accepted any deposit from the public during the year under review.

Additional Information

Information pertaining to Section 217 (1)(e) of the Indian Companies Act 1956 are not applicable.

Information in accordance with the provisions of Section 217(2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended employed through out the year/part of the year.

There are no employees of the Company drawing remuneration above the limits specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules 1975 as amended by the Ministry of Corporate Affairs vide general Circular No. 23/2011 dated 03.05.2011

Directors' Responsibility Statement

In terms of Section 217(2AA) of the Companies Act 1956, the Directors confirm as under:

- (i) That in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) The accounting policies have been applied consistently, judgments and estimates made are responsible and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the accounting year.
- (iii) That proper and sufficient care for maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities have been made.
- (iv) That the annual accounts have been prepared on a going concern basis.

Auditors' Report

As regards auditors' observations, the notes on accounts are self explanatory and do not call for any further clarification.

Auditors

M/s G Rai & Co. Chartered Accountants Auditors of the company retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The company has received from them a Certificate to the effect their re-appointment if made, will be in accordance with the limits specified under section 224(1) (B) of the Companies Act, 1956

Acknowledgements

Your Directors wish to thank Government of India, Government of Tajikistan and EXIM Bank and other Government Bodies for their cooperation and support.

For and on behalf of the Board

DR. L.K. MALHOTRA
Chairman cum Chief Executive Officer

New Delhi
Date : July 23, 2011



AUDITORS' REPORT

TO THE SHAREHOLDERS,
CHL INTERNATIONAL

We have audited the attached Balance Sheet of M/s. CHL INTERNATIONAL, as at 31st March 2011 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:-

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of the audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books;
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3c) of Section 211 of the Companies Act, 1956;
- (v) In our opinion and to the best of our information and according to the explanations given to us, said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011.
 - (b) in case of the Profit and Loss Account, of the profit for the year ended March, 2011
 - (c) in case of Cash Flow Statement, of the cash flows for the year ended on that date.

For G. RAI & CO.
CHARTERED ACCOUNTANTS
(REGISTRATION NO. 001479N)

GULSHAN RAI
PROPRIETOR
MEMBERSHIP NO. 3921

PLACE : NEW DELHI
Date : July 23, 2011



CHL LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011 FOR CHL INTERNATIONAL

	Schedule		As at 31st March, 2011 Rs. in Lac		As At 31st March, 2010 Rs. in Lac
SOURCES OF FUNDS					
Shareholder's Funds					
Capital	1	4,718.53		3,595.94	
Reserves and Surplus	2	<u>39.87</u>	4,758.40	-	3,595.94
Loan Funds					
Secured Loans	3		<u>1,351.78</u>		-
TOTAL			<u><u>6,110.18</u></u>		<u><u>3,595.94</u></u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	4	24.35		9.72	
Less: Depreciation		<u>2.97</u>		<u>4.72</u>	
Net Block		21.38		5.00	
Capital Work in progress		<u>4,820.79</u>	4,842.17	<u>3,186.94</u>	3,191.94
Investments	5		0.31		0.11
Current Assets, Loans and advances					
Inventories	6	122.17		143.89	
Sundry Debtors		7.22		-	
Cash and Bank Balances		932.38		106.44	
Loans and Advances		<u>286.59</u>		<u>247.88</u>	
		1,348.36		498.21	
Less Current Liabilities and Provisions					
Current Liabilities		<u>80.66</u>		<u>94.32</u>	
	7	(80.66)		(94.32)	
Net current Assets			1,267.70		403.89
TOTAL			<u><u>6,110.18</u></u>		<u><u>3,595.94</u></u>
Notes to the Accounts	9		-		-

As per our report of even date attached

for **G. Rai & Co.**
Chartered Accountants
Reg. No. 001479N

Gulshan Rai
Proprietor
Membership No. 3921

New Delhi
Date : July 23, 2011

For and on behalf of the Board of Directors

Dr. L. K. MALHOTRA
Chairman cum Chief Executive Officer

GAGAN MALHOTRA
Director



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011 FOR CHL INTERNATIONAL

	Schedule	For the year ended 31st March, 2011 Rs. in Lac	For the Year ended 31st March, 2010 Rs. in Lac
INCOME			
Job Work Income		240.66	-
		<u>240.66</u>	<u>-</u>
EXPENDITURE			
Operating & General Expenses	8	200.79	-
		<u>200.79</u>	<u>-</u>
Profit /(Loss) before Tax		39.87	-
Provision for Taxes		-	-
Profit/(Loss) for the year		39.87	-
Balance carried to Balance Sheet		39.87	-

As per our report of even date attached

for G. Rai & Co.
Chartered Accountants
Reg. No. 001479N

Gulshan Rai
Proprietor
Membership No. 3921

New Delhi
Date : July 23, 2011

For and on behalf of the Board of Directors

Dr. L. K. MALHOTRA
Chairman cum Chief Executive Officer

GAGAN MALHOTRA
Director



CHL LIMITED

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2011

Cash Flow Statement for the year ended	2010-2011 (Rs. in Lac)	2009-2010 (Rs. in Lac)
A) Cash Flow From Operating Activities	39.87	-
Adjustments for		
(Increase) Decrease in Inventories	21.72	(143.89)
Increase (Decrease) in Trade Payables & Provisions	(13.66)	94.32
(Increase) Decrease in Trade & Other Receivables	(7.22)	-
(Increase) Decrease in Loans & Advances	(38.71)	(247.89)
Cash generated from Operations	2.00	(297.46)
Net Cash from Operating Activities (A)	2.00	(297.46)
B) Cash Flow from Investing Activities		
Purchase of Fixed Assets/CWIP	(1,650.22)	(3191.94)
Sale of Fixed Assets	-	-
Inter-corporate Deposit	-	-
Capital employed	1,122.59	3595.94
Purchase of Investment	(0.20)	(0.10)
Net Cash used in Investing Activities (B)	(527.83)	403.90
C) Cash Flow from Financing Activities		
Term Loan Raised	1,351.77	-
Net Cash From Financing Activities (C)	1,351.77	-
Net increase/ decrease in cash and cash equivalents (A+B+C)	825.94	106.44
Cash & Cash Equivalent (Opening Balance)	106.44	-
Cash & Cash Equivalent (Closing Balance)	932.38	106.44

Note :

- The above cash flow statement has been prepared under indirect method as set out in Accounting Standard (AS-3) and is based on the Balance Sheet as at 31st March 2011 and the related Profit and Loss Account for the year ended on that date.
- Previous year figures has been regrouped and rearranged wherever necessary in order to confirm to this year's presentation

As per our report of even date attached

for G. Rai & Co.
Chartered Accountants
Reg. No. 001479N

Gulshan Rai
Proprietor
Membership No. 3921

New Delhi
Date : July 23, 2011

For and on behalf of the Board of Directors

Dr. L. K. MALHOTRA
Chairman cum Chief Executive Officer

GAGAN MALHOTRA
Director



**SCHEDULE 1 TO 7 - ANNEXURE TO AND FORMING PART OF THE
BALANCE SHEET AS AT 31ST MARCH, 2011 FOR CHL INTERNATIONAL**

	As at 31st March, 2011 Rs. in Lac	As at 31st March, 2010 Rs. in Lac
SCHEDULE - 1 SHARE CAPITAL		
Authorised		
484200 Equity Shares of Somoni 100/- each	<u>5,189.03</u>	<u>2,787.45</u>
Issued, Subscribed and Paid up		
4842000 Equity Shares of Somoni 100/- each (Previous Year 250000 shares)	<u>5,189.03</u>	<u>2,787.45</u>
Less Calls in Arrear	<u>(470.50)</u>	
Share Application Money pending Capitalisation	<u>-</u>	<u>808.49</u>
	<u>4,718.53</u>	<u>3,595.94</u>

SCHEDULE - 2 RESERVES & SURPLUS

PROFIT & LOSS ACCOUNT	<u>39.87</u>	<u>-</u>
TOTAL	<u>39.87</u>	<u>-</u>

SCHEDULE - 3 LOAN FUNDS

SECURED LOANS

Term Loan from EXIM Bank	<u>1,351.78</u>	<u>-</u>
	<u>1,351.78</u>	<u>-</u>
	<u>1,351.78</u>	<u>-</u>

Notes :

- Term Loan is secured by first & exclusive charge over entire present & future Fixed Assets and current assets of the company.

SCHEDULE - 4 FIXED ASSETS (Figures in Lac Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2010	Additions during the year	Sales/ Transfer	As at 31.03.2011	As on 01.04.2010	During the year	Adjust- ments/ Transfer	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
Vehicles	9.72	21.91	7.28	24.35	4.72	1.88	3.63	2.97	21.38	5.00
TOTAL - Current Year	9.72	21.91	7.28	24.35	4.72	1.88	3.63	2.97	21.38	5.00
Capital Work in Progress									4,820.79	3,186.94
									4,842.17	3,186.94

	As at 31st March, 2011 Rs. in Lac	As at 31st March, 2010 Rs. in Lac
SCHEDULE - 5 INVESTMENTS (AT COST)		
LONG TERM INVESTMENTS		
Electricity Board	0.31	0.11
	<u>0.31</u>	<u>0.11</u>
SCHEDULE - 6 CURRENT ASSETS LOANS & ADVANCES:		
A. Current Assets		
I. Inventories (at cost or realisation value whichever is lower and as certified by the Management)		
	122.17	143.89
	122.17	143.89
II. SUNDRY DEBTORS		
(Unsecured considered Good)		
i) Outstanding for over Six Months	-	-
ii) Others	7.22	-
	7.22	-
III. CASH AND BANK BALANCES		
i) Cash & Cheques on Hand	4.68	15.15
ii) Scheduled Banks		
a) In current Accounts	927.70	91.29
	932.38	106.44
B. LOANS AND ADVANCES		
(Unsecured-considered good)		
Advances recoverable in cash or kind or for value to be received considered good	100.76	67.56
Other advances	12.74	72.74
Security Deposits	33.74	-
Taxes Recoverable	139.35	247.88
	286.59	107.58
	1,348.36	498.21



CHL LIMITED

	As at 31st March, 2011 Rs. in Lac	As at 31st March, 2010 Rs. in Lac
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SCHEDULE - 7 CURRENT LIABILITIES AND PROVISIONS

A CURRENT LIABILITIES

Sundry Creditors	<u>80.66</u>	<u>94.32</u>
	80.66	94.32
	<u>80.66</u>	<u>94.32</u>

SCHEDULE - 8 OPERATING AND GENERAL EXPENSES:

Material Used in Job work

Hire Charges - Varzob	1.60	-
Material Used	14.75	-
Steel Used	2.77	-
Machinery Used	1.70	-
Water Proofing Charges	21.46	-
Sub Contractors Payments	149.31	-
Conveyance Versob	0.07	-
Salaries & Wages	9.13	-
	<u>200.79</u>	<u>-</u>

SCHEDULE - 9 NOTES TO ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES

Annexed to and forming part of the Statement of Accounts for the year ended 31st March 2011

A) BASIS OF ACCOUNTING

- i. Financial statements are prepared under the historical cost convention, on accrual basis of accounting (except where otherwise stated hereinafter) in accordance with the accounting principles generally accepted in India and in compliance with the provisions of Companies Act, 1956 (Act), and comply with the mandatory accounting standards specified in Companies (Accounting Standard) Rules 2006, prescribed by the Central Government.
- ii. The preparation of financial statements, in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

B) FIXED ASSETS AND DEPRECIATION

1. Fixed assets are stated at cost, less depreciation/amortization and impairment losses if any. Cost includes all expenditure necessary to bring the assets to its working condition for its intended use.
2. Capital work in progress comprises of advances to suppliers/service providers and expenditure on construction / installation where the fixed asset is not ready for its intended use as at the balance sheet date.
3. Expenditure pending capitalization comprises of expenditure not directly allocable to any fixed asset, and preoperative expenses incurred till commencement of commercial operation. It is apportioned amongst fixed assets, in the ratio of their cost.
4. Depreciation is provided on written down method basis in accordance with the provisions of section 205 (2) (b) of the Act, in the manner and at the rates specified in Schedule XIV of the said Act.

C) BORROWING COST

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

D) FOREIGN CURRENCY TRANSACTION

1. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.
2. Monetary items denominated in foreign currencies at the year end are restated at year end rates.
3. Non monetary foreign currency items are stated at cost.

E) INVESTMENTS

Long term investments are carried at cost. However, provision is made to recognize a decline, other than temporary, in the value of long term investments.

Current investments are carried at lower of cost and fair value, determined on an individual basis.

F) CURRENT ASSETS

Inventories are valued at lower of cost and estimated net realizable value after providing for cost of obsolescence and other anticipated loss wherever considered necessary, if material. Cost is determined by using the first in first out (FIFO) basis.

G) EMPLOYEES BENEFITS

The Company makes contribution to social fund, in accordance with the applicable law and as regulated by the Government of Tajikistan.

H) CONTINGENT LIABILITIES

Contingent Liabilities are disclosed after careful examination of the facts and legal aspects of the matter involved.



II. NOTES ON ACCOUNTS

1. The company is incorporated in and operates under the applicable laws of the Republic of Tajikistan.
2. The company is engaged in the construction of the hotel cum commercial complex. At Dushanbe, Capital of Republic of Tajikistan.
3. The government of Tajikistan has allotted land to the company for construction of Hotel cum Commercial complex and for use for a period of 10 years which expires in November 2012. The period of allotment is renewable every 10 years but not more than 100 years.
4. Basis of Preparation and Translation into Indian Rupees
 - (i) These financial statements have been prepared for the purpose of compliance with the provisions of Section 211 and Section 212 of the Indian Companies Act, 1956 and have been translated to Indian Rupees (Rs.) in accordance with Accounting Standard-11 issued by ICAI on 'The Effects of Changes in Foreign Exchange Rates'. The functional currency of the Company is Somoni.
 - (ii) The translation of foreign currency into rupees has been carried out for assets and liabilities (both monetary and non-monetary items) using the rate of exchange prevailing on the balance sheet date.
5. Contingent liabilities not provided for in respect of **(Rs. in lacs)**
 - i) Demands / Claims not acknowledged as debt or which are under litigation 325.00
 - ii) Bank Guarantees furnished NIL
 - iii) Disputed demands for taxes duties and other levies pending adjudication in appeal NIL

Estimated amount of contracts remaining to be executed on capital account, net of advances is Rs. 562.55 Lacs.
6. Deferred Tax:

Deferred tax liability/asset is not recognized since there are no timing differences between the carrying amount of assets and liabilities and their respective tax bases.
7. The balances with the banks in Dushanbe and Dubai are subject to confirmation.
8. In the opinion of the management, the assets of the company have a value on realization, in the normal course of business, at least equal to the amounts stated in the balance sheet.
9. Related parties disclosures
 - i. Relationships during the year
 - a) Holding Company : CHL Ltd. India

Summary of significant related party transactions (as identified by the management) carried out in ordinary course of business are as follows:

Holding Company

 - a) Receivable against share allotment Rs. 416.12 Lacs
 - b) Shares allotted during the year Rs. 1287.87 Lacs.
10. Other disclosures requirements of schedule VI with the Companies Act 1956 are not applicable to the Company.
11. Previous year's figures have been regrouped and rearranged wherever necessary to make it comparable with the Current year figures. All figures have been rounded off to nearest lac rupee.

Signatures to Schedule 1 to 9.

For and on behalf of the Board of Directors

New Delhi
Date : July 23, 2011

GAGAN MALHOTRA
Director

Dr. L. K. MALHOTRA
Chairman cum Chief Executive Officer

AUDITORS'REPORT

TO THE BOARD OF DIRECTORS OF CHL LIMITED

1. We have audited the attached Consolidated Balance Sheet of CHL Limited (the Company) and its subsidiary as at March 31, 2011, the Profit and Loss Account for the year ended on that date annexed thereto, and the Consolidated Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The Financial Statement of the Subsidiary, audited by us, which has not commenced commercial operations, reflects a net assets of Rs.6110 lacs as at 31-03-2011.
4. We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard 21, (Consolidated Financial Statements), as notified under the Companies (Accounting Standards) Rules 2006.
5. On the basis of the information and explanations given to us and on consideration of the separate audit reports on individual audited financial statements of the Company and its subsidiary, in our opinion, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Company and its subsidiary as at March 31, 2011;
 - (b) in the case of the Profit and Loss Account, of the results of operations of the Company and its subsidiary for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Company and its subsidiary for the year ended on that date.

For G. RAI & CO.
CHARTERED ACCOUNTANTS
(REGISTRATION NO. 001479N)

GULSHAN RAI
PROPRIETOR
MEMBERSHIP NO. 3921

PLACE : NEW DELHI

Date : July 23, 2011



CHL LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	As at 31st March, 2011 Rs. in Lac		As at 31st March, 2010 Rs. in Lac	
SOURCES OF FUNDS					
Shareholder's Funds					
Capital	1	1,096.37		1,096.37	
Reserves and Surplus	2	<u>7,232.47</u>	8,328.84	<u>6,692.32</u>	7,788.69
Minority Interest			1,502.33		778.63
Loan Funds					
Secured Loans	3		5,618.72		2,995.87
Deferred Tax Liabilities			441.95		556.14
Security deposit			207.20		211.11
TOTAL			<u>16,099.04</u>		<u>12,330.44</u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	4	9,629.53		9,011.35	
Less: Depreciation		<u>3,983.17</u>		<u>3,762.95</u>	
Net Block		5,646.36		5,248.40	
Capital Work in progress		<u>5,134.91</u>	10,781.27	<u>3,308.74</u>	8,557.14
Investments	5		315.80		165.93
Current Assets, Loans and advances					
Inventories	6	497.96		455.96	
Sundry Debtors		538.38		579.41	
Cash and Bank Balances		3,546.35		2,309.32	
Loans and Advances		<u>1,604.63</u>		<u>1,502.01</u>	
		6,187.32		4,846.70	
Less Current Liabilities and Provisions					
Current Liabilities		908.04		871.16	
Provisions		<u>277.31</u>		<u>368.17</u>	
	7	(1,185.35)		(1,239.33)	
Net current Assets			5,001.97		3,607.37
TOTAL			<u>16,099.04</u>		<u>12,330.44</u>
Notes to the Accounts	16		-		-

As per our report of even date attached

for G. Rai & Co.
Chartered Accountants
Reg. No. 001479N

Gulshan Rai
Proprietor
Membership No. 3921

New Delhi
Date : July 23, 2011

For and on behalf of the Board of Directors

O.P. BAJAJ
Director

N.K. GOEL
Vice President Finance

Dr. L. K. MALHOTRA
Chairman & Managing Director

G. J. VARADARAJAN
Company Secretary



CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	For the year ended 31st March, 2011 Rs. in Lac	For the Year ended 31st March, 2010 Rs. in Lac
INCOME			
Rooms, Food, Beverage, Smokes & Other Services	8	6,561.03	7,036.97
Other Income	9	615.59	368.81
		<u>7,176.62</u>	<u>7,405.78</u>
EXPENDITURE			
Consumption of Provisions, Wines & Smokes	10	757.76	707.62
Payment to and provision for employees	11	1,429.97	1,456.75
Operating & General Expenses	12	2,560.59	2,269.46
Selling Expenses	13	293.25	437.17
Financial Expenses	14	436.35	381.05
		<u>5,477.92</u>	<u>5,252.05</u>
Profit before depreciation , Provision for Taxation & Deferred Revenue Expenditure		1,698.70	2,153.73
Depreciation		431.26	421.12
Deferred Revenue Expenditure		-	1.40
Profit /(Loss) before Tax		1,267.44	1,731.21
Provision for Taxes	15	338.49	589.28
Profit/(Loss) for the year		928.95	1,141.93
Adjustment of last year's provision		(5.26)	1.50
Profit and (Loss) brought from last year		3,881.38	3,422.76
Profit/(Loss) available for appropriation		4,805.07	4,566.19
APPROPRIATIONS			
Transferred to General Reserve		130.00	300.00
Proposed & Interim Dividend		328.91	328.91
Income Tax on Interim & Proposed Dividend		54.63	55.90
Balance carried to Balance Sheet		4,291.53	3,881.38
Earnings Per Share		Rs.	Rs.
Basic/Diluted earnings per share		8.36	10.42
Face value per share		10	10

As per our report of even date attached

for G. Rai & Co.
Chartered Accountants
Reg. No. 001479N

Gulshan Rai
Proprietor
Membership No. 3921

New Delhi
Date : July 23, 2011

For and on behalf of the Board of Directors

O.P. BAJAJ
Director

N.K. GOEL
Vice President Finance

Dr. L. K. MALHOTRA
Chairman & Managing Director

G. J. VARADARAJAN
Company Secretary



CHL LIMITED

CASH FLOW STATEMENT ANNEXED TO THE CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2011

Cash Flow Statement for the year ended	31st March, 2011 (Rs. in Lac)	31st March, 2010 (Rs. in Lac)
A) Cash Flow From Operating Activities		
Net Profit before Tax & Extraordinary Items	1,267.44	1,731.20
Adjustments for		
Depreciation	431.26	421.12
Dividend Income	(0.91)	(0.01)
Bad Debts	170.27	-
Misc. Expense Written off	-	1.40
Loss on Sale of Assets	0.59	-
Scrapped/Discarded Assets written off	115.30	-
Profit / Loss on Investment	1.00	(30.67)
Interest Expenditure	436.35	381.04
Interest Received	(307.76)	(268.77)
Operating Profit before Working Capital Changes	2,113.54	2,235.31
Adjustments for		
(Increase) Decrease in Inventories	(42.00)	(122.69)
Increase (Decrease) in Trade Payables	(4.00)	(17.30)
(Increase) Decrease in Trade & Other Receivables	(49.99)	(119.86)
(Increase) Decrease in Loans & Advances	316.24	(414.11)
Cash generated from Operations	2,340.71	1,561.35
Income Tax (Paid)/Refund	(529.53)	(552.13)
Net Cash from Operating Activities (A)	1,804.26	1,009.22
B) Cash Flow from Investing Activities		
Purchase of Fixed Assets	(2,772.24)	(3,268.47)
Sale of Fixed Assets	0.98	
Purchase of Investment	(150.87)	(0.20)
Investment in subsidiary	(472.86)	1,989.66
Sale of Investments	-	143.67
Interest Received	307.76	268.77
Dividend Received	0.91	0.01
Net Cash used in Investing Activities(B)	(3,086.32)	(866.56)
C) Cash Flow from Financing Activities		
Interest Paid	(436.35)	(381.04)
Increase Decrease in Security Deposit	(3.91)	(6.57)
Dividend Paid	(331.92)	(334.86)
Dividend Tax Paid	(55.27)	(55.90)
Proceed of Minority Interest Capital	723.70	778.63
Increase/(Decrease) in long term Borrowing	2,231.17	(354.00)
Increase in Short term Loan	391.67	302.28
Net Cash used in Financing Activities (C)	2,519.09	(51.46)
Net increase/ decrease in cash and cash equivalents (A+B+C)	1,237.03	91.20
Cash & Cash Equivalent (Opening balance)	2,309.32	2,218.12
Cash & Cash Equivalent (closing balance)	3,546.35	2,309.32

Note :

- The above cash flow statement has been prepared under indirect method as set out in Accounting Standard (AS-3) and is based on the Balance Sheet as at 31st March 2011 and the related Profit and Loss Account for the year ended on that date.
- Previous year figures has been regrouped and rearranged wherever necessary in order to confirm to this year's presentation

As per our report of even date attached

For and on behalf of the Board of Directors

for G. Rai & Co.
Chartered Accountants
Reg. No. 001479N

O.P. BAJAJ
Director

Dr. L. K. MALHOTRA
Chairman & Managing Director

Gulshan Rai
Proprietor
Membership No. 3921

N.K. GOEL
Vice President Finance

G. J. VARADARAJAN
Company Secretary

New Delhi
Date : July 23, 2011



**SCHEDULE 1 TO 16 - ANNEXURE TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011**

	As at 31st March, 2011 Rs. in Lac	As at 31st March, 2010 Rs. in Lac
SCHEDULE - 1 SHARE CAPITAL		
Authorised		
3,00,00,000 Equity Shares of Rs. 10/- each (Previous Year 3,00,00,000)	3,000.00	3,000.00
	3,000.00	3,000.00
Issued, Subscribed and Paid up		
1,09,63,658 Equity Shares of Rs. 10/- each (Previous Year 1,09,63,658)	1,096.37	1,096.37
	1,096.37	1,096.37

SCHEDULE - 2 RESERVES AND SURPLUS

CAPITAL RESERVE

As per last Balance Sheet 0.94 0.94

CAPITAL REDEMPTION RESERVE

As per last Balance Sheet 110.00 110.00

GENERAL RESERVE

As per last Balance Sheet 2,700.00 2,400.00

Add Transferred from Profit & Loss Account 130.00 2,830.00 300.00 2,700.00

PROFIT & LOSS ACCOUNT **4,291.53** **3,881.38**

TOTAL **7,232.47** **6,692.32**

SCHEDULE - 3 LOAN FUNDS

SECURED LOANS

Term Loan 4,159.28 1,956.20

Hire Purchase Loan 103.39 75.29

Overdraft from Banks 1,356.05 964.38

5,618.72 2,995.87

5,618.72 2,995.87

Notes :

- Term Loan of Rs. 1674.17 lacs (Previous Year Rs. 303.42 lacs) Is secured by pari passu charge over entire present & future Fixed Assets of the company and Rs. 1133.33 lacs (Previous Year 1652.78 lacs) is secured by paripassu charge over entire fixed assets and exclusive charge on current assets. (Repayable in one year Rs. 976.67 lacs , Previous Year Rs. 861.11 lacs). Term Loan of Rs. 1351.78 lacs (Previous Year NIL) is secured by exclusive charge on entire fixed assets and current assets of subsidiary and second charge over fixed assets of the parent company.
- Hire purchase loans are against hypothecation of vehicles. (Repayable in one year Rs. 34.22 lacs, Previous year Rs. 45.45 lacs)
- Overdraft facility is against pledge of fixed deposit aggregating to Rs.2466.84 lacs (Previous Year Rs. 1856.84 lacs)

SCHEDULE - 4 FIXED ASSETS (Figures in Lac Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2010	Additions during the year	Sales/Transfer	As at 31.03.2011	As on 01.04.2010	During the year	Adjustments/Transfer	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
Land (Leasehold)	599.31	-	-	599.31	-	-	-	-	599.31	599.31
Land & Building (Noida)	237.28	3.20	-	240.48	-	-	-	-	240.48	237.28
Building	2,883.24	279.41	84.05	3,078.60	570.24	48.88	33.13	585.99	2,492.61	2,313.00
Plant & Machinery	3,215.00	383.27	114.60	3,483.67	2,065.52	188.46	74.66	2,179.32	1,304.35	1,149.48
Plant & Machinery (Noida)	90.90	-	-	90.90	-	-	-	-	90.90	90.90
Furniture, Fixture & Fitting	1,108.44	134.06	110.34	1,132.16	783.55	100.31	91.81	792.05	340.11	324.89
Office & Other Equipment	94.20	4.04	4.30	93.94	18.48	4.87	1.31	22.04	71.90	75.72
Computers	159.44	21.90	8.90	172.44	68.39	26.13	5.98	88.54	83.90	91.05
Vehicles	623.54	124.69	10.20	738.03	255.73	64.49	4.99	315.23	422.80	367.81
TOTAL - Current Year	9,011.35	950.57	332.39	9,629.53	3,761.91	433.14	211.88	3,983.17	5,646.36	5,249.44
Previous Year	8,837.48	164.15	-	9,001.63	3,336.07	421.12	-	3,757.19	5,134.91	3,308.74
Capital Work in Progress										
TOTAL					TOTAL				10,781.27	8,558.18

	As at 31st March, 2011 Rs. in Lac	As at 31st March, 2010 Rs. in Lac		
SCHEDULE - 5 INVESTMENTS (AT COST)				
LONG TERM INVESTMENTS				
In Equity Shares (Quoted & Fully Paid)				
500 Advani Hotels & Resorts (India) Ltd. Of Rs.2/- each (Previous Year 500)	0.01	0.01		
25 Asian Hotel (East) Ltd. Of Rs.10/- each (Previous Year NIL)	0.01	0.01		
25 Asian Hotel (North) Ltd. Of Rs.10/- each (Previous Year NIL)	0.01	0.01		
25 Asian Hotel (West) Ltd. Of Rs.10/- each (Previous Year NIL)	0.01	0.01		
50 EIH Associate Hotels Ltd. Of Rs.10/- each (Previous Year 50)	0.01	0.01		
75 EIH Ltd. Of Rs.2/- each (Previous Year 75)	0.02	0.02		
50000 Essar Steel Ltd of Rs. 10/- each (Previous Year 50000)	21.63	21.63		
250 Hotel Leela Venture Ltd. Of Rs.2/- each (Previous Year 250)	0.01	0.01		
100 Indian Hotel Ltd. Of Rs.1/- each (Previous Year 100)	0.01	0.01		
15 ITC Ltd. Of Rs.1/- each (Previous Year 15)	0.01	0.01		
15 Jaiprakash Associates Ltd.of Rs. 2/- each (Previous Year 15)	0.01	0.01		
5000 Morepen Laboratories Ltd. of Rs. 2/- each (Previous Year 5000)	0.75	0.75		
100000 Penta Media Graphics Ltd. of Rs. 1/- each (Previous Year 100000)	1.00	1.00		
28800 Reliance Power Ltd. Of Rs.10/-each (Previous Year 28800)	62.77	62.77		
100 Royal Manor Hotels & Industries Ltd. Of Rs.10/- each (Previous Year 100)	-	-		
100 Sayaji Hotel Ltd. Of Rs.10/- each (Previous Year 100)	0.01	0.01		
259984 HB Estate Developers Ltd of Rs. 10/- each (Previous Year NIL)	150.67	-		
10 Taj GVK Hotels & Resorts Ltd of Rs.2/- each (Previous Year 10)	0.02	0.02		
	236.96	86.29		
In Equity Shares (Unquoted & Fully Paid)				
150 Bharat Hotel Ltd. Of Rs.10/- each (Previous Year 150)	0.01	0.01		
100 KMAHP Pvt Ltd. Of Rs.10 each (Previous Year 100)	0.01	0.01		
1000 Jagriti Hydro Power Pvt Ltd Of Rs.10/- each (Previous Year Nil)	0.10	0.10		
324500 Jaipur Stock Exchange of Rs. 10/- each (Previous Year 324500)	58.41	58.41		
10 Tajikistan Electricity Board Certificate of Somoni 100/= each	0.31	0.11		
	58.84	58.64		
In Equity Shares (Unquoted, Fully Paid up) Associate Companies				
100000 CHL (South) Hotels Ltd of Rs.10/- each (Previous Year 100000)	10.00	10.00		
CHL Biotech Pvt Ltd of Rs.10/= each (Previous Year 10000)	-	1.00		
	10.00	11.00		
In Mutual Funds				
In Units/Mutual Funds (NAV Quoted and Fully Paid)				
100000 Osian Art Fund	10.00	10.00		
	10.00	10.00		
TOTAL	315.80	165.93		
	Book Value	Market Value	Book Value	Market Value
AGGREGATE VALUE OF Quoted Investments	246.96	193.03	96.29	72.89
Purchase and sale/Redemption during the year				
	Sales		Purchase	
	No.	Value	No.	Cost
Mutual Fund Redemption during the year	NIL	NIL	NIL	NIL
Quoted Shares sale during the year	NIL	NIL	2.60	150.67

**CHL LIMITED**

As at
31st March, 2011
Rs. in Lac

As at
31st March, 2010
Rs. in Lac

SCHEDULE - 6 CURRENT ASSETS, LOANS & ADVANCES**A. Current Assets****I. Inventories (at cost or realisation value whichever**

is lower and as certified by the Management)

i) Chinaware, Glassware, Silverware ,Linen etc	134.07		118.50	
ii) Kitchen Accessories	82.53		71.26	
iii) Provision, Food, Beverages etc.	99.22		86.63	
iv) General Stores and Spares	59.97		35.68	
v) Construction Material at site	122.17	497.96	<u>143.89</u>	455.96

II. SUNDRY DEBTORS

(Unsecured considered Good)

i) Outstanding for over Six Months	17.40		21.44	
ii) Outstanding over Six Months (Doubtful)	-		80.96	
ii) Others	520.98	538.38	<u>477.01</u>	579.41

III. CASH AND BANK BALANCES

i) Cash & Cheques on Hand	30.09		297.15	
ii) Scheduled Banks				
a) In current Accounts	1,010.67		138.70	
b) In fixed deposits Accounts	2,505.59	3,546.35	<u>1,873.47</u>	2,309.32

B. LOANS AND ADVANCES

(Unsecured-considered good)

Advances recoverable in cash or kind or for value to be received considered good

Other advances	1,041.88		1,040.09	
Security Deposits	64.54		26.09	
Prepaid Expenses	118.73		114.37	
Tax Refundable	379.48	1,604.63	<u>321.46</u>	1,502.01

6,187.32

4,846.70

SCHEDULE - 7 CURRENT LIABILITIES AND PROVISIONS**A CURRENT LIABILITIES**

Sundry Creditors	884.34		844.45	
Unclaimed Dividend	23.70	908.04	<u>26.71</u>	871.16

B PROVISIONS

i) Provision for Taxation	-		46.34	
ii) Proposed Dividend	164.45		164.45	
iii) Income Tax on Proposed Dividend	27.32		27.95	
iv) Provision for Employee Benefits	85.54	277.31	<u>129.43</u>	368.17
		1,185.35	<u>1,239.33</u>	

For the year ended
31st March, 2011
Rs. in Lac

For the year ended
31st March, 2010
Rs. in Lac

SCHEDULE - 8 INCOME FROM ROOMS, FOOD, BEVERAGE, SMOKES & OTHER SERVICES

Rooms	3,486.53	3,880.46
Food, Beverage & Smokes	1,851.94	1,867.34
Wine & Liquor	388.36	336.99
Licence Fee	499.38	544.58
Telex & Telephones	59.40	131.49
Health Club & Beauty Parlour	86.78	106.56
Other Services	188.64	169.55
	<u>6,561.03</u>	<u>7,036.97</u>

SCHEDULE-9 OTHER INCOME

Interest earned	307.76	268.77
Dividend Income	0.91	0.01
Scrap & Other Income	48.63	57.10
Profit on Sale of Investment	-	30.68
Excess Provisions & Miscellaneous Income	17.63	12.25
Job Work Income	240.66	-
	<u>615.59</u>	<u>368.81</u>

SCHEDULE-10 CONSUMPTION OF PROVISIONS, WINES AND SMOKES

A. PROVISIONS, BEVERAGES & SMOKES

Opening Stock	24.94		22.60	
Add: Purchases	610.97		578.56	
	<u>635.91</u>		<u>601.16</u>	
Less : Closing stock	28.71	607.20	24.94	576.22

B. WINE & LIQUOR

Opening Stock	61.69		82.35	
Add: Purchases	159.38		110.74	
	<u>221.07</u>		<u>193.09</u>	
Less : Closing Stock	70.51	150.56	61.69	131.40
		<u>757.76</u>		<u>707.62</u>

SCHEDULE-11 PAYMENT OT AND PROVISION FOR EMPLOYEES

Salaries, Wages, Stipend & Bonus	1,185.35	1,199.61
Contribution to Provident, Gratuity & Other Funds	119.25	126.67
Employees Welfare Expenses	125.37	130.47
	<u>1,429.97</u>	<u>1,456.75</u>

	For the year ended 31st March, 2011 Rs. in Lac	For the year ended 31st March, 2010 Rs. in Lac
SCHEDULE - 14 FINANCIAL EXPENSES		
Interest on Term Loan	306.01	209.53
Interest on working capital & others	121.54	159.51
Bank & Financial Charges	8.80	12.01
	<u>436.35</u>	<u>381.05</u>

SCHEDULE - 15 PROVISION FOR TAXES

- Provision for Income Tax	450.00	594.57
- Provision for Wealth Tax	2.68	2.58
- Provision for Deferred Tax	(114.19)	(7.87)
Total Provision	<u>338.49</u>	<u>589.28</u>



SCHEDULE - 16 NOTES TO ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES

Annexed to and forming part of the consolidated financial statement for the year ended 31st March 2011.

A) Convention

The consolidated financial statements comprise the individual financial statements of CHL Ltd. (the Company) and its subsidiary as on 31st March 2011 and for the year ended on that date. The consolidated financial statements have been prepared on the following basis:

The financial statement of the company and its subsidiary have been combined on a line to line basis by adding together the book values of like items of assets, liabilities, Income and expenses, after eliminating intra group balances and intra group transactions and unrealized profits or losses as per Accounting Standard 21 on "Consolidated Financial Statement" as notified by the Companies (Accounting Standards) Rules 2006.

B) The Financial Statement of the subsidiary, in the consolidation are drawn up to the same reporting date as the company i.e. March 31, 2011.

C) Minority Interest in the net assets of Subsidiary consists of:

- i) The amount of equity attributable to the minority at the date on which investment in Subsidiary is made and
- ii) The minority's share movements in equity since the date the parent-subsidiary relationship came into existence.

D) The financial statements of CHL International, the only subsidiary of the Company in which the company holds ownership interest of 70% have been consolidated.

E) The preparation of financial statement requires the management of the company to make estimates and assumptions that effect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and the reported amount of income and expenses during the year. The example of such estimates include provision for doubtful debt, employees benefit, provisions for income tax, useful life of depreciable fixed assets and provision for impairment.

F) Fixed Assets

1. Fixed assets are stated at cost, less depreciation/amortization and impairment losses if any. Cost includes all expenditure necessary to bring the assets to its working condition for its intended use. Capital work in progress comprises of advances to suppliers/service providers and incidental expenditure where the fixed asset is not ready for its intended use as at the balance sheet date. In the case of new undertaking, preoperative expenses are capitalized upon the commencement of commercial operation.
2. Cost of asset(s) replaced but still usable is not reduced from the cost of the asset(s) till it is sold / discarded. If the cost of the asset(s), discarded / sold is not ascertainable, cost of replacement of such asset(s), (discounted as per "indexed cost formula" prescribed under Income Tax Act, 1961) is taken as the cost of such asset(s) for the purpose of deduction from the cost.
3. Expenses on complete renovation / rebuilding of an existing asset resulting in substantial increase in useful life are capitalized. Residual value of the original asset, renovated or rebuilt is reduced from the cost, if material.

G) Depreciation

1. In case of the company is provided on straight line method basis and in case of the subsidiary on written down method basis in accordance with the provisions of section 205 (2) (b) of the Act, in the manner and at the rates specified in Schedule XIV of the said Act.
2. Intangible Assets are depreciated on straight line method over the useful life thereof, which is taken as three years.

H) IMPAIRMENT OF ASSETS

The carrying amounts of the asset(s) are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and, where carrying amounts exceed the recoverable amount, the assets are written down to their recoverable amount.

I) INTANGIBLE ASSETS

Accounting treatment of intangible assets like computer software is made in accordance with AS-26.

J) ASSETS ON LEASE

Accounting treatment of assets taken on lease is being made in accordance with AS-19.

K) BORROWING COST

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

L) FOREIGN CURRENCY TRANSACTION

1. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.
2. Monetary items denominated in foreign currencies at the year end are restated at year end rates.
3. Non monetary foreign currency items are stated at cost.
4. Any income or expense on account of exchange difference either on settlement or on translation is recognized as revenue except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets or where the amount of difference is not material.

M) INVESTMENTS

Long term investments are carried at cost. However, provision is made to recognize a decline, other than temporary, in the value of long term investments.

Current investments are carried at lower of cost and fair value, determined on an individual basis.

N) CURRENT ASSETS

Inventories are valued at lower of cost and estimated net realizable value after providing for cost of obsolescence and other anticipated loss wherever considered necessary, if material. Cost is determined by using the first in first out (FIFO) basis.

Linen, Glassware, Chinaware etc. issued to rooms and outlets are treated as replacement of old/worn out items and charged to Profit & Loss Account and items in use at the close of the year are included in inventories.

O) RETIREMENT AND OTHER EMPLOYEES BENEFITS

The company has classified various benefits to employees under “Defined Contribution Plan and Defined Benefit Plan”.

i. Defined Contribution Plan

- a) Contributions payable by the company to the concern Government Authorities in respect to Provident Fund, Family Pension Fund and Employees State Insurance are charged to the Profit and Loss Account on accrual basis.
- b) Gratuity liability as on the Balance Sheet date is determined by the insurance company with whom the company has taken a group gratuity policy, on the basis of actuarial valuation using projected unit credit method and such liability has been provided in these accounts.

ii. Defined Benefit Plan

Short term compensated absences are recognized as expense, at the undiscounted amount, in Profit and Loss Account of the year in which they are incurred.

Long term compensated absences are provided for based on the actuarial valuation as per projected unit credit method, as at the Balance Sheet date.

Actuarial gains and losses are immediately taken to Profit and Loss Account as income or expenses without resorting to any amortization.

6. In the opinion of the management, the assets of the company have a value on realization, in the normal course of business, at least equal to the amounts stated in the balance sheet.
7. The fixed deposits consist of Rs. 3.05 Lacs pledged with Statutory Authorities and Rs. 2466.84 Lacs with banks against overdraft facility.
8. Lease Rental for Jaipur Land has not been provided for the year.
9. The Company has given corporate guarantee in favour of Export Import Bank of India against term loan US\$18.00mn granted by the bank to subsidiary.
10. EMPLOYEES BENEFITS

Defined Contribution Plans

Company's contributions in respect of provident fund, family pension fund, employees state insurance and gratuity are included in "contributions to provident, gratuity and other funds in Schedule 11 hereof.

Defined Benefit Plans

In accordance with Accounting Standard 15, Company's liability for compensated absences (on account of leave encashment benefit) on actuarial valuation was performed based on following assumption.

I. Assumptions	2010-2011	2009-2010
Discount Rate	8.00 %	8.00 %
Rate of increase in Compensation levels	6.00 %	6.00 %
Superannuation age	58 yrs	58 yrs
Mortality		LIC (1994-96) Ultimate
 II. Table Showing Change in Benefit Obligation :		
Projected Benefit Obligations (PBO) at the beginning of the year	80.49	88.38
Interest Cost	6.12	6.79
Service Cost	8.28	8.34
Benefits paid	(7.93)	(6.96)
Actuarial (gain) loss on obligations	(23.07)	(16.06)
PBO at the end of the year	63.89	80.49
 III. Tables of Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contributions/Transfers	7.93	6.96
Benefits paid	(7.93)	(6.96)
Gain / (loss) on Plan Assets	-	-
Fair Value of Plan Assets at the end of the year	-	-
 IV. Tables of change in Plan Assets		
Fair Value of Plan Assets at the beginning of the year	-	-
Actual return on Plan Assets	-	-
Contributions/Transfers	7.93	6.96
Benefits paid	(7.93)	(6.96)
Fair value of Plan Assets at the end of the year	-	-
Excess of actual over expected return on Plan Assets	-	-
 V. Funded Status	 (63.89)	 (80.49)
 VI. Limits of Corridor not considered since total actuarial gain/loss is being recognized		
Actuarial gain/(loss) for the year – Obligation	23.07	16.06
Actuarial gain (loss) for the year - Plan Assets	-	-
Sub-Total	23.07	16.06
Actuarial (gain)/loss recognized	(23.07)	(16.06)
Unrecognized actuarial gains (losses) at the end of the year	-	-



CHL LIMITED

VII. The Amounts to be recognized in Balance Sheet and Income Statement and the related analysis

Present Value of Obligation	63.89	80.49\
Fair value of Plan Assets	-	-
Difference	63.89	80.49
Unrecognised Actuarial gains (losses)	-	-
Unrecognised Transitional Liability	-	-
Liability Recognised in Balance Sheet	63.89	80.49

VIII. Net Periodic Cost

Current Service Cost	8.28	8.34
Interest Cost	6.12	6.79
Expected Return on Plan Assets	-	-
Net Actuarial (gain) loss recognised in the year	(23.07)	18.55
Expenses Recognised in the Income Statement	(8.67)	(0.92)

IX. Movements in the liability recognised in the Balance Sheet:

Opening Net Liability	80.49	88.38
Expense as above	(8.67)	(0.92)
Contributions/Transfers	(7.93)	(6.96)
Closing Net Liability	63.89	80.49

11. AS-17 on Segment Reporting is not applicable as the company is engaged only in hotel business and at one location.

12. Political Contribution to party: Rs. 0.21 Lacs (previous year Rs. 5.00 lacs)

13. i. Related parties disclosures

- Subsidiary Company : CHL International
- Associate Companies : CHL (South) Hotels Limited
- Key Management personnel : Dr. L. K. Malhotra, Chairman & Managing Director
Mr. Luv Malhotra, Executive Director
- Entities controlled by Directors or their relatives : Kyjol Securities and Investments Pvt Ltd.
Mela Hotels Limited
Sunkalp Portfolio Investments Pvt Ltd.
United Exports

ii. Transactions carried out with the related parties referred in (i) above

Name of Party	Relationship	Nature of Transaction	Transaction Value (Rs. in lacs)	Bal. as on 31/03/2011* (Rs. in lacs)	Bal. as on 31/03/2010* (Rs. in lacs)
a) United Exports	A firm in which Director's relative is partner	Purchase of goods	14.85	(2.90)	(1.02)
b) Mohan Meakin Ltd	A company in which Director is Director	-do-	0.14	(0.06)	NIL
c) CHL International	Subsidiary	Advance	399.29	(416.12)	472.86
		Investment	1287.87	3632.32	2344.45
d) Mataji Melan Devi Society (Regd)	Trustee	Donation	11.00	NIL	NIL

* FIGURES IN BRACKET INDICATE PAYABLE

14.	Managerial Remuneration to Directors		
	Particulars	2010-2011	2009-2010
		(Rs. in lacs)	(Rs. in lacs)
	Salary & Allowances	126.00	172.00
	Contribution to P.F.	8.64	12.96
	Other benefit/perquisites	3.80	2.80
	Commission to Directors	NIL	NIL
	Sitting Fee to other Directors	6.80	8.00
15.	EARNING PER SHARE		
	Profit after Taxation	928.95	1141.93
	Weighted average number of equity shares outstanding	109.64	109.64
	Basic & Diluted earning per share in rupee (face value – Rs. 10/- per share)	8.36	10.42
16.	DEFERRED TAX LIABILITIES		
	(A) Deferred Tax Liability		
	Depreciation on Fixed Assets	441.94	564.35
	Total (A)	441.94	564.35
	(B) Deferred Tax Asset		
	Disallowance u/s 43 (B) of Income Tax	-	8.21
	Total (B)	-	8.21
	Net Deferred Tax Liabilities (A-B)	441.94	556.14
17.	A. The company has been exempted vide order No. 46/222/2008/CL-III dated 05/02/2009 of Ministry of Company Affairs, Government of India u/s 211(4) of the Companies Act, 1956 from the disclosure of quantitative details of turnover, stocks, purchases, production and consumption of raw material for the financial years ended 31st March 2009, 31st March 2010 and 31st March 2011.		
	B C.I.F. Value of Imports	2010-2011	2009-2010
		(Rs. in lacs)	(Rs. in lacs)
	a) Food & Beverage	Nil	Nil
	b) Wine & Liquor – through canalizing agencies.	65.55	29.00
	c) Components, spare parts and stores	17.91	Nil
	d) Capital Goods	185.22	Nil
	C. Expenditure in Foreign Currency – on payment basis		
	i. Technical Services	71.67	127.31
	ii. Others	73.44	90.73
	D. Earning in Foreign Exchange – on receipt basis		
	On account of hotel services	2,088.42	2,443.10
	E. Remittance in Foreign Currency on account of Dividend to non resident shareholders		
	The particulars of dividend remitted, including to Non Resident External Account (NRE) are given below:		
	Final Dividend	Current Year	Previous Year
	1. No. of Non Resident shareholders	139	141
	2. No. of equity shares held by them	88.37	88.39
	3. Rupees (in lakhs) equivalent of amount paid in Foreign currency	96.86	96.86
	4. Amount of Rupees (in lakhs) remitted to banks in India.	35.68	35.72
	5. Year to which Relates	2009-10	2008-09
	Interim dividend		
	1. No. of Non Resident shareholders	138	144
	2. No. of equity shares held by them	88.34	88.40
	3. Rupees (in lakhs) equivalent of amount paid in Foreign currency	96.86	96.86
	4. Amount of Rupees (in lakhs) remitted to banks in India.	35.64	35.73
	5. Year to which Relates	2010-11	2009-10



CHL LIMITED

18. Amount transferred to investor education and protection fund as required under section 205 C of the Companies Act as Rs. NIL (Previous Year Nil)
19. Previous year's figures have been regrouped and rearranged wherever necessary to make it comparable with the Current Year's figures. All figures have been rounded off to nearest lac rupee.
20. Balance Sheet abstract and Company's General Business profile

a. Registration Details

CIN No.	L55101DL1979PLC009498
State Code	55
Balance Sheet Date	31.03.2011

b. Capital raised during the year

Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement	NIL

c. Position of mobilization and deployment of funds

Total Liabilities	16099.04
Total Assets	16099.04

SOURCE OF FUNDS

Paid-up Capital	1096.37
Reserve & Surplus	7232.47
Secured Loans	5618.72
Unsecured Loans (Security Deposits)	207.20
Deferred Tax (Net)	441.95
Minority Interest	1502.33

APPLICATION OF FUNDS

Nett Fixed Assets	10781.27
Investments	315.80
Nett Current Assets	5001.97

d. Performance of the Company

Turnover	7176.62
Total Expenditure	5909.18
Profit / (Loss) before Tax	1267.44
Profit / (Loss) after Tax	928.95
Earning per share	8.36
Dividend Rate (%)	30

e. Generic names of three Principal products/services of the Company (as per monetary terms)

Items Code (ITC Code)	NA
Product Description	Hotel Business

Signatures to Schedule 1 to 16.

For and on behalf of the Board of Directors

N.K. GOEL
Vice President Finance

G. J. VARADARAJAN
Company Secretary

Dr. L. K. MALHOTRA
Chairman & Managing Director

O.P. BAJAJ
Director

New Delhi
Date : July 23, 2011



CHL LIMITED

CHL LIMITED

Regd. Office : "HOTEL THE SURYAA", Community Centre, New Friends Colony, New Delhi-110 025
Tel. : 91-11-2683 5070 Fax : 91-11-2683 6288

PROXY FORM

Folio No. DPID No.....

No. of shares held..... Client No.....

I/We.....of.....

being a Member / Members of CHL Limited hereby appoint.....

of.....or failing him / her,.....

of.....as my / our proxy to attend and vote for me / us and on my / our behalf at the 32ND ANNUAL GENERAL MEETING of the Company to be held on Friday, the 23rd September, 2011 at 11.30 am at Hotel The Suryaa, Community Centre, New Friends Colony, New Delhi-110025 and at any adjournment thereof.

Signed this.....day of.....2011

Signature.....

Affix
Revenue
Stamp

Note : The proxies must reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

CHL LIMITED

Regd. Office : "HOTEL THE SURYAA", Community Centre, New Friends Colony, New Delhi-110 025
Tel. : 91-11-2683 5070 Fax : 91-11-2683 6288

ATTENDANCE SLIP

TO BE COMPLETELY FILLED AND HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Folio No. DPID No.....

Client No.....

1. Name of Member / Proxy.....
(IN BLOCK CAPITALS)

2. Address.....

3. No.of shares held.....

I hereby record my presence at Friday, the 23rd September, 2011 at 11.30 am.

Signature of Member / Proxy

Note: (1) Please bring your copy of the Annual Report.
(2) The attendance is valid only in case shares are held on the date of meeting.

If undelivered please return to :



CHL LIMITED

HOTEL THE SURYAA

NEW FRIENDS COLONY

NEW DELHI - 110 025.