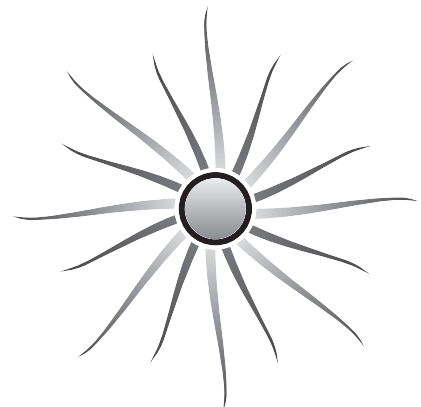




CHL LIMITED

**ANNUAL REPORT
2013 - 2014**



— THE —
SURYAA
— SERVICE SO MEMORABLE —

Hotel The Suryaa, New Delhi





CHL LIMITED

35th Annual General Meeting

Date : 29th September, 2014
Day : Monday
Time : 12.30 PM
Place : Hotel The Suryaa
Community Centre
New Friends Colony
New Delhi-110 025

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CHL International

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BOARD OF DIRECTORS

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

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
18, Todarmal Road (Bengali Market)
New Delhi-110 001.
Email: graicomail@gmail.com

Internal Auditors

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

Bankers

Andhra Bank
Bank of Baroda
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 35th Annual General Meeting of the members of CHL Limited will be held on Monday the **29th day of September, 2014 at 12.30 PM** at the Registered Office of the Company at Hotel The Suryaa, 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, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. D.V. Malhotra, (DIN 00072040) who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Statutory Auditors

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

Resolved that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s G Rai & Co., Chartered Accountant, New Delhi (Firm Regn. No. 001479N) be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 38th Annual General Meeting of the Company (subject to the ratification of the appointment at every Annual General Meeting) and at such remuneration as may be determined by the Board of Directors of the Company.

SPECIAL BUSINESS

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

Resolved that pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Mr. Lalit Bhasin (DIN 00002114) holding the position of an Independent Director, who retires by rotation at this Annual General Meeting, being eligible offers himself for re-appointment be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years not liable to retire by rotation.

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

Resolved that pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Mr. Subhash Ghai (DIN 00019803) holding the position of an Independent Director, who retires by rotation at this Annual General Meeting, being eligible offers himself for re-appointment be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years not liable to retire by rotation.

6. 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 152, 160 and any other applicable provisions of the Companies Act, 2013 and any other rule made thereunder, Mr. Yash Kumar Sehgal (DIN 03641168) who was appointed as an Additional Director of the Company by the Board of Director w.e.f. 25.09.2013 holding the position of independent Directors and who holds the office upto the date of this Annual General Meeting as per the provisions of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Mr. Yash Kumar Sehgal for the office of Director of the Company, be and is hereby elected and appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years, not liable to retire by rotation.

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

Resolved that in supersession of the resolution passed by the company in the 30th Annual General Meeting, held on 23rd September, 2009, in relation to the exercise of borrowing power, the consent of the company be and is hereby accorded to the Board of Directors under Section 180(1)(c) of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), to borrow any sum or sums of money from time to time notwithstanding that the money or moneys to be borrowed, together with the moneys already



CHL LIMITED

borrowed by the company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided, however, the total amount so borrowed by the Board of Directors, shall not exceed Rs. 1000 Crore, (Rupees One Thousand Crore only).

Resolved further that the Board of Directors of the company be and is hereby authorized to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to this resolution.

Resolved further that pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging, on such terms and conditions as may be agreed upon, all or any part of the immovable assets of the Company, wheresoever situate both present and future or floating charge on all or any movable properties of the Company, wheresoever situate both present and future (subject to mortgages/charges/hypothecations/created/to be created by the existing lenders) together with the power to take over the management of the business and concern of the Company in certain events in favour of Banks, Financial Institutions, any other Lenders or Debenture Trustees to secure the amounts borrowed/to be borrowed by the Company from time to time for the due payment of the principal together with interest costs, charges, expenses and all other moneys payable by the Company in respect of such borrowings upto a maximum of Rs. 1000 Crore (Rupees One Thousand Crore only).

Resolved further that the Board of Directors (hereinafter referred to as the "Board" which term shall include any "Committee of the Board" for the time being) be and is also authorized to finalize with the secured lenders the documents for creating the aforesaid mortgage and/or charge and to do all such acts and deeds as may be necessary for giving effect to this resolution.

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

RESOLVED that in supersession of the resolution passed by the company in the 30th Annual General Meeting held on 23rd September, 2009 the consent of the company be and is hereby accorded to Board of Directors, under section 186 of the Companies Act 2013, to make any loan, give any guarantee or provide security in connection with a loan made by any other persons to, or to any other persons by, any body corporate and acquire, by way of subscription, purchase or otherwise the securities of any other bodies corporate in excess of 60% of paid up share capital and free reserves or 100% of free reserves of the company, in their absolute discretion deem beneficial and in the interest of the company up to the aggregate amount of Rs. 1000 Crore, (Rupees One Thousand Crore only)

Resolved further that the Board of Directors of the company be and is hereby authorised to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to this resolution.

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

RESOLVED THAT pursuant to the provisions of Section 4 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary proper or expedient to give effect to this resolution.

By Order of the Board

Place: New Delhi
Date : 9th August, 2014

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 Form 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 25.09.2014 to 29.09.2014 (both days inclusive).
3. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacting at the meeting is annexed hereto.
4. As per the provisions of Section 205A the Companies Act 1956, Dividends declared for the financial year 2006-07 (Final Dividend), 2007-08 (Interim and Final Dividend), 2008-09 (Interim and Final Dividend), 2009-10 (Interim and Final Dividend), 2010-11 (Interim and Final Dividend), 2011-12 (Interim and Final Dividend) and 2012-13 (Interim and Final Dividend) which remain unpaid or unclaimed for a period of 7 years in the Unpaid Dividend Account for the respective financial year of the Company need to be transferred to the Investor Education and Protection Fund (IEPF) 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.

5. Final Dividend pertaining to the financial year 2006-2007 to be transferred to Investors Education and Protection Fund in the second week of August, 2014. As such it will not be possible to entertain dividend claim after August, 2014.
6. 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.
7. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the company electronically.**
8. Member wishing to obtain the information about the Company or view the Annual Report of the Company for the Financial Year ended 31.03.2014 may visit the company's website www.chl.co.in.
9. **Shareholders may bring their copies of the Annual Report to the Meeting. Extra copies of the Annual Report will not be available at the meeting.**
10. Members/Proxies should fill in the Attendance Slip for attending the meeting.

e-voting:

11. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the shareholders have been provided e-voting facility to exercise their right to vote at the General Meeting by electronic means. The company is offering e-voting option to all the shareholders. For this purpose, the company has signed an agreement with Central Depository Services (India) Limited ("CDSL") for facilitating e-voting to enable shareholders to cast their votes for all the items of business in the notice electronically.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.



(vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatory enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the "CHL LIMITED" on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.



- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.**

Voting Period :

- (B) The voting period begins on Monday, the 22nd September, 2014 at 10.00 AM and ends on Wednesday, the 24th September, 2014 at 6.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.**
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.**
- (D) In case of any query you may refer to the frequently asked questions for shareholders and e-voting user manual for shareholders available under the download sections of CDSL's e-voting website www.evoting.cdsl.com.**

(E) General Information

- (a) Every client ID No./Folio No. shall have 1 (one) e-voting right irrespective of the joint-holders.
- (b) Voting rights shall be reckoned on the paid up value of share registered in the name of the member as on 22nd August, 2014.
- (c) E-voting rights cannot be exercised by a proxy.
- (d) Mr. Arvind Chadha, Proprietor of M/s A.Chadha & Associates, Company Secretaries, (CP No. 3732) as scrutinizer to scrutinize the e-voting process in a fair and transparent manner and make a report of the votes cast in favour or against, if any, forthwith to the Chairman of the company.
- (e) The results of the e-voting will be declared on or after the date of the AGM i.e. Monday, 29th September, 2014. The declared results will be available on the company's website www.chl.co.in and communicated to the Exchanges.
- (f) The Ordinary Resolutions mentioned above shall be declared as passed on the date of the declaration of the result if the number of votes cast in favour is more than the votes cast against.
- (g) In case of shareholders who are entitled to vote have not been able to exercise their right to vote by electronic means, in the larger interest of the shareholders, the Chairperson of the Company may order a poll on his own motion or on demand at the meeting in terms of Section 109 of the Companies Act, 2013 for all the businesses specified in the notice.
- (h) For abundant clarity in the event of poll, please note that the shareholders who have exercised their rights to vote by electronic means shall not vote by way of poll at the meeting.
- (i) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company. The whole process shall be conducted and scrutinizer report thereon will be prepared in accordance with Section 109 at the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.
- (j) All documents referred to in the Notice and the accompanying Explanatory Statement including the draft letter of appointment proposed to be issued to the "independent directors" shall be open for inspection at the registered office of the Company on all working days (except Saturday) between 11.00 A.M. to 1.00 P.M. upto to the date of the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4 & 5

Mr. Lalit Bhasin and Mr. Subhash Ghai have been acting as Independent Directors on the Board of the Company and they are liable to retire by rotation in the ensuing Annual General Meeting. Sub Section (10) of Section 149 of the Act requires



appointment of Independent Directors who shall hold office for a term of 5 (Five) consecutive years on the Board of the Company and shall be eligible for re-appointment on passing a Special Resolution by the Company. Sub Section (11) of the said Section provides that no Independent Director shall hold office for more than 2 (two) consecutive years.

In view of the above, the aforesaid Independent Directors who are already on the Board of the Company need to be appointed for a term of 5 (five) consecutive years from the date of the Annual General Meeting i.e 29.09.2014. The Board at its meeting held on 09.08.2014, after obtaining declaration from the above said Directors and after satisfying itself about independent of the above said Directors under Section 149(6) of the Act and the Listing Agreement, recommended the appointment of the aforesaid Directors as Independent Directors on the Board for a term of 5 (five) consecutive years.

The brief resume and nature of expertise of the aforesaid Independent Directors are given below:

Mr. Lalit Bhasin

Mr. Lalit Bhasin, an Independent Director of the Company, is a B.Com from Sri Ram College of Commerce, Delhi. He serves as partner at Bhasin & Co. as well as the Chairman of H.B. Estate Developers Ltd., H.B. Portfolio Ltd., H.B. Stock Holdings Ltd., H.B. Leasing & Finance Co. Ltd. and RRB Securities Ltd. He holds numerous Directorships in other companies and has a vast experience and well known in the field of financial services industry. He is the President of HB Charitable Trust.

Mr. Subhash Ghai

Mr. Subhash Ghai, an Independent Director of the Company, is a renowned and well known and leading Film Director. He is an eminent and outstanding personality in film industry with 36 years of experience. He venture into selling films directly top 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 achievement as producer and director. He is the founder of 'Whistling Woods International'- an institute for film training. He is one of the prominent of figures in the entertainment business and film industrial life of Mumbai.

The Board recommends the appointment of the aforesaid Independent Directors for a term of 5 (five) consecutive years on the date of the Annual General Meeting i.e. 29.09.2014.

Except Mr. Lalit Bhasin and Mr. Subhash Ghai being appointees, none of the Directors and Key Managerial Personnel of the Company and their relatives concerned or interested, financial or otherwise in the resolution except to the extent they are the members of the company

Item No. 6

Mr. Yash Kumar Sehgal, an Independent Director was appointed as an Additional Directors in the Board Meeting held on 25.09.2013 and he holds the office upto the date of this Annual General Meeting. Notice in writing from a member proposing the candidature of Mr. Yash Kumar Sehgal for the office of Director of the Company has been received. Mr. Yash Kumar Sehgal has vast experience in the field of finance. He held various positions at Commercial Bank of Kuwait for more than two decades in the past. He has a good expertise in framing policies and procedure for various services of the Bank.

The Board recommends the appointment of the aforesaid Independent Directors for a term of 5 (five) consecutive years on the date of the Annual General Meeting i.e. 29.09.2014.

Except Mr. Yash Kumar Sehgal, being an appointee, none of the Director and Key Managerial Personnel of the Company and their relatives concerned or interested, financial or otherwise in the resolution except to the extent they are the members of the company.

Item No. 7 & 8

In the 30th Annual General Meeting of the company, the Board of Directors of the company was authorized to borrow monies not exceeding Rs. 600 Crore and to invest in securities of any body corporate and for giving guarantee not exceeding Rs. 600 Crore.

The increasing business operation and future growth plans of the company would necessitate restructuring of the borrowing limits by empowering the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid up capital of the company and its free reserves but not exceeding Rs.1000 Crore.

The borrowings of the company in general are required to be secured by suitable mortgage and/or immovable properties



of the company in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time in consultation with the lender(s).

The mortgage and/or charge by the Company of its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the company in favour of the lender(s) /agent(s) /trustees, with a power to take over the management of the business and concern of the company in certain events of default by the company may be regarded as disposal of the company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

The Company is proposing to make substantial investments. Your Company is looking for the best areas for the investment, apart from it, for renovation purpose and for the working capital, company may require fund to the tune of Rs.1000 Crore.

Accordingly the Board recommends the passing of the special resolution as set out in the Item No. 7 & 8 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives concerned or interested, financial or otherwise in the resolution except to the extent they are the members of the company.

Item No. 9

The existing Articles of Association (AoA) are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing Articles of Association (AoA) are no longer in conformity with the Act.

The Companies Act, 2013 is now largely in force. On 12.09.2013, the Ministry of Corporate Affairs (MCA) had notified 98 Sections for implementation. Subsequently, on March, 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction/confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares(section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including inter-alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered values (Section 247). However, substantive sections of the Act, which deal with the general working of companies stand notified.

With the coming into force of the Companies Act, 2013 several regulations of the existing AoA of the company require alteration or deletion in several Articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on table 'F' of the Act which sets out the model AoA for a company limited by shares. Shareholder's attention invited to certain salient provisions in the new draft AoA of the Company viz.

- (a) Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists.
- (b) The nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares.
- (c) New provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized.
- (d) New provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors/Key managerial Personnel of the company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 9 of the Notice.

The Board commends the Special Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

By Order of the Board

Place: New Delhi
Date: 9th August, 2014

G.J. Varadarajan
Company Secretary



CHL LIMITED

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 IV(G)(i) OF THE LISTING AGREEMENT)

Name of Director	Age	Original Date of Appointment	List of other Companies in which Directorship held including other Board Committee Members	Remarks
Mr. D.V. Malhotra DIN No. 00072040	75 Years	15.07.1985	Nil	Non-executive Non-Independent Director, retires by rotation, offer himself for reappointment.\ Shares held - 892240 equity shares of Rs. 2/- each. Related to (a) Mr. L.K. Malhotra, CMD (b) Mr. A.K. Malhotra, Director
Mr. Subhash Ghai DIN No. 00019803	71 Years	29.11.1997	1. Mukta Arts Limited – Chairman & Managing Director 2. Whistling Woods International Limited 3. Connect 1 Ltd 4. Mukta V N Films Limited 5. Mukta Tele Arts Pvt. Ltd. 6. Coruscant Tec Pvt. Ltd.	Independent Director, retires by rotation, now being appointed for a period of five years at the forthcoming Annual General Meeting Shares held - Nil
Mr. Lalit Bhasin DIN No. 00002114	46 years	27.01.2011	1. HB Leasing & Finance Co. Ltd 2. HB Stockholdings Ltd. 3. HB Portfolio Ltd. 4. HB Estate Developers Ltd. 5. RRB Securities Ltd. 6. Taurus Asset Management Co. Ltd. 7. Har Sai Investments Ltd. 8. HB Securities Ltd. 9. RRB Master Securities Delhi Ltd. 10. CHL (South) Hotels Ltd 11. Raja Ram Bhasin Share & Stock Brokers Ltd. 12. Bhasin Share & Stock Brokers Ltd. 13. AHL Hotels Ltd. 14. Mansingh 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. 20. Parsvnath HB Projects Pvt. Ltd Audit Committee 1. HB Leasing & Finance Co Ltd – Member 2. Mansingh Hotels & Resorts Ltd – Member Investors' Grievances Committee 1. RRB Securities Ltd Member 2. HB Leasing & Finance Co Ltd – Member	Independent Director, retires by rotation, now being appointed for a period of five years at the forthcoming Annual General Meeting. Shares held - Nil

Note : Excluding Foreign and Company registered under section 25 of the Companies Act 1956.



DIRECTORS' REPORT TO THE MEMBERS OF CHL LIMITED

Your Directors are pleased to present their 34th Annual Report together with the Audited Accounts for the year ended 31st March 2014.

1. FINANCIAL RESULTS AND OPERATIONAL PERFORMANCE

Particulars	2013-14 (Rs. in Lacs)	2012-13 (Rs. in Lacs)
Total Income		
Sales	5746.80	5590.41
Other Income	<u>272.96</u>	<u>283.47</u>
Less: Total Expenses (Inclusive of exceptional items)	<u>5049.76</u>	<u>4275.31</u>
Gross Profit before Interest, Depreciation and Tax	969.90	1598.57
Less : Financial Charges	347.34	375.76
: Depreciation	<u>422.20</u>	<u>474.36</u>
Profit Before Tax	200.36	748.45
Less: Provision for Tax	<u>73.56</u>	<u>243.99</u>
Net Profit after Tax	126.80	504.46
Add : Profit brought forward from last year	4542.57	4372.95
Profit available for appropriation	<u>4669.37</u>	<u>4877.41</u>
APPROPRIATIONS		
Transferred to General Reserves	30.00	80.00
Proposed Dividend on equity shares including interim dividend	-	219.27
Tax on Dividend	-	35.57
Balance carried to Balance Sheet	<u>4639.37</u>	<u>4542.57</u>

Sales and other incomes for the year under review at Rs 6019.76 lacs is higher by 2.48% than that of the previous year's sales and other income at Rs. 5873.88 lacs.

Operating profit before depreciation, finance charges and tax at Rs. 969.90 lacs for the year under review is lower by 39.32% as compared to Rs. 1598.57 lacs for the previous year. Net Profit after providing tax for the year under review is Rs. 126.80 lacs as compared to Rs. 504.46 lacs for the previous year, thus lower by 74.86% over the previous year. This is due to high fixed cost accompanied by operational cost in the context of meager increase in turnover.

2. ECONOMIC ENVIRONMENT AND BUSINESS REVIEW

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sectors in India. Tourism in India is an employment generator and a significant source of foreign exchange for the country, apart from being an economic activity that helps local and host communities. In 2013, the travel and tourism industry contributed Rs 2.17 trillion (US\$ 36 billion) or 2 per cent to the country's gross domestic product (GDP). This is expected to rise to Rs 4.35 trillion (US\$ 72.17 billion) in the coming years.

The tourism industry in India is thriving due to an increase in foreign tourist arrivals (FTA) and a greater number of Indians travelling to domestic destinations than before. The revenue from domestic tourism is likely to grow by 8.2 per cent in 2014 as compared to 5.1 per cent a year ago, according to the World Travel and Tourism Council (WTTC). Hotels are also an extremely important component of tourism industry. India's travel and tourism industry is expected to grow by about 7.3 per cent in 2014, according to WTTC.

The Government of India has contributed significantly to the growth and development of the industry by providing policy and infrastructural support such as simplification of visa procedures and tax holidays for hotels. Further, the tourism policy of the government aims at speedy implementation of tourism projects, development of integrated tourism circuits, special capacity building in the hospitality sector and new marketing strategies.

FTAs during the period January–March 2014 stood at 21.27 lakh as compared to FTAs of 20.27 lakh during the corresponding period of 2013, registering a marginal growth of 4.9%. FTAs during March 2014 were 6.69 lakh as compared to 6.40 lakh during March 2013, a growth of 4.5 %.



During the year under review the Domestic Tourism Industry remained sluggish with marginal increase of Foreign Tourist Arrivals. But, consequent to the addition of more than 10,000 rooms in Delhi/NCR and other Metropolitan cities like Mumbai, Chennai, Bangaluru and Hyderabad the Hotel Industry was particularly impacted and your Hotel is not an exception to it. Weak pricing scenario and increase in operating costs in an inflationary environment has particularly affected the profitability of Hotel Industry and your company is equally impacted in such challenging business environment. With the formation of the New Government our economy should re-gain a trajectory of high growth and outlook for the company is expected to grow.

3. **DIVIDEND**

Your Company, due to inadequacy of profit, is not declaring Dividend for the financial year 2013-14.

4. **DIRECTORS**

Mr. Subhash Ghai, Mr. D. V. Malhotra and Mr. Lalit Bhasin, Directors of the Company are due to retire by rotation at the forthcoming Annual General Meeting. Mr. Subash Ghai and Mr. Lalit Bhasin who are already on the Board of the Company as Independent Directors are being appointed in the same position in the forth coming Annual General Meeting for a period of 5 (five) consecutive years and shall not retire by rotation. Mr. D.V. Malhotra a non-independent director being eligible, offer himself for re-appointment.

Mr. Yash Kumar Sehgal has vast experience in the field of finance. He held various positions at Commercial Bank of Kuwait, Oman for more than two decades in the past.. He has a good expertise in framing policies and procedure for various services of the Bank. Mr. Yash Kumar Sehgal was appointed as an Additional Director of the Company w.e.f. 25.09.2013 holding the position of an Independent Director He holds office till the conclusion of the ensuing Annual General Meeting. The company has received notice from the shareholder/s proposing the appointment of Mr. Yash Kumar Sehgal as independent Director for a period of 5 (five) consecutive years and shall not retire by rotation.

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 under final phase of its Hotel project at Dushanbe Tajikistan. The Export Import Bank of India has financed the Hotel Project by sanctioning a term loan of USD 26.50 million for which your company has given a corporate guarantee. It is expected to commence its operation soon under the brand name Sheraton Dushanbe.

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

7. **CONSOLIDATION OF FINANCIAL STATEMENT**

The duly audited consolidated financial statement as required under the Accounting Standard 21 and provisions of Clause 32 of the Listing Agreement has been prepared after considering the audited financial statement of your Company and its subsidiary.

The Annual Accounts of the Subsidiary companies and the detailed information shall be made available to the shareholders seeking any information relating to consolidated accounts at any point of time. The annual accounts of the subsidiary shall be kept for inspection by shareholders in the head office of the holding company and the subsidiary company.

The summarized position of the Subsidiary has been appended to the report.

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 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.

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 are eligible for re-appointment. In terms of Section 139 of the Companies Act, 2013 they can be appointed for a remaining term of 3 years starting from the conclusion of the ensuing Annual General Meeting until the conclusion of the 38th Annual General Meeting of the company (subject to ratification of their appointment at each Annual General Meeting).

The company has received letter from the Statutory Auditors to the effect that their re-appointment, if made, would be within the prescribed limit under section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

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 regularly placed before the Audit Committee for their review and for recommendation to the Board.

14. FIXED DEPOSITS

The Company has not accepted deposits within the meaning of Company's (Acceptance of Deposits) Rules 1975 from public during the year. There is no unpaid or unclaimed deposits lying with the Company.

15. 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 lighting solution such as light emitting diodes and solar panel and devices such as automated controls and sensors 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. 1760.29 lacs (previous year Rs. 1570.42.lacs) and used foreign exchange to the extent of Rs. 306.00 lacs (previous year Rs. 77.18 lacs).

16. 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

Place: New Delhi
Date: 9th August, 2014

Dr L.K. Malhotra
Chairman & Managing Director



CHL LIMITED

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	31.03.2014
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	523800 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, 2014	Rs. (9.81) lacs
	(ii) for prior years since becoming subsidiary.	Rs. 57.82 lacs
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 Holdings Company's Accounts:	
	(i) for the Subsidiary's financial year ended on March 31, 2014	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.	Nil
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	
	(i) Tangible Assets	Rs. 93.04 lacs
	(ii) Capital Work in Progress	Rs. 22846.88 lacs
	(b) The subsidiary's Investments(c) Long Terms Loans & Advances	Rs. 0.38 lacs
	(d) The money lent by Exim Bank	Rs. 795.84 lacs
	(e) The moneys borrowed by it for any purpose other than that of meeting current liabilities	Rs. 15018.43 lacs
		Nil

Statement giving financial information of subsidiary company for the year ended 31st March 2014.

SI No	Particulars	Rs in lac
1.	Share Capital	8632.95
2.	Reserves and Surplus	467.99
3.	Secured Loans	15018.43
4.	Current Liabilities	758.07
	Total	24877.44
5.	Fixed Asset	
	(i) Tangible Assets	93.04
	(ii) Capital Work in Progress	22846.88
6.	Investments	0.38
7.	Long Term Loans and Advances	795.84
8.	Current Asset	1141.30
	Total	24877.44

For and on behalf of the Board

Place : New Delhi
Date : 9th August, 2014

Dr L.K. Malhotra
Chairman & Managing Director



CHL LIMITED

CORPORATE GOVERNANCE

Corporate Governance is a concept, rather than an individual instrument. It includes debate on the appropriate management and control structures of a company. It includes the rules relating to the power relations between owners, the Board of Directors, management and the stakeholders such as employees, suppliers, customers as well as the public at large.

Corporations around the world are recognizing that sustained growth of their organization requires cooperation of all stakeholders, which requires adherence to the best corporate governance practices. In this regard, the management needs to act as trustees of the shareholders at large and prevent asymmetry of benefits between various sections of shareholders, especially between the owner-managers and the rest of the shareholders.

BOARD OF DIRECTORS

As on 31st March 2014, the Company has ten Members on the Board. Dr. L.K. Malhotra, Chairman & Managing Director, Mr. Luv Malhotra, Joint Managing Director and Mr. Gagan Malhotra, Executive Director are the Whole Time Executive Directors. Remaining seven Directors are Non-Executive Directors. Among the seven Directors, five are Non-Executive Independent Directors and two are the Non-Executive Non-Independent Directors.

Name of Directors	Designation	No. of Directorships held in other companies*	No. of Committee Membership held in other companies	
			Member	Chairman
Executive				
Dr. L.K. Malhotra	Chairman & Managing Director	4	1	3
Mr. Luv Malhotra	Joint Managing Director	1	Nil	Nil
Mr. Gagan Malhotra	Executive 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	4	Nil	Nil
Mr. Lalit Bhasin	Director	14	4	Nil
Mr. R.C. Sharma	Director	4	6	Nil
Mr. Yash Kumar Sehgal**	Additional Director	1	Nil	Nil

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

** Mr. Yash Kumar Sehgal was appointed as an Additional Director of the Company in the Board Meeting held on 25.09.2013.

All Directors have as on 31st March 2014, filed the requisite declaration under Section 164 of the Companies Act 2013 and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rule 2014.

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

Dr. L. K. Malhotra, aged 70 years, has a vast experience spanning 49 years in various fields of business. He started his career with M/s. A.N. Malhotra & Sons, Kuwait which was engaged in the trading of consumer products. During his tenure in the company as a part of the company's management, he was responsible for the Sales & Marketing Division of the firm. After a rich experience in various business trades in Kuwait, he shifted to India in 1985 and joined CHL Limited in the capacity of Managing Director. In 1991, with the break-up of the Soviet Union and the formation of various countries, commonly known as Commonwealth of Independent States or CIS, he took an active interest in promoting the relationship between India and Tajikistan. He was instrumental in arranging a high level inter-governmental dialogue between India and Tajikistan. During this time he also served as the Honorary Consul General of Tajikistan in India from 1994 to 2003. Dr. Malhotra holds an Honorary Ph.D in Business Management and is the Secretary for the Indo-Kuwait NRI Forum, President of the Forum for a Better Delhi. He held the position of President of the PHD Chamber of Commerce & Industry. He serves as the President and Chairman of the Mataji Melan Devi Society Charitable Trust (Regd.). He is also a Trustee Member of the Swami Ram Tirath Mission, Dehradun. He holds the position of Directorship in various companies.

2. Mr. D. V. Malhotra

Mr. D.V. Malhotra, aged 75 years, is a Non-Resident Indian based in Kuwait and is one of the prominent business leaders of Indian origin in that Country. He is widely recognized within the business community in Kuwait and serves as the Partner of M/s Al-Zahem & Malhotra General Trading Company WLL, Kuwait.

3. Mr. A. K. Malhotra

Mr. A. K. Malhotra, aged 65 years, is a hotelier and has an experience of more than two decades in the field of hospitality Industry. He is a Managing Director of M/s Mela Hotels Limited.

4. Mr. O. P. Bajaj

Mr. O.P. Bajaj, aged 80 years, is a Non-Resident Indian of repute based in Bangkok, Thailand. He has a vast experience in the field of hospitality and is a well known Industrialist in Bangkok where he owns four Five Star Hotels.

5. Mr. Subhash Ghai

Mr. Subhash Ghai, aged 71 years, is a renowned, well known and leading Film Director. He is an eminent and outstanding personality in film industry with 37 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 the founder of "Whistling Woods International"- an institute for film training. 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 41 years, holds a M.Sc. degree in Economics from the University of Buckingham. He has vast experience of over 16 years in the hospitality industry. He oversees the day-to-day operations of the Company and its strategic planning and holds the position of Joint Managing Director of the Company. He is Vice President of Hotel & Restaurant Association of Northern India.

7. Mr. R. C. Sharma

Mr. R. C. Sharma, aged 74 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 46 years, holds a B.Sc. degree from the University of Michigan, Ann Arbor, USA. He has a rich professional experience of over 21 yrs spanning FMCG Distribution, Logistics, Agri Commodities as well as Project and Operational Management. He has an expertise in business development, planning and strategic market plan execution and he looks after the execution of the project at Tajikistan. He joined the company as Vice President Development in 2007 and was appointed as Whole Time Director in the year 2010. He is involved in the business development and corporate strategy of the company. Presently, he is the Executive Director of the Company.



9. Mr. Lalit Bhasin

Mr. Lalit Bhasin, aged 46 years, holds a B.Com degree from Sri Ram College of Commerce, Delhi. He serves as Partner at Bhasin & Co. as well as the Chairman of H.B. Estate Developers, H.B. Portfolio Limited, H.B. Stock Holdings Ltd. He holds numerous Directorships in other companies and has a vast experience in the financial services industry. He is well known in the field of financial service industry. He is President of HB Charitable Trust.

10. Mr. Yash Kumar Sehgal

Mr. Yash Kumar Sehgal, aged 68 years, holds a B.A . (Hons) degree in English and also passed Examinations of Chartered Institute of Bankers, London. He has vast experience in the field of finance. He held various positions at Commercial Bank of Kuwait, Oman for more than two decades in the past. He has a good expertise in framing policies and procedure for various services of the Bank.

DETAILS OF THE DIRECTORS (LIABLE FOR RETIREMENT BY ROTATION) FOR APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETINGS (PURSUANT TO CLAUSE 49 IV(G)(I) OF THE LISTING AGREEMENT)

Name of Directors	Age	Date of last Re-Appointment/ Appointment in the A.G.M./ Board Meeting	List of other Companies in which Directorship held including other Board committee members*
Mr. Subhash Ghai	71 Years	25.09.2012	<ol style="list-style-type: none"> 1. Mukta Arts Limited – Chairman & MD 2. Whistling Woods International Limited 3. Connect 1 Ltd 4. Mukta V N Films Limited 5. Mukta Tele Arts Pvt. Ltd. 6. Coruscant Tec Pvt. Ltd.
Mr. D.V. Malhotra	75 Years	25.09.2012	-.
Mr. Lalit Bhasin	46 years	25.09.2012	<ol style="list-style-type: none"> 1. HB Leasing & Finance Co. Ltd. 2. HB Stockholdings Ltd. 3. HB Portfolio Ltd. 4. HB Estate Developers Ltd. 5. RRB Securities Ltd. 6. Taurus Asset Management Co. Ltd. 7. Har Sai Investments Ltd. 8. HB Securities Ltd. 9. RRB Master Securities Delhi Ltd. 10. CHL (South) Hotels Ltd 11. Raja Ram Bhasin Share & Stock Brokers Ltd. 12. Bhasin Share & Stock Brokers Ltd. 13. AHL Hotels Ltd. 14. Mansingh 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. 20 Parsvnath HB Projects Pvt. Ltd <p>Audit Committee</p> <ol style="list-style-type: none"> 1. HB Leasing & Finance Co Ltd – Member 2. Mansingh Hotels & Resorts Ltd – Member <p>Investors’ Grievances Committee</p> <ol style="list-style-type: none"> 1. RRB Securities Ltd Member 2. HB Leasing & Finance Co Ltd – Member



CHL LIMITED

Mr. R.C. Sharma	74 years	25.09.2013	1. Sir Shadilal Enterprises Ltd. 2. HB Portfolio Ltd. 3. PCI Ltd. 4. Indsec Securities & Finance Ltd
			Audit Committee : 1. Sir Shadilal Enterprises Ltd. 2. PCI Ltd.
			Remuneration Committee 1. Sir Shadilal Enterprises Ltd. 2. HB Portfolio Ltd. 3. PCI Ltd.
			Investors' Grievances Committee 1. PCI Ltd
Mr. A.K. Malhotra	65 years	25.09.2013	1. Mela Hotels Ltd. – MD 2. Vatsal Food's Processing Industries Pvt. Ltd.
Mr. O.P. Bajaj	80 years	25.09.2013	NIL
Mr. Yash Kumar Sehgal**	68 years	25.09.2013	1. Mohan Meakin Limited 2. Malbros Holdings Private Limited

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

** Mr. Yash Kumar Sehgal was appointed as an Additional Director in the Board Meeting held on 25.09.2013 and he is proposed to be appointed as an Independent Director of the Company in the ensuing 35th Annual General Meeting.

Shares held by Non-Executive Directors

The number of shares held by Non-executive Directors in the Company are as follows:

Sl. No.	Name of Directors	No. of Shares of Rs. 2/- each
1	Mr. D.V. Malhotra	892240
2	Mr. A.K. Malhotra	4000
3	Mr. O.P. Bajaj	1055150
4	Mr. Subhash Ghai	Nil
5	Mr. Lalit Bhasin	Nil
6	Mr. R.C. Sharma	Nil
7	Mr. Yash Kumar Sehgal	Nil

DETAILS OF NON RETIRING DIRECTORS

Name of Directors	Age	Date of last Appointment/Re Appointment	List of other Companies in which Directorship held* including other Board committee members
Dr. L. K. Malhotra Chairman & Managing Director	70 years	15.07.2010	1. Mohan Meakin Ltd 2. Taurus Investment Trust Co. Ltd. 3. Mohan Rocky Springwater Breweries Ltd. 4. Kyjol Projects Pvt. Ltd. 5. CHL (South) Hotels Ltd. 6. Sunkalp Portfolio Investments Private Ltd. 7. Jigrai Hydropower Private Limited 8. Malbros Holdings Private Limited
			Audit Committee: 1. Mohan Meakin Ltd. -Chairman 2. Taurus Investment Trust Co. Ltd.-Member



Remuneration Committee:

1. Mohan Meakin Ltd.-Chairman

Investors' Grievances Committee:

Mohan Meakin Ltd.-Chairman

Mr. Luv Malhotra 41 years 25.09.2013
Joint Managing Director

1. Kyjol Projects Pvt. Ltd.
2. CHL (South) Hotels Ltd.
3. Sunkalp Portfolio Investments Pvt. Ltd.
4. Malbros Holdings Private Limited

Mr. Gagan Malhotra 46 years 25.09.2013
Executive Director

1. Rache Overseas Pvt. Ltd.

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

DETAILS OF BOARD MEETINGS

During the year ended 31st March 2014, the following Board Meetings were held.

S. No.	Date of Meeting	Board Strength	Number of Directors Present
1.	01.05.2013	9	8
2.	30.05.2013	9	7
3.	14.08.2013	9	7
4.	25.09.2013	10	7
5.	14.11.2013	10	7
6.	07.02.2014	10	9

ATTENDANCE IN BOARD MEETING/LAST ANNUAL GENERAL MEETING

Attendance of Directors at the Board Meetings held during the financial year ended 31st March, 2014 and at the 34th Annual General Meeting (AGM) held on 25th September, 2013 is as under:

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

*Mr. Yash Kumar Sehgal was appointed as an Additional Director after the AGM, in the Board Meeting held on 25.09.2013.

AUDIT COMMITTEE

The role and terms of reference of Audit Committee are in conformity of the Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange. The terms of reference of committee are wide enough to cover the matter specified for Audit Committee under the Listing Agreement.

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 AUDIT COMMITTEE MEETINGS HELD**

During the year ended 31st March 2014, the following Audit Committee Meetings were held.

S. No.	Date of Meeting	Audit Committee Strength	Number of Directors Present
1.	01.05.2013	4	4
2.	30.05.2013	4	4
3.	14.08.2013	4	4
4.	14.11.2013	5	4
5.	07.02.2014	5	5

ATTENDANCE IN AUDIT COMMITTEE MEETING

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

*Mr. R. C. Sharma ceased to be the member of Audit Committee after the Audit Committee held on 07.02.2014.

** Mr. Yash Kumar Sehgal was appointed as member of Audit Committee in the Board Meeting held on 25.09.2013.

NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of the Companies Act, 2013 and the rules made there under and the Listing Agreement, the Remuneration Committee is renamed as Nomination and Remuneration Committee w.e.f. 9th August, 2014.

The Nomination and 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 nomination and remuneration of Directors is recommended by the Nomination and Remuneration Committee of Directors to the Board of Directors.

DETAILS OF REMUNERATION COMMITTEE MEETING HELD

During the year ended 31st March 2014, one Remuneration Committee Meeting was held.

S. No.	Date of Meeting	Remuneration Committee Meeting Strength	Number of Members Present
1.	30.05.2013	3	2

ATTENDANCE IN REMUNERATION COMMITTEE MEETING

S. No.	Members of Committee	Position	No of Meeting attended
1.	Mr. O. P. Bajaj	Chairman	1
2.	Mr. Lalit Bhasin	Member	1
3.	Mr. Subhash Ghai*	Member	Nil
4.	Mr. Yash Kumar Sehgal**	Member	-

* Mr. Subhash Ghai ceased to be a member of Remuneration Committee w.e.f. 07.02.2014.

** Mr. Yash Kumar Sehgal was appointed as a member of Remuneration Committee w.e.f. 25.09.2013.

INVESTORS/SHAREHOLDERS GRIEVANCES COMMITTEE

During the year ended 31st March 2014, one Investors/Shareholders Grievances Committee Meeting was held on 201/03/2014



ATTENDANCE IN INVESTORS/SHAREHOLDERS GRIEVANCES COMMITTEE

Members of Investors/Shareholders Grievances Committee	Position	No. of Meeting attended
Mr. O.P. Bajaj	Chairman	1
Mr. Lalit Bhasin	Member	1
Mr. A.K. Malhotra	Member	1

The Company Secretary is the Compliance Officer. Meetings are held as and when the attention of the Committee arises. During the financial year one 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 2014. The Company furnishes necessary documents/information to Shareholders.

The Company received 26 complaints from shareholders during the year which interalia included non receipt of Annual Report, and past years' dividend. The grievances were duly attended and the Company has furnished necessary documents/information to the shareholders. No grievances were pending at the year end.

Compliance with Clause 47(f) of the Listing Agreement

In compliance with the provisions of Clause 47 (f) of the Listing Agreement, a separate e-mail ID: "invcom@chl.co.in" operates as a dedicated ID solely for the purpose of registering investor complaints.

Information pursuant to Clause 49 IV(G)(i) of the Listing Agreement

Information pursuant to Clause 49 IV(G)(i) of the Listing agreement pertaining to particulars of Directors to be re-appointed at the forthcoming Annual General Meeting is enclosed as an Annexure to the Notice convening the Annual General Meeting.

Corporate Social Responsibility

The Board, in its meeting held on 9th August, 2014, has constituted the Corporate Social Responsibility Committee (CSR Committee) comprising of Mr. Yash Kumar Sehgal as Chairman and Mr. Lalit Bhasin and Mr. Luv Malhotra as members.

The said committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) and deciding the activities to be undertaken by the Company.

Sitting Fees

Sitting Fee paid to Non-executive Directors during the year under review is as under:

Name of Directors	Sitting Fees(Rs. in lac)
Mr. D.V Malhotra	0.06
Mr. O.P. Bajaj	2.40
Mr. A.K. Malhotra	1.40
Mr. Subhash Ghai	0.20
Mr. R.C Sharma	2.00
Mr. Lalit Bhasin	2.40
Mr. Yash Kumar Sehgal	0.80

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	1.20
Mr. Luv Malhotra, Joint Managing Director	2.20
Mr. Gagan Malhotra, Executive Director	1.00

The Company did not have any pecuniary relationship or transactions with the Non Executive Directors/Executive Directors during the financial year 2013-2014.

Remuneration paid to working Directors is as under:



CHL LIMITED

Name of Directors	Salary & Allowance	Contribution to PF (Rs. in lac)
Dr. L.K. Malhotra	42.00	2.88
Mr. Luv Malhotra	42.00	2.88
Mr. Gagan Malhotra	42.00	2.88

GENERAL BODY MEETINGS

Last three Annual General Meetings were held at Hotel The Suryaa, New Friends Colony, New Delhi 110025 on 23.09.2011, 25.09.2012 and 25.09.2013 respectively.

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

No resolution was passed through postal ballot.

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 Notes to the Financial Statements, to the Annual Accounts for the Financial Year 2013-2014. 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 49 1V (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 has adopted Whistle Blower Policy in the Board Meeting held on 09.08.2014.

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, 2014 was placed before the Board of Directors of the Company in its meeting held on 9th August, 2014.

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. 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 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 comfort with warm services.

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: 9th August, 2014

Dr. L. K. Malhotra
Chairman & Managing Director



MEANS OF COMMUNICATION

Timely disclosure of consistent, relevant and reliable information on corporate financial performance is at the core of good corporate governance. 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.

In accordance with circular issued by the Ministry of Corporate Affairs on the Green Initiatives and amendment in Clause 32 of the Listing Agreement with stock exchanges, the Company will send Annual report containing inter-alia, Audited Consolidated and Standalone Financial Statements, Directors Report, Auditors Report, Management Discussion & Analysis Report, Corporate Governance Report including information for the Shareholders, other important information and Notice of the ensuing Annual General Meeting along with the proxy forms electronically. These documents are also available on the Company's website (www.chl.co.in). In case the members are desirous of getting the Annual Reports in physical form, they may send their request to the company.

SHAREHOLDERS INFORMATION

35th Annual General Meeting Date, Time and Venue	29th September, 2014, at 12.30 PM at Hotel The Suryaa, New Friends Colony, New Delhi 110025
Financial Calendar for 2013-14 (Tentative)	Adoption of Quarterly Results
For the Quarter ending	1st /2nd week of
June 2014	Aug 2014
September 2014	Nov 2014
December 2014	Feb 2015
March 2015	May 2015
Book Closure Dates	25.09.2014 to 29.09.2014 (Both days inclusive)

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 Stock 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 2013-14.



BOMBAY STOCK EXCHANGE

The official quoted price at the Bombay Stock Exchange is as under:

Scrip Code: 532992 Companies: CHL LTD
For the Period: April 2013 to March 2014

Month	Open Price (Rs.)	High Price (Rs.)	Low Price (Rs.)	Close Price (Rs.)	No. of Shares	No. of Trades	Total Turnover (Rs.)
Mar 13	76.60	76.60	61.90	70.65	2,495	84	1,72,591
Apr 13	72.00	76.45	68.45	74.90	196	15	14,325
May 13	71.20	77.00	69.30	69.30	934	25	68,814
Jun 13	65.85	65.85	59.50	62.95	423	12	26,086
Jul 13	65.75	71.90	65.75	70.10	3,019	19	2,08,050
Aug 13	67.00	83.40	67.00	81.00	1,501	17	1,05,586
Sep 13	84.45	89.20	81.90	87.95	208	17	18,226
Oct 13	89.00	90.80	59.15	59.20	1,267	54	95,395
Nov 13	62.15	62.40	51.50	62.40	1,512	16	91,466
Dec 13	65.50	77.75	64.15	74.80	649	36	42,725
Jan 14	78.25	78.25	53.25	58.85	6,252	100	3,59,595
Feb 14	55.95	72.90	55.80	70.05	13,241	205	8,55,775
Mar 14	73.00	76.00	63.55	72.40	17,643	336	12,35,556

REGISTRAR AND SHARE TRANSFER AGENT (R&T)

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 15 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 INE790D01020 (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, 2014, 91,56,908.Equity Shares of the Company, forming 83.52% 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.	2004-2005	15%	164.45
2.	2005-2006	15% (Interim) 15% (Final)	164.45 164.45
3.	2006-2007	20% (Interim) 20% (Final)	219.27 219.27
4.	2007-2008	20% (Interim) 20% (Final)	219.27 219.27
5.	2008-2009	15% (Interim) 15% (final)	164.45 164.45
6.	2009-2010	15% (Interim) 15% (Final)	164.45 164.45
7.	2010-2011	15% (Interim) 15% (Final)	164.45 164.45
8.	2011-2012	10% (Interim) 10% (Final)	109.63 109.63
9.	2012-2013	10% (Interim) 10% (Final)	109.63 109.63
10.	2013-2014	For the financial year ended 31.03.2014 no dividend has been declared.	

* Excluding Dividend Tax

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 205C 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 2007 (Final)*	30.07.2007	August, 2014
31st March 2008 (Interim)	29.01.2008	January, 2015
31st March 2008 (Final)	30.09.2008	September, 2015
31st March 2009 (Interim)	31.01.2009	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
31st March 2011 (Final)	23.09.2011	September, 2018
31st March 2012 (Interim)	10.02.2012	February 2019
31st March 2012 (Final)	28.09.2012	September, 2019
31st March 2013 (Interim)	08.02.2013	February, 2020

*Unpaid/unclaimed Final Dividend pertaining to the year ended 31.03.2007 is being transferred to Investors Education and Protection Fund (IEPF) in the month of August, 2014. As such it will not be possible to entertain Dividend Claim pertaining to the year 2007, after August, 2014. 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.

RECONCILIATION OF SHARE CAPITAL AUDIT

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



DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2014

Range of shares	No of shareholders	Percentage of Shareholders to total	No of shares* of Rs. 10 each	Percentage to total share/holding
Upto to 5,000	1,820	89.00	1,77,551	1.62
5,001 to 10,000	86	4.21	75,315	0.69
10,001 to 20,000	40	1.96	64,810	0.60
20,001 to 30,000	24	1.17	60,561	0.55
30,001 to 40,000	2	0.10	6,887	0.06
40,001 to 50,000	16	0.78	76,329	0.70
50,001 to 1,00,000	16	0.78	1,26,407	1.15
1,00,001 and above	41	2.00	1,03,75,798	94.63
TOTAL	2,045	100.00	1,09,63,658	100.00

SHAREHOLDING PATTERN AS ON MARCH 31, 2014

Category	No of Shareholders	No of shares* of Rs. 10 each	Percentage of shareholding
Promoters(including persons acting in concert and OCB)	28	7842154	71.53
Banks/Financial Institutions	1	300	0.00
Private Bodies Corporate	51	163221	1.49
Other NRIs	127	2373076	21.65
Indian Public	1838	584907	5.33
TOTAL	2045	1,09,63,658	100.00

* In the Extra Ordinary General Meeting held on 21st March, 2014, a resolution was passed for sub-division of one equity share of Rs. 10/- each to five equity shares of Rs. 2/- each and accordingly shares were subdivided on the record date of 5th April, 2014.

ADDRESS FOR CORRESPONDENCE

Communications may be sent to the Company/Registrar & Transfer Agent of the Company as mentioned below:

The Company Secretary
CHL Limited
Hotel The Suryaa
New Friends Colony
New Delhi 110025
E-mail: chl@chl.co.in
Phone : 011-26835070, Fax : 011-26836288

R & T Agent

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor,
99, Madangir,
Behind Local Shopping Centre,
New Delhi -110 062
Phone : 011-29961281-83 Fax : 011-29961284
E mail : beetalrta@gmail.com

**ECONOMIC SCENARIO AND HOSPITALITY SECTOR**

According to Economic Survey for the year 2013-14, economy is on a progressive path overcoming the 5% growth rate in the preceding year and expected to grow at the level of 5.4% - 5.9% in the year 2014-15. It is assured that with strong economic fundamentals and the resilient nature of the Indian economy with the proper mix of strong fiscal and monetary policy will help in achieving the higher growth target in the year 2014-15. All would agree that reforms are needed for long term prospect on important issues like low and stable inflation regime, tax and expenditure reforms and regulatory framework.

The Fiscal Deficit is being contained at 4.5% of GDP in the year 2013-14 compared 4.9% in the year 2012-13. The Primary Deficit would be 1.2% of GDP and revenue deficit 3.2% of GDP in 2013-14. Our economic policy should lay emphasis on putting thrust on public finance and bring out transparency and improved budgetary system. Well designed policy decisions will enhance clarity, consistency and transparency for a globalized India.

As far as Hotel Industry is concerned, Hotels are performing flat or poorer than the previous years. Overall the Indian Hotel Industry was affected by oversupply of rooms across the country. Occupancy is falling as a result of increase of supply which continues to outpace demand. We expect that with the global economic recovery gaining momentum, and on coming well visional economic policy of India, aided by certain pro-active recent initiatives by Government of India on issues such as visa-facilitation there will be a steady improvement in demand scenario. Demand from domestic leisure travelers is expected to remain robust.

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 been agreed to provide international and regional sales, marketing and reservation activities.

The Hotel has 74 Superior Rooms, 89 Deluxe Rooms, 39 Club Deluxe, 33 Club Premier Rooms, 6 Deluxe Suite, 3 Luxury Suite, 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.

Sampan - the 92 cover restaurant for authentic Cantonese and Pan Asian restaurant and a panoramic roof top view of the city. **Ssence** - 146 cover the 24 hour multi cuisine restaurant - guest can take advantage of the global cuisine-dinning facility at the lobby level, catering to all contemporary international taste. **Atrium Lounge Bar** - one can enjoy the world's finest liquors and sprits; **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

Management identifies potential risks associated with the company's business and periodically keeps the Board informed of the risks and the measures taken by the company to mitigate such risks. 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 economic slow down and sluggish market condition. The turnover of the Company is higher by 2.48% as compared to the previous year's turnover. Operating Profit is lower by 39.32% as compared to the previous year's profit but Net



Profit after Tax for the year under review is lower by 74.86% over the previous year's net profit. This is due to high fixed cost accompanied by operating cost as compared to meager increase in sales. It is hoped that in the coming years the situation will improve considering the upcoming conducive economic policy.

(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 constitute as holding for any forecast/projection/ explanation. Actual result could defer 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, 2014:

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.
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) & CFO

Dr. L. K. Malhotra
Chairman & Managing Director

Place: New Delhi
Date: 9th August, 2014



CHL LIMITED

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 as under

A. CHADHA & ASSOCIATES

Company Secretaries (Ground Floor),
18 Todarmal Road, (Bengali Market),
New Delhi - 110 001
Phone 011- 43036059, 23324189
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, 2014, 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

Place: New Delhi
Date: 9th August, 2014



AUDITORS' REPORT

THE SHAREHOLDERS,

CHL LIMITED

NEW DELHI.

We have audited the accompanying Financial Statements of CHL Limited (the Company) , which comprise the Balance Sheet as at March 31, 2014, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these final statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements 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, 2014;
- (b) in the case of the statement of Profit and Loss Account, of the profit of for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal & Regulatory Requirements

1. 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.
2. **As required by Section 227(3) of the Act, 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;



CHL LIMITED

- (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 Comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- (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, 2014 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

**For G. RAI & CO.
CHARTERED ACCOUNTANTS
(Registration No.001479N)**

**(GULSHAN RAI)
PARTNER
Membership No. 3921**

Place : New Delhi
Date : 24th May, 2014



ANNEXURE

(TO THE AUDITORS' REPORT DATED 24-05-2014)

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 2014 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;



CHL LIMITED

S.No.	Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relate	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	5205310	AY 2008-09	CIT (Appeal)
4	Income-tax Act 1961	Income Tax	716786	AY 2009-10	CIT (Appeal)
5	Income-tax Act 1961	Income Tax	432959	AY 2010-11	Rectification Pending u/s 154
6	Income-tax Act 1961	Income Tax	11125610	AY 2011-12	CIT (Appeal)

10. The Company has neither accumulated losses nor incurred any cash loss as at the year end 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 other than disclosed in the financial statements.
16. In our opinion and according to information and explanations given to us, the term loan 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)
PARTNER
Membership No.3921

Place : New Delhi
Date : 24th May, 2014


BALANCE SHEET AS AT MARCH 31, 2014
Lac Rs.

Particulars	Note No.	Figures as at the end of current reporting period ending 31st March 2014		Figures as at the end of previous reporting period ending 31st March 2013	
I EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	1,096.37		1,096.37	
(b) Reserve & Surplus	3	7,770.31	8,866.68	7,643.51	8,739.88
(2) Non-Current Liabilities					
(a) Long Term Borrowings	4	3,997.89		956.55	
(b) Deferred Tax Liability (Net)	5	414.84		448.23	
(c) Other Long term Liabilities	6	284.04		252.61	
(d) Long Term Provisions	7	73.03	4,769.80	108.14	1,765.53
(3) Current Liabilities					
(a) Short Term Borrowings	8	1,732.72		2,019.28	
(b) Trade Payable	9	646.28		363.05	
(c) Other Current Liabilities	10	400.17		408.68	
(d) Short Term Provisions	11	26.03	2,805.20	184.40	2,975.41
TOTAL			16,441.68		13,480.82
II ASSETS					
Non Current Assets					
(1) (a) Fixed Assets					
(i) Tangible Assets	12	5,678.22		5,370.21	
		5,678.22		5,370.21	
(b) Non-current Investments	13	6,300.44		3,797.32	
(c) Long Term Loans & Advances	14	1065.60		1,020.80	
(d) Other Non Current Assets	15	-	13,044.26	24.91	10,213.24
(2) Current Assets					
(a) Inventories	16	486.56		365.79	
(b) Trade Receivables	17	379.95		430.52	
(c) Cash & Cash equivalents	18	2,140.05		2,285.35	
(d) Short Term Loans & Advances	19	373.92		151.77	
(e) Other Current Assets	20	16.94	3,397.42	34.15	3,267.58
TOTAL			16441.68		13480.82

Notes forming integral part of the financial statement No 1-44

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

LUV MALHOTRA
Joint Managing Director

L.K. MALHOTRA
Chairman & Managing Director

(Gulshan Rai)
Partner
Membership No. 3921

N.K. GOEL
Vice President Finance

G.J. VARADARAJAN
Company Secretary

Place: New Delhi
Date : 24th May, 2014



Lac Rs.

Cash Flow Statement for the year ended	31st March 2014	31st March 2013
A) Cash Flow From Operating Activities		
Net Profit before Tax & Extraordinary Items	185.12	739.89
Adjustments for		
Depreciation	422.20	474.36
Dividend Income	(1.31)	(2.61)
Loss on Sale of Assets	-	1.41
Scrapped/Discarded Assets written off	116.81	-
Interest Expenditure	347.34	375.76
Interest Received	(191.80)	(234.44)
Operating Profit before Working Capital Changes	878.36	1,354.37
Adjustments for		
(Increase) Decrease in Inventories	(120.77)	53.37
Increase (Decrease) in Trade Payables	283.23	(152.08)
(Increase) Decrease in Trade & Other Receivables	50.57	(71.45)
(Increase) Decrease in Loans & Advances	(224.83)	185.82
Cash generated from Operations	866.56	1,370.03
Income Tax (Paid)/Refund	(58.32)	(450.86)
Net Cash from Operating Activities (A)	808.24	919.17
B) Cash Flow from Investing Activities		
Purchase of Fixed Assets	(874.40)	(38.40)
Sale of Fixed Assets	27.38	29.33
Purchase of Investment	(0.30)	-
Investment in subsidiary	(2,502.82)	(199.66)
Interest Received	191.80	234.44
Dividend Received	1.31	2.61
Net Cash used in Investing Activities(B)	(3,157.03)	28.32
C) Cash Flow from Financing Activities		
Interest Paid	(347.34)	(375.76)
Increase (Decrease) in Security Deposit	-	33.16
Dividend Paid	-	(219.27)
Dividend Tax Paid	-	(35.57)
Increase/(Decrease) in long term Borrowing	3,004.27	(992.23)
Increase/(Decrease) in Short term Borrowings	(453.44)	307.61
Net Cash used in Financing Activities (C)	2,203.49	(1,282.06)
Net increase/ decrease in cash and cash equivalents (A+B+C)	(145.30)	(334.57)
Cash & Cash Equivalent (Opening balance)	2,285.35	2,619.92
Cash & Cash Equivalent (Closing balance)	2,140.05	2,285.35

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

LUV MALHOTRA
Joint Managing Director

L.K. MALHOTRA
Chairman & Managing Director

(Gulshan Rai)
Partner
Membership No. 3921

N.K. GOEL
Vice President Finance

G.J. VARADARAJAN
Company Secretary

Place: New Delhi
Date : 24th May, 2014

**NOTES TO THE FINANCIAL STATEMENTS****1. SIGNIFICANT ACCOUNTING POLICIES**

Annexed to and forming part of the Statement of Accounts for the year ended 31st March 2014

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. 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. 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.
3. 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.
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 these were recorded at their recoverable value, and, where carrying amounts exceed the recoverable value, the assets are written down to their recoverable value.

D) INTANGIBLE ASSETS

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

E) ASSETS ON LEASE

Accounting treatment of assets taken on lease is 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 exchange 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 at the year end 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 unless the amount of difference is not material.



H) INVESTMENTS

Long term investments are carried at cost. No 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) INVENTORIES

i. 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.

ii. Linen, Glassware, Chinaware etc.; Items 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 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.

K) RECOGNITION OF INCOME & EXPENDITURE

i. Revenue comprises sale of rooms, food and beverages, allied services relating to hotel operations including net income from telecommunication on services. Revenue is recognized upon rendering of service and is stated net of discounts/allowances.

ii. Claims recoverable / payable are recognized to the extent admitted. The practice consistently followed, in the earlier years to recognize license fee from shops on receipt basis has been changed to accrual basis. 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.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax asset is recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

N) Prior period and extraordinary items and changes in Accounting Policies having material impact on the financial affairs of the company are disclosed.



CHL LIMITED

Notes forming integral part of the financial statements

	Figures as at the end of current reporting period ending		Figures as at the end of previous reporting period ending	
	31st March 2014		31st March 2013	
NOTE - 2 SHARE CAPITAL				
Authorised				
Equity Shares of Rs. 2/- each (Previous Year 30,000,000 equity shares of Rs. 10/- each)	<u>1,500.00</u>	<u>3,000.00</u>	<u>300.00</u>	<u>3,000.00</u>
Issued, Subscribed and Paid up				
Equity Shares of Rs. 2/- each (Previous Year 30,000,000 equity shares of Rs. 10/- each)	548.18	<u>1,096.37</u>	109.64	<u>1,096.37</u>
		<u>1,096.37</u>		<u>1,096.37</u>
A) Reconciliation of number of Equity shares outstanding				
As at beginning of the year	109.64	1,096.37	109.64	1,096.37
As at end of the year	548.18	1,096.37	109.64	1,096.37
B) Detail of shareholder holding more than 5 percent shares in the Company.				
Name of Shareholder	As At 31st March 2014		As At 31st March 2013	
	Lac No of Shares	Percentage	Lac No of Shares	Percentage
Malbros Investments Inc	322.88	58.90%	64.58	58.90%
C) Equity shares allotted as fully paid Bonus shares for the period of five years immediately preceding 31st March 2014				
NIL				
D) Rights, preferences and restrictions attached to the Equity Shares				
The company has one class of Equity Shares having a par value of Rs. 2/- each (Previous year par value of Rs. 10/- each). Each shareholder is eligible for one vote per share held.				
Note: In the Extra Ordinary General Meeting of shareholders held on 21-03-2014, the face value of each equity share of Rs. 10/- each was sub divided into five equity shares of face value of Rs. 2/- each).				



	Figures as at the end of current reporting period ending		Figures as at the end of previous reporting period ending	
	31st March 2014		31st March 2013	
3. RESERVES & 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	2,990.00		2,910.00	
Add Transferred from Profit & Loss Account	30.00	3,020.00	80.00	2,990.00
PROFIT & LOSS ACCOUNT				
As per last Balance Sheet	4,542.57		4,372.95	
Add Transferred from Profit & Loss Account	126.80		504.46	
	4,669.37		4,877.41	
Less : APPROPRIATIONS				
Transferred to General Reserve	30.00		80.00	
Proposed & Interim Dividend *	-		219.27	
Income Tax on Interim & Proposed Dividend	-		35.57	
Balance carried over		<u>4,639.37</u>		<u>4,542.57</u>
		<u>7,770.31</u>		<u>7,643.51</u>
4. LONG TERM BORROWINGS				
(a) Term Loan from Banks				
Andhra Bank	1,376.78		854.27	
Bank of Baroda ECB Term Loan	2,480.00		-	
(b) Long Term Finance Lease Obligations	141.11	3,997.89	102.28	956.55

- Term Loan Rs. 444.27 lacs from Andhra Bank is repayable in equal installment within 5 year period from the date of respective loan i.e. by 2015-16 and carry interest of 12.25% p.a. Term Loan of Rs. 632.51 lacs from Andhra Bank is repayable in equal installment within 7 years period after one year moratorium period from the date of first disbursement i.e. by 2021-22 and carry interest of 12.50% pa. Term Loan from Andhra Bank is secured by paripassu charge over entire fixed assets and exclusive charge on current assets.
- Foreign Currency Term Loan from Bank of Baroda is repayable in equal installment within 5 year period from the date of respective loan i.e. by 2019-20 and carry interest of 3.75% p.a. Term Loan from Bank of Baroda is secured by paripassu charge over entire fixed assets.
- The Finance Lease obligations are secured by hypothecation of vehicles taken under Lease. The loan is payable in equated monthly instalments within 5 years period from the date of respective loan.



CHL LIMITED

	Figures as at the end of current reporting period ending		Figures as at the end of previous reporting period ending	
	31st March 2014		31st March 2013	
5. DEFERRED TAX LIABILITIES				
(i) Deferred Tax Liability				
Depreciation on Fixed Assets	448.23		479.96	
Total (i)	448.23		479.96	
(ii) Deferred Tax Asset				
Disallowance u/s 43 (B) of Income Tax	33.39		31.73	
Total (ii)	33.39		31.73	
Net Deferred Tax Liabilities (i-ii)	414.84	414.84	448.23	448.23
6. OTHER LONG TERM LIABILITIES				
a) Security Deposits	251.62		213.52	
b) Others	32.42	284.04	39.09	252.61
7. LONG TERM PROVISIONS				
- Provision for leave Benefit (Ref Note No. 36)	51.35		52.91	
- Provision for Gratuity	21.68	73.03	55.23	108.14
8. SHORT TERM BORROWINGS				
- Overdraft against Fixed Deposit with banks	1,732.72	1,732.72	2,019.28	2,019.28
9. TRADE PAYABLE				
- Sundry Creditors	646.28	646.28	363.05	363.05
10. OTHER CURRENT LIABILITIES				
- Advances from Customers	53.15		95.41	
- Unpaid Dividends	20.66		25.30	
- Statutory Liabilities	251.94		190.54	
- Other Liabilities	74.42	400.17	97.43	408.68
11. SHORT TERM PROVISIONS				
i) Proposed Dividend	-		109.63	
ii) Income Tax on Proposed Dividend	-		17.79	
iii) Provision for Staff Leave Benefit	13.84		12.06	
iv) Interest Accrued but not due	12.19		-	
iv) Provision for Taxation	-	26.03	44.92	184.40



NOTE 12-FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET	BLOCK
	As on 01.04.2013	Additions during the year	Sales/ Transfer	As on 31.03.2014	As on 01.04.2013	During the year	Adjust- ment/ Transfer	Upto 31.03.2014	As on 31.03.2014	As on 31.03.2013
Land (Leasehold)	599.31	-	-	599.31	-	-	-	-	599.31	599.31
Land (Freehold)	116.04	-	-	116.04	-	-	-	-	116.04	116.04
Land & Building (Noida)	240.48	-	-	240.48	-	-	-	-	240.48	240.48
Building	3,318.01	258.81	6.45	3,570.37	695.46	55.62	2.30	748.78	2,821.59	2,622.55
Plant & Machinery	3,651.49	321.57	330.53	3,642.53	2,589.30	179.49	256.79	2,512.00	1,130.53	1,062.19
Plant & Machinery (Noida)	90.90	-	-	90.90	-	-	-	-	90.90	90.90
Furniture, Fixture and Fitting	1,262.04	171.55	292.23	1,141.36	1,026.06	93.57	258.87	860.76	280.60	235.98
Office & Other Equipments	95.00	0.87	10.53	85.34	32.01	4.48	4.97	31.52	53.82	62.99
Computers	179.98	10.18	19.11	171.05	145.23	27.09	18.37	153.95	17.10	34.75
Vehicles	617.14	112.16	84.28	645.02	312.12	61.95	56.90	317.17	327.85	305.02
Total Current Year	10,170.39	875.14	743.13	10,302.40	4,800.18	422.20	598.20	4,624.18	5,678.22	5,370.21
Previous Year	10,161.34	38.40	29.33	10,170.41	4,343.53	474.36	17.69	4,800.20	5,370.21	



CHL LIMITED

	As at 31-03-2014 No of Units	31-03-2013 No of Units	As at 31-03-2014 Lac Rs	31-03-2013 Lac Rs
13. LONG TERM INVESTMENTS				
In Equity Shares - Others (Quoted & Fully Paid)				
Advani Hotels & Resorts (India) Ltd. of Rs.2/- each	500	500	0.01	0.01
Asian Hotel (East) Ltd. of Rs.10/- each	25	25	0.01	0.01
Asian Hotel (North) Ltd. of Rs.10/- each	25	25	0.01	0.01
Asian Hotel (West) Ltd. of Rs.10/- each	25	25	0.01	0.01
EIH Associate Hotels Ltd. of Rs.10/- each	50	50	0.01	0.01
EIH Ltd. of Rs.2/- each	75	75	0.02	0.02
Essar Steel Ltd of Rs. 10/- each	50,000	50,000	21.63	21.63
Hotel Leela Venture Ltd. of Rs.2/- each	250	250		
Indian Hotel Ltd. of Rs.1/- each	100	100	0.02	0.02
ITC Ltd. of Rs.1/- each	30	30	0.01	0.01
Jaiprakash Associates Ltd.of Rs. 2/- each	15	15	0.01	0.01
Morepen Laboratories Ltd. of Rs. 2/- each	5,000	5,000	0.75	0.75
Penta Media Graphics Ltd. of Rs. 1/- each	100,000	1,00,000	1.00	1.00
Reliance Power Ltd. of Rs.10/-each	28,800	28,800	62.77	62.77
Royal Manor Hotels & Industries Ltd. of Rs.10/- each	100	100		
Sayaji Hotel Ltd. of Rs.10/- each	100	100		
HB Estate Developers Ltd of Rs. 10/-each	2,59,984	2,59,984	150.67	150.67
Taj GVK Hotels & Resorts Ltd of Rs.2/- each	10	10	0.03	0.03
			236.96	236.96
In Equity Shares - Others (Unquoted & Fully Paid)				
Bharat Hotel Ltd. of Rs.10/- each	150	15	0.01	0.01
KMAHP Pvt Ltd. of Rs.10 each	100	100	0.01	0.01
Jagriti Hydro Power Pvt Ltd. of Rs.10/- each	1,000	1,000	0.10	0.10
Makkan Hydropower Pvt Ltd of Rs. 10/- each	3,000	-	0.30	-
			0.42	0.12
In Equity Shares (Unquoted)-In Subsidiary				
CHL International os Somoni 100 each (Less Calls in Arrear unpaid)	523,800	338,940	6,043.06	3,632.32 (92.08)
			6,043.06	3,540.24
In Equity Shares (Unquoted, Fully Paid up) Associate Companies				
CHL (South) Hotels Ltd of Rs.10/- each	1,00,000	1,00,000	10.00	10.00
			10.00	10.00
In Mutual Funds (Unquoted, Fully Paid)				
Osian Art Fund	1,00,000	1,00,000	10.00	10.00
			10.00	10.00
TOTAL			6,300.44	3,797.32
AGGREGATE VALUE OF				
Quoted Investments	Book Value 236.96		Market Value 52.70	Market Value 60.50



	Figures as at the end of current reporting period ending 31st March 2014 Lac Rs.		Figures as at the end of previous reporting period ending 31st March 2013 Lac Rs.	
14. LONG TERM LOANS & ADVANCES				
Unsecured, considered good				
- Capital Advances	19.62		19.62	
- Other advances	542.81		520.00	
- Interest Recoverable	0.08		-	
- Security Deposit	57.93		36.02	
Other Loan & advances				
- Income Tax Refundable	445.16	1,065.60	445.16	1,020.80
15. OTHER NON CURRENT ASSETS				
Unsecured, Considered Good				
- Long Term Trade Receivable	-	-	24.91	24.91
16. INVENTORIES				
(at cost or realisation value whichever is lower and as certified by the Management)				
i) Chinaware, Glassware, Silverware, Linen etc	161.31		130.38	
ii) Kitchen Accessories	143.86		81.88	
iii) Provision, Food, Beverages etc.	99.30		88.89	
iv) General Stores and Spares	82.09	486.56	64.64	365.79
17. TRADE RECEIVABLES				
(Unsecured considered Good)				
i) Outstanding for over Six Months	4.19		7.67	
ii) Others	375.76	379.95	422.85	430.52
18. CASH AND BANK BALANCES				
Cash & Cash Equivalents				
i) Cash on Hand	11.83		23.95	
ii) Cheques/drafts in Hand	-		2.00	
iii) In current accounts	349.82		32.41	
Other Bank Balances				
iv) In Unpaid Dividend Account	20.66		25.30	
v) Scheduled Banks - Fixed Deposits maturing within 12 months of reporting date. (Ref Note No 29)	1,757.74	2,140.05	2,201.69	2,285.35
19. SHORT TERM LOANS & ADVANCES				
(Unsecured-considered good)				
Advances recoverable in cash or kind or for value to be received considered good				
- Other advances	9.88		31.09	
- Advances to Suppliers	52.52		12.16	
- Prepaid Expenses	118.75		108.52	
- Income Tax Recoverable	60.65		-	
- Subsidiary Company	132.12	373.92	-	151.77
20. OTHER CURRENT ASSETS				
i) Interest accrued on Fixed Deposits/icd	16.94		29.53	
Others - Unsecured, considered good				
ii) Claims receivable	-		-	
iii) Commission receivable	-	16.94	4.62	34.15



CHL LIMITED

	Figures for the current reporting period 31st March 2014		Figures for the previous reporting period 31st March 2013	
	Lac Rs.	Lac Rs.	Lac Rs.	Lac Rs.
21. REVENUE FROM OPERATIONS				
Sale of Product				
Wine & Liquor	257.75		279.77	
Food, Beverage & Smokes	1,552.44		1,541.04	
	<u>1,810.19</u>		<u>1,820.81</u>	
Less Excise Duty	3.67	1,806.52	3.83	1,816.98
Sale of Services				
Rooms	3,003.79		2,932.15	
Licence Fee	662.70		591.04	
Communications	34.25		41.85	
Other Operating Revenues	155.75		128.84	
Banquet Misc. Services	83.79	3,940.28	79.55	3,773.43
		<u>5,746.80</u>		<u>5,590.41</u>
22. OTHER INCOME				
Interest earned		191.80		234.44
Dividend Income - Long Term Investments		1.31		2.61
Foreign Currency transaction gain/(loss)		15.05		5.52
Scrap Income		8.52		6.36
Excess Provision & Other Income		21.28		34.54
Bad Debt Recovered		35.00		-
		<u>272.96</u>		<u>283.47</u>
23. CONSUMPTION OF PROVISIONS, WINES & SMOKES				
A. Provisions, Beverages & Smokes				
Opening Stock	22.67		30.31	
Add: Purchases	596.50		440.19	
	<u>619.17</u>		<u>470.50</u>	
Less : Closing stock	29.70	589.47	22.67	447.83
B. Wine & Liquor				
Opening Stock	66.22		102.74	
Add: Purchases	105.48		71.48	
	<u>171.70</u>		<u>174.22</u>	
Less : Closing Stock	69.59	102.11	66.22	108.00
		<u>691.58</u>		<u>555.83</u>
24. PAYMENT TO AND PROVISION FOR EMPLOYEES				
Salaries, Wages, Stipend & Bonus		1,312.58		1,169.81
Contribution to Provident, Gratuity & Other Funds		134.44		163.45
Employees Welfare Expenses		135.30		116.49
Recruitment & Training Expenses		9.19		2.61
		<u>1,591.51</u>		<u>1,452.36</u>



	Figures for the current reporting period 31st March 2014	Figures for the previous reporting period 31st March 2013
25. FINANCIAL EXPENSES		
i) Interest on Term Loan	120.70	174.56
ii) Interest others	195.09	188.41
iv) Bank & Financial Charges	31.55	12.79
	<u>347.34</u>	<u>375.76</u>
26. OPERATING AND GENERAL EXPENSES		
Linen, Room Catering and other Supplies	249.08	159.22
Power & Fuel	1,004.07	887.21
Repairs : Machinery	180.67	172.59
Building	119.23	84.00
Others	77.14	90.56
Rent, Rates & Taxes	155.23	146.36
Insurance	14.29	26.43
Directors Sitting Fee	14.20	11.80
Telephone, Telex & Postage	29.07	32.30
Operational Expenses	289.31	258.85
Travelling & Conveyance - Directors	61.33	39.03
Travelling & Conveyance - Others	90.76	86.12
Legal & Professional Expenses	44.70	44.19
Marketing, Franchise & Technical Services	20.40	17.37
Advertisement & Publicity	158.24	55.60
Commission	74.68	84.08
Other Selling Expenses	82.80	78.56
Loss on sale of Assets	-	1.41
Assets Written off/Discarded	116.81	-
	<u>2782.01</u>	<u>2,275.68</u>
Legal & Professional expenses includes		
Payment to Auditors: As Audit Fee	6.18	6.18
For Other Services	0.56	0.56
27. PROVISION FOR TAXES		
- Provision for Income Tax	105.38	273.99
- Provision for Wealth Tax	1.57	1.73
- Provision for Deferred Tax	(33.39)	(31.73)
Total Provision	<u>73.56</u>	<u>243.99</u>



CHL LIMITED

28. Contingent liabilities not provided for in respect of

	2013-2014 (Rs. in lacs)	2012-2013 (Rs. in lacs)
i) Demands / Claims not acknowledged as debt or which are under litigation	NIL	Rs. 10.00
ii) Bank Guarantees furnished	Rs. 25.00	Rs. 67.00
iii) Disputed demands for taxes duties and other levies pending adjudication in appeal	Rs. 260.39	Rs. 143.86
iv) Corporate Guarantee ⁱⁱ	US\$ 265.00	US\$ 180.00

ii Corporate Guarantee has been given to Export/Import Bank of India against loan of same value taken by the subsidiary of the company in addition to second charge on its fixed assets.

28A. Other advances are for business purposes and do-not carry interest .

29. The Fixed Deposits are pledged with:

- i) Statutory Authorities - Rs.0.90 lacs (Rs. 2.85 lacs);
- ii) Banks against bank guarantee – Rs. 25.00 lacs (Rs. 67.00 lacs); and
- iii) Banks against overdraft facilities – Rs. 1756.84 lacs (Rs. 2176.84 lacs)

30. No depreciation has been provided on building, plant and machinery in NSEZ Noida as the same has not been put to use.

31. No lease rent on following has neither been paid nor provided in the financial statements in the absence of any claim from the concerned authority:

- a. NSEZ Noida Land-
- b. Jaipur Land

32. Estimated amount of contracts remaining to be executed on capital account, net of advances.

In respect of the Company Rs. 400.00 Lacs (previous year Rs. 22.96 lacs)

In respect of subsidiary Rs. 3000 lacs (previous year Rs. 3500/- lacs)

33. Debts due to or by the company, in some cases, are unconfirmed and/or under reconciliation. In the opinion of the management the impact of adjustment on reconciliation is not likely to be significant.

34. 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.

35. MICRO AND SMALL ENTERPRISES

The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act 2006 and hence disclosure relating to the amounts unpaid at the year end with interest paid / payable under this Act has not been given.

36. 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.



	2013-14	2012-13
I. Assumptions :		
Discount Rate	8.00 %	8.00 %
Rate of increase in Compensation levels	6.00 %	6.00 %
Superannuation age	58 yrs	58 yrs
Mortality		
II. Table Showing Change in Benefit Obligation :		
Projected Benefit Obligations (PBO) at the beginning of the year	64.97	62.77
Interest Cost	4.53	4.73
Service Cost	8.88	9.71
Benefits paid	(16.57)	(7.36)
Actuarial (gain) loss on obligations	3.37	(4.87)
PBO at the end of the year	65.19	64.97
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	16.57	7.36
Benefits paid	(16.57)	(7.36)
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	16.57	7.36
Benefits paid	(16.57)	(7.36)
Fair value of Plan Assets at the end of the year	-	-
Excess of actual over expected return on Plan Assets	-	-
V. Funded Status	(65.19)	(64.97)
VI. Limits of Corridor not considered since total actuarial gain/loss is being recognized		
Actuarial gain/(loss) for the year – Obligation	(3.37)	4.87
Actuarial gain (loss) for the year - Plan Assets	-	-
Sub-Total	(3.37)	4.87
Actuarial (gain)/loss recognized	3.37	(4.87)
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	65.19	64.97
Fair value of Plan Assets	-	-
Difference	65.19	64.97
Unrecognised Actuarial gains (losses)	-	-
Unrecognised Transitional Liability	-	-
Liability Recognised in Balance Sheet	65.19	64.97
VIII. Net Periodic Cost		
Current Service Cost	8.88	9.71
Interest Cost	4.53	4.73
Expected Return on Plan Assets	-	-
Net Actuarial (gain) loss recognised in the year	3.37	(4.87)
Expenses Recognised in the Income Statement	16.79	(9.56)
IX. Movements in the liability recognised in the Balance Sheet:		
Opening Net Liability	68.97	63.89
Expense as above	16.79	11.58
Contributions/Transfers	(16.57)	(12.70)
Closing Net Liability	65.19	62.77



CHL LIMITED

37. AS-17 on Segment Reporting is not applicable as the company is engaged only in hotel business and at one location.
 38. Contribution to Political party: NIL (Previous Year NIL)
 39. Related party transactions

Subsidiary Company	CHL International	
Associate Companies	CHL (South) Hotels Limited	
Key Management Personnel	Dr. L.K.Malhotra	Managing Director
	Mr. Luv Malhotra	Joint Managing Director
	Mr. Gagan Malhotra	Executive Director
Entities controlled by Directors or their relatives	Kyjol Projects Pvt Ltd.	
	Mela Hotels Limited	
	Sankalp Portfolio Investments Pvt Ltd.	
	United Exports	
	Ultima Leasing & Financing	

Sr. no	Name of Party	Nature of Transaction	Transaction value	Bal. as on 31.03.2014*	Bal. as on 31.03.2013*
a)	United Exports	Purchase of goods	19.95	(5.37)	(1.73)
b)	Malbros Holdings Pvt. Ltd.	Inter corporate Deposit	120.00	NIL	NIL
c)	CHL International	- Unpaid Calls	-	NIL	(92.08)
		- Investment	-	6043.06	3632.32
		-Advance	-	144.30	NIL

* FIGURES IN BRACKET INDICATE PAYABLE

40. Managerial Remuneration to Directors

Particulars	2013-14	2012-13
Salary & Allowances	126.00	126.00
Contribution to P.F.	8.64	8.64
Other benefit/perquisites	4.40	3.80
Commission to Directors	NIL	NIL
Sitting Fee to other Directors	9.80	8.00

41. Details of Consumption & Purchase

The company is not required to give quantitative and value wise information in respect of, consumption; turnover, stock etc. as the same is exempted vide circular No. SO301(E) dated 08-02-2011 issued by Ministry of Corporate Affairs, Government of India.

A. C.I.F. Value of Imports	Current Year	Previous Year
a) Food & Beverage	Nil	Nil
b) Wine & Liquor – through canalizing agencies	45.43	34.42
c) Components, spare parts and stores	88.50	1.10
d) Capital Goods	116.50	3.03
B. Expenditure in Foreign Currency – on payment basis		
i. Technical Services	17.95	17.82
ii. Others	83.45	55.23
C. Earning in Foreign Exchange – on receipt basis		
On account of hotel services	1760.29	1570.42
D. 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		
1. No. of Non Resident shareholders	129	130
2. No. of equity shares held by them	88.28	88.28
3. Rupees (in lakhs) equivalent of amount paid in Foreign currency	64.57	64.57
4. Amount of Rupees (in lakhs) remitted to banks in India.	23.70	23.70
5. Year to which Relates	2012-13	2011-12



Interim dividend

1. No. of Non Resident shareholders	NIL	130
2. No. of equity shares held by them	NIL	88.30
3. Rupees (in lakhs) equivalent of amount paid in Foreign currency	NIL	64.57
4. Amount of Rupees (in lakhs) remitted to banks in India.	NIL	23.72
5. Year to which Relates	2013-14	2012-13
42. Amount transferred to investor education and protection fund as required under section 205 C of the Companies Act as Rs. 3.73 lacs (Previous Year Rs. 1.51 lacs)		
43. 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.		
44. Balance Sheet abstract and Company's General Business profile		
a. Registration Details		
CIN No.		L55101DL1979PLC009498
State Code		55
Balance Sheet Date		31.03.2014
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		35143.94
Total Assets		35143.94
SOURCE OF FUNDS		
Paid-up Capital		1096.37
Minority Interest		2589.89
Reserve & Surplus		8238.30
Non- Current Liabilities		19373.39
Current Liabilities		3431.15
Deferred Tax (Net)		414.84
APPLICAION OF FUNDS		
Net Fixed Assets		28618.14
Non Current Investments		257.76
Long Term Loans & Advances		1861.44
Other Non Current Assets		0.00
Current Assets		4406.60
d. Performance of the Company		
Turnover		6019.67
Total Expenditure		5900.82
Profit / (Loss) before Tax		118.85
Profit / (Loss) after Tax		53.85
Earnings per share		1.16
Dividend Rate (%)		NIL
e. Generic names of three Principal products services of the Company (as per monetary terms)		
Items Code (ITC Code)		NA
Product Description		Hotel Business

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

LUV MALHOTRA
Joint Managing Director

L. K. MALHOTRA
Chairman & Managing Director

(Gulshan Rai)
Partner
Membership No. 3921

N.K. GOEL
Vice President Finance

G.J. VARADARAJAN
Company Secretary

Place: New Delhi
Date : 24th May, 2014



INDEPENDENT AUDITOR'S REPORT

To the Members of CHL INETRATIONAL

Report on the Financial Statements

We have audited the accompanying financial statements of CHL INTERNATIONAL , which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The company's Management is responsible for the preparation of these final statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of /internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of Statement of the Profit and Loss, of the Loss of the Company for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other legal and Regulatory Requirements

- 1. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) In our opinion, the Balance sheet, Profit and Loss Account and Cash Flow Statement Comply with Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - d) in our opinion, the Balance Sheet, statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

For L.N. MALIK & CO.
Chartered Accountants
FRN: 015992N

Place: New Delhi
Date: 24th May, 2014

L.N. MALIK
Partner
M.No. 010423


BALANCE SHEET AS AT MARCH 31, 2014
Lac Rupees

Particulars	Note No.	Figures as at the end of current reporting period ending 31st March 2014		Figures as at the end of previous reporting period ending 31st March 2013	
I EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	8,632.95		5,093.56	
(b) Reserve & Surplus	3	467.99	9,100.94	440.71	5,534.27
(2) Non-Current Liabilities					
(a) Long Term Borrowings	4	15,018.43	15,018.43	9,515.30	9,515.30
(3) Current Liabilities					
(a) Trade Payable	5	226.25		109.40	
(b) Other Current Liabilities	6	531.82	758.07	250.76	360.16
TOTAL			24,877.44		15,409.73
II ASSETS					
Non Current Assets					
(1) (a) Fixed Assets					
(i) Tangible Assets	7	93.04		90.50	
(ii) Capital; Work in Progress	8	22,846.88		12,821.19	
		22,939.92		12,911.69	
(b) Non-current Investments	9	0.38		0.34	
(c) Long Term Loans & Advances	10	795.84	23,736.14	457.98	13,370.01
(2) Current Assets					
(a) Inventories	11	53.95		1,831.82	
(b) Cash & Cash equivalents	12	1,078.01		169.65	
(c) Short Term Loans & Advances	13	9.34	1,141.30	38.25	2,039.72
TOTAL			24,877.44		15,409.73

Notes forming integral part of the financial statement No 1 to 26

As per our report of even date attached

For and on behalf of the Board of Directors

for L. N. Malik & Co
Chartered Accountants
Reg. No. 015992N

LUV MALHOTRA
Director

L.K. MALHOTRA
Managing Director

(L.N. Malik)
Partner
Membership No. 10423

N.K. GOEL
Director

Place: New Delhi
Date : 24th May, 2014



CHL INTERNATIONAL

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Lac Rupees

Particulars	Note No.	Figures as at the end of current reporting period ending 31st March 2014	Figures as at the end of previous reporting period ending 31st March 2013
I Revenue from Operations		-	-
II Other Income	14	-	187.48
III Total Revenue		<u>-</u>	<u>187.48</u>
IV Expenses			
A) Operational Expenses	15	<u>14.02</u>	<u>104.88</u>
Total Expenses		<u>14.02</u>	<u>104.88</u>
V Profit before Exceptional and extraordinary items and tax (III - IV)		(14.02)	82.60
VI Exceptional items/ Extraordinary items		-	-
VII Profit before Tax (V - VI)		(14.02)	82.60
VIII Tax Expenses		-	-
IX Profit (Loss) for the period (VII - VIII)		(14.02)	82.60
X Earnings Per Share			
Basic/Diluted earnings per share	Somoni	-	17.06
Face value per share	Somoni	-	100

Notes forming integral part of the financial statement No 1 to 26

As per our report of even date attached

For and on behalf of the Board of Directors

for L. N. Malik & Co
Chartered Accountants
Reg. No. 015992N

LUV MALHOTRA
Director

L.K. MALHOTRA
Managing Director

(L.N. Malik)
Partner
Membership No. 10423

N.K. GOEL
Director

Place: New Delhi
Date : 24th May, 2014



Cash Flow Statement for the year ended	2013-2014 (Rs. In lacs)	2012-2013 (Rs. In lacs)
A) Cash Flow From Operating Activities		
Profit before Tax & extraordinary Items	(14.02)	82.60
Adjustments for		
Depreciation	-	-
Loss on Sale of Assets	-	-
Foreign exchange fluctuation	41.30	26.52
Operating Profit before Working Capital Changes	27.28	109.12
(Increase) Decrease in Inventories	1,777.87	(706.31)
Increase (Decrease in) Trade Payables & Provisions	397.91	145.00
(Increase) Decrease in Loans & Advances	(308.95)	(252.28)
Cash generated from Operations	1,894.11	(704.47)
Net Cash from Operating Activities (A)	1,894.11	(704.47)
B) Cash Flow from Investing Activities		
Purchase of Fixed Assets/CWIP	(10,028.23)	(5,332.77)
Sale of Fixed Assets	-	-
Capital employed	-	199.31
Purchase of Investment	(0.04)	(0.04)
Net Cash used in Investing Activities (B)	(10,028.27)	(5,133.50)
C) Cash Flow from Financing Activities		
Term Loan Raised	5,503.13	5,088.99
Increase in Share Capital	3,539.39	-
Net Cash used in Financing Activities (C)	9,042.52	5,088.99
Net increase/ decrease in cash and cash equivalents (A+B+C)	908.36	(748.98)
Cash & Cash Equivalent (Opening balance)	169.65	918.63
Cash & Cash Equivalent (Closing balance)	1,078.01	169.65

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 2014 and the related Profit & 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 L. N. Malik & Co
Chartered Accountants
Reg. No. 015992N

LUV MALHOTRA
Director

L. K. MALHOTRA
Managing Director

(L.N. Malik)
Partner
Membership No. 10423

N.K. GOEL
Director

Place: New Delhi
Date : 24th May, 2014



Notes forming part of the financial statements

I. SIGNIFICANT ACCOUNTING POLICIES

Annexed to and forming part of the Statement of Accounts for the year ended 31st March 2014

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 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.

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.
4. Exchange difference arising out of conversion from Somoni to Indian Rupee is recognized in the Exchange Fluctuation Reserve.

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.



CHL INTERNATIONAL

Notes forming integral part of the financial statements

	Figures as at the end of current reporting period ending		Figures as at the end of previous reporting period ending	
	31st March 2014		31st March 2013	
	Lac No of	Shares	Lac No of	Shares
NOTE 2 SHARE CAPITAL				
Authorised				
Equity Shares of Somoni 100/- each	748,290	8632.95	484,200	5189.03
Issued, Subscribed and Paid up				
Equity Shares of Somoni 100/- each	748,290	8632.95	484,200	5189.03
Less Calls In Arrear		-		95.47
		8632.95		5093.56
A) Reconciliation of number of Equity shares outstanding				
As at beginning of the year	484,200	5189.03	484,200	5189.03
As at end of the year	748,290	8632.95	748,290	5189.03

B) Detail of shareholder holding more than 5 percent shares in the Company.

Name of Shareholder	As At 31st March 2014		As At 31st March 2013	
	No of Shares	Percentage	No of Shares	Percentage
CHL Limited	523800	70.00%	338940	70.00%
Al-Zahem Malhotra General Trading Co. WLL	224490	30.00%	145260	30.00%

C) Equity shares allotted as fully paid Bonus shares for the period of five years immediately preceding 31st March 2014

NIL

D) Rights, preferences and restrictions attached to the Equity Shares

The company has one class of Equity Shares having a par value of Somoni 100 each. The Company is a Close Joint Stock Company registered in Republic of Tajikistan.

	Figures as at the end of current reporting period ending 31st March 2014		Figures as at the end of previous reporting period ending 31st March 2013	
	3. RESERVES & SURPLUS			
PROFIT & LOSS ACCOUNT				
As per last Balance Sheet	415.93		333.33	
Add Transferred from Profit & Loss Account	(14.02)	401.91	82.60	415.93
FOREIGN EXCHANGE FLUCTUATION RESERVE				
		66.08		24.78
		467.99		440.71
4. LONG TERM BORROWINGS				
SECURED LOANS				
Term Loan from Export Import Bank of India	15,018.43		9,515.30	
		15,018.43		9,515.30
		15,018.43		9,515.30

Note:

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



CHL LIMITED

- Foreign Currency Term Loan from Export Import Bank of India is repayable in equal quarterly installment withn 9 year period after on year moratorium from the date of respective loan i.e. by 2024-25 and carry interest of LIBOR (6months) plus 6.00% p.a.

5. TRADE PAYABLE

- Sundry Creditors	226.25	226.25	109.40	109.40
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6. OTHER LONG TERM LIABILITIES

- Statutory Liabilities	26.65		164.18	
- Expenses Payable	210.97		86.58	
- Promotor Advance	294.20	531.82	-	250.76
		758.07		360.16

NOTE 7 - FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2013	Additions during the year	Sales/ Transfer	As on 31.03.2014	As on 01.04.2013	During the year	Adjust- ment/ Transfer	Upto 31.03.2014	As on 31.03.2014	As on 31.03.2013
Plant & Machinery	43.02	3.77	-	46.79	4.31	2.50	-	6.81	39.98	38.71
Furniture & Fixture	13.22	3.22	-	16.44	2.39	1.59	-	3.98	12.46	10.83
Office & Other Equipments	7.55	0.67	-	8.22	0.73	0.44	-	1.17	7.05	6.82
Computers	3.51	0.95	-	4.46	1.02	0.74	-	1.76	2.70	2.49
Vehicles	37.12	3.09	-	40.21	5.47	3.89	-	9.36	30.85	31.65
TOTAL	104.42	11.70	-	116.12	13.92	9.16	-	23.08	93.04	90.50



CHL INTERNATIONAL

Figures as at the end of
current reporting period ending
31st March 2014

Figures as at the end of
current reporting period ending
31st March 2013

8. CAPITAL WORK IN PROGRESS

- Capital work in Progress	14,912.87		7,481.32	
- Preoperative Expenses pending Capitalisation	7,934.01	22,846.88	5,339.87	12,821.19

9. NON CURRENT ASSETS LONG TERM INVESTMENTS (AT COST)

- Government Electricity Bond		0.38		0.34
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10. Long Term Loans & Advances Unsecured, considered good

- Security Deposit	73.81		74.86	
- Capital Advances	16.97		15.46	
- Taxes Recoverable	705.06	795.84	367.66	457.98

11. INVENTORIES

(at cost or realisation value whichever is lower and as certified by the Management)

- Linen etc	53.95		-	
- Building Material	-	53.95	1,831.82	1,831.82

12. CASH AND BANK BALANCES

i) Cash & Cheques on Hand	4.49		5.70	
ii) Scheduled Banks				
a) In current Accounts	1,073.52	1,078.01	163.95	169.65

13. SHORT TERM LOANS & ADVANCES

(Unsecured-considered good)
Advances recoverable in cash or kind
or for value to be received considered
good

- Other advances	0.45		30.84	
- Prepaid Expenses	8.89		7.41	
		9.34		38.25

14. OTHER INCOME

Job Works Income		-		187.48
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	-	187.48
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15. OPERATING EXPENSES

Material Used in Job work

Hire Charges		-		-
Material Used		-		-
Steel Used		-		-
Machinery Used		-		-
Repair Work		14.02		-
Sub Contractors Payments		-		93.37
Conveyance		-		-
Salaries & Wages		-		11.51

	14.02	104.88
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CHL INTERNATIONAL

II. NOTES ON ACCOUNTS

16. The company is incorporated in and operates under the applicable laws of the Republic of Tajikistan.
17. The Company is engaged in the construction of the hotel cum commercial complex at Dushanbe, Capital of Republic of Tajikistan.
18. 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.
19. Contingent liabilities not provided for in respect of

	2013-2014	2012-2013
i) Demands / Claims not acknowledged as debt or which are under litigation	NIL	NIL
ii) Bank Guarantees furnished	NIL	NIL
iii) Disputed demands for taxes duties and other levies pending adjudication in appeal	NIL	NIL

Estimated amount of contracts remaining to be executed on capital account, net of advances is Rs. 3000.00 Lacs.

20. 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.
21. Segment information: The Company's business segments are (a) Construction of hotel and commercial complex and (b) Civil job Works. There is no business activity in segments (a), the total revenue and expenditure in (b) is Rs. NIL and Rs. 14.02 Lacs respectively. (Previous year Rs. 187.48 Lacs and Rs.104.88 Lacs).
22. The balances with the banks in Dushanbe and Dubai, loan & advances, sundry creditors & term loan are subject to confirmation.
23. 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.
24. 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. NIL (Previous Year Rs. 92.08 Lacs)
- b) Unsecured advance received Rs. 132.12 lacs.
25. Other disclosures requirements of schedule VI with the Companies Act 1956 are not applicable to the Company.
26. 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.

As per our report of even date attached

For and on behalf of the Board of Directors

for L. N. Malik & Co
Chartered Accountants
Reg. No. 015992N

LUV MALHOTRA
Director

L. K. MALHOTRA
Managing Director

(L.N. Malik)
Partner
Membership No. 10423

N.K. GOEL
Director

Place: New Delhi
Date : 24th May, 2014



**AUDITORS'REPORT
TO THE BOARD OF DIRECTORS OF CHL LIMITED
REPORT ON THE CONSOLIDATED FINANCIA STATEMMENT**

1. We have audited the attached Consolidated Financial Statements of CHL Limited (the Company) and its subsidiary, which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these final statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements assurance about whether the financial statements are free from material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanation given to us and based on consideration of the report of the other auditor on the financial statement of the subsidiary as noted below, 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, 2014;
 - (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.

Other Matters

6. We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs. 24877.44 lacs as at 31st March 2014, the total revenue of Rs. (14.02 lacs) for the year ended on that date. These financial statements and other financial information have been audited by other auditor whose report(s) have been furnished to us, and our opinion is based solely on the report of the other auditor.

**For G. RAI & CO.
CHARTERED ACCOUNTANTS
(Registration No.001479N)**

**(GULSHAN RAI)
PARTNER**

Membership No.3921

Place : New Delhi
Date : 24 May, 2014



CHL LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014

Lac Rs.

Particulars	Note No.	Figures as at the end of current reporting period ending 31st March 2014		Figures as at the end of previous reporting period ending 31st March 2013	
I EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	1,096.37		1,096.37	
(b) Minority Interest		2,589.89		1,553.31	
(c) Reserve & Surplus	3	8,238.30	11,924.56	8,084.23	10,733.91
(2) Non-Current Liabilities					
(a) Long Term Borrowings	4	19,016.32		10,471.85	
(b) Deferred Tax Liability (Net)	5	414.84		448.23	
(c) Other Long term Liabilities	6	284.04		252.61	
(d) Long Term Provisions	7	73.03	19,788.23	108.14	11,280.83
(3) Current Liabilities					
(a) Short Term Borrowings	8	1,732.72		2,019.28	
(b) Trade Payable	9	872.53		472.45	
(c) Other Current Liabilities	10	799.87		659.44	
(d) Short Term provisions	11	26.03	3,431.15	184.40	3,335.57
TOTAL			<u>35,143.94</u>		<u>25,350.31</u>
II ASSETS					
Non Current Assets					
(1) Fixed Assets					
(i) Tangible Assets	12	5,771.26		5,460.71	
(ii) Capital; Work in Progress		22,846.88		12,821.19	
		28,618.14		18,281.90	
(b) Non-current Investments	13	257.76		257.42	
(c) Long Term Loans & Advances	14	1,861.44		1,463.32	
(d) Other Non Current Assets	15	-	30,737.34	24.91	20,027.55
(2) Current Assets					
(a) Inventories	16	540.51		2,213.07	
(b) Trade Receivables	17	379.95		430.52	
(c) Cash & Cash equivalents	18	3,218.06		2,455.00	
(d) Short Term Loans & Advances	19	251.14		190.02	
(e) Other Current Assets	20	16.94	4,406.60	34.15	5,322.76
TOTAL			<u>35,143.94</u>		<u>25,350.31</u>

Notes forming integral part of the financial statement No 1 to 44

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

LUV MALHOTRA
Joint Managing Director

L.K. MALHOTRA
Chairman & Managing Director

(Gulshan Rai)
Partner
Membership No. 3921

N.K. GOEL
Vice President Finance

G.J. VARADARAJAN
Company Secretary

Place: New Delhi
Date : 24th May, 2014



CONSOLIDATED STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014 **Lac Rs**

Particulars	Note No.	Figures as at the end of current reporting period ending 31st March 2014	Figures as at the end of previous reporting period ending 31st March 2013
I Revenue from Operations	21	5,746.80	5,590.41
II Other Income	22	272.96	470.95
III Total Revenue		6,019.76	6,061.36
IV Expenses			
a) Cost of Material Consumed	23	691.58	555.83
b) Employee benefit expense	24	1,591.51	1,452.36
c) Finance Cost	25	347.34	375.76
d) Operational Expenses	26	2,796.03	2,380.56
e) Depreciation and amortisation expense		422.20	474.36
Total Expenses		5,848.66	5,238.87
V Profit before Exceptional and extraordinary items and tax (III - IV)		171.10	822.49
VI Exceptional items/ Extraordinary items			15.24
VII Profit before Tax (V - VI)		186.34	831.05
VIII Tax Expenses	27		
a) Current Tax		106.95	275.72
b) Deferred Tax		(33.39)	(31.73)
Total Tax Expenses		73.56	243.99
IX Profit (Loss) for the period (VII - VIII)		112.78	587.06
X Earnings Per Share			
Basic/Diluted earnings per share		1.03	5.35
Face value per share		10.00	10.00

Notes forming integral part of the financial statement No 1 to 44

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

LUV MALHOTRA
Joint Managing Director

L.K. MALHOTRA
Chairman & Managing Director

(Gulshan Rai)
Partner
Membership No. 3921

N.K. GOEL
Vice President Finance

G.J. VARADARAJAN
Company Secretary

Place: New Delhi
Date : 24th May, 2014



CHL LIMITED

CONSOLIDATED

Lac Rupees

Cash Flow Statement for the year ended	31st March 2014	31st March 2013
A) Cash Flow From Operating Activities		
Net Profit before Tax & Extraordinary Items	171.10	849.01
Adjustments for		
Depreciation	422.20	474.36
Dividend Income	(1.31)	(2.61)
Exchange Reserve	41.30	-
Loss on Sale of Assets	-	1.41
Scrapped/Discarded Assets written off	116.81	-
Profit / Loss on sale of Investment	-	-
Interest Expenditure	347.34	375.76
Interest Received	(191.80)	(234.44)
Operating Profit before Working Capital Changes	905.64	1,463.49
Adjustments for		
(Increase) Decrease in Inventories	1,657.10	(652.94)
Increase (Decrease) in Trade & Other Payables	681.14	(7.08)
Increase (Decrease) in Liabilities	-	-
(Increase) Decrease in Trade & Other Receivables	50.57	(71.45)
(Increase) Decrease in Loans & Advances	(533.78)	(66.46)
Cash generated from Operations	2,760.67	665.56
Income Tax (Paid)/Refund	(58.32)	(450.86)
Net Cash from Operating Activities (A)	2,702.35	214.70
B) Cash Flow from Investing Activities		
Purchase of Fixed Assets/CWIP	(10,902.63)	(5,371.17)
Sale of Fixed Assets	27.38	29.33
Purchase of Investment	(0.34)	(0.04)
Investment of Minority Interest	1,036.57	(0.35)
Sale of Investments	-	-
Interest Received	191.80	234.44
Dividend Received	1.31	2.61
Net Cash used in Investing Activities(B)	(9,645.91)	(5,105.18)
C) Cash Flow from Financing Activities		
Proceeds from issue of Capital	-	-
Interest Paid	(347.34)	(375.76)
Increase (Decrease) in Security Deposit	-	33.16
Dividend Paid	-	(219.27)
Dividend Tax Paid	-	(35.57)
Increase/(Decrease) in long term Borrowing	8,507.40	4,096.76
Increase/(Decrease) in Short term Borrowings	(453.44)	307.61
Net Cash used in Financing Activities (C)	7,706.62	3,806.93
Net increase/ decrease in cash and cash equivalents (A+B+C)	763.06	(1,083.55)
Cash & Cash Equivalent (Opening balance)	2,455.00	3,538.55
Cash & Cash Equivalent (Closing balance)	3,218.06	2,455.00

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

LUV MALHOTRA
Joint Managing Director

L.K. MALHOTRA
Chairman & Managing Director

(Gulshan Rai)
Partner
Membership No. 3921

N.K. GOEL
Vice President Finance

G.J. VARADARAJAN
Company Secretary

Place: New Delhi
Date : 24th May, 2014



NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

Annexed to and forming part of the Statement of Accounts for the year ended 31st March 2014

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 a 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. 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. 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.
3. 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.
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 these were recorded at their recoverable value, and, where carrying amounts exceed the recoverable value, the assets are written down to their recoverable value.

D) INTANGIBLE ASSETS

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

E) ASSETS ON LEASE

Accounting treatment of assets taken on lease is 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 exchange 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 at the year end 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 unless the amount of difference is not material.



H) INVESTMENTS

Long term investments are carried at cost. No 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) INVENTORIES

i 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.

ii. Linen, Glassware, Chinaware etc.; Items 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 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.

K) RECOGNITION OF INCOME & EXPENDITURE

i. Revenue comprises sale of rooms, food and beverages, allied services relating to hotel operations including net income from telecommunication on services. Revenue is recognized upon rendering of service and is stated net of discounts/allowances.

ii. Claims recoverable / payable are recognized to the extent admitted. The practice consistently followed, in the earlier years to recognize license fee from shops on receipt basis has been changed to accrual basis. 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.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax asset is recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

N) Prior period and extraordinary items and changes in Accounting Policies having material impact on the financial affairs of the company are disclosed.



Notes forming part of the financial statements

	Figures as at the end of current reporting period ending 31st March 2014		Figures as at the end of previous reporting period ending 31st March 2013	
	Lac No of shares	Lac Rs	Lac No of shares	Lac Rs
2. SHARE CAPITAL				
Authorised				
Equity Shares of Rs. 2/- each (Previous Year 30,000,000 equity shares of Rs. 10/- each)	<u>1,500.00</u>	<u>3,000.00</u>	<u>300.00</u>	<u>3,000.00</u>
Issued, Subscribed and Paid up				
Equity Shares of Rs. 2/- each (Previous Year 30,000,000 equity shares of Rs. 10/- each)	548.18	<u>1,096.37</u>	109.64	<u>1,096.37</u>
		<u>1,096.37</u>		<u>1,096.37</u>
A) Reconciliation of number of Equity shares outstanding				
As at beginning of the year	109.64	1,096.37	109.64	1,096.37
As at end of the year	548.18	1,096.37	109.64	1,096.37

B) Detail of shareholder holding more than 5 percent shares in the Company.

Name of Shareholder	As At 31st March 2014		As At 31st March 2013	
	Lac No of Shares	Percentage	Lac No of Shares	Percentage
Malbros Investments Inc	322.88	58.90%	64.58	58.90%

C) Equity shares allotted as fully paid Bonus shares for the period of five years immediately preceding 31st March 2014
NIL

D) Rights, preferences and restrictions attached to the Equity Shares

The company has one class of Equity Shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held.

Note: In the Extra Ordinary General Meeting of shareholders held on 21-03-2014, the face value of each equity share of Rs. 10/- each was sub divided into five equity shares of face value of Rs. 2/- each).

	Figures as at the end of current reporting period ending 31st March 2014		Figures as at the end of previous reporting period ending 31st March 2013	
3. RESERVES & 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	2,990.00		2,910.00	
Add Transferred from Profit & Loss Account	30.00	3,020.00	80.00	2,990.00
Foreign Exchange Fluctuation Reserve		66.08		24.78
PROFIT & LOSS ACCOUNT				
As per last Balance Sheet	4,958.51		4,706.29	
Add Transferred from Profit & Loss Account	112.77		587.06	
	5,071.28		5,293.35	
Less : APPROPRIATIONS				
Transferred to General Reserve	30.00		80.00	
Proposed & Interim Dividend *	-		219.27	
Income Tax on Interim & Proposed Dividend	-		35.57	



CHL LIMITED

	Figures as at the end of current reporting period ending 31st March 2014	Figures as at the end of previous reporting period ending 31st March 2013		
Balance carried over	<u>5,041.28</u>	<u>4,958.51</u>		
	<u>8,238.30</u>	<u>8,084.23</u>		
4. LONG TERM BORROWINGS				
(a) Term Loan from Banks				
Andhra Bank	1,376.78	854.27		
Bank of Baroda ECB Term Loan	2,480.00	-		
Export Import Bank Of India	15,018.43	9,515.30		
(b) Long Term Finance Lease Obligations	141.11	102.28	10,471.85	
	19,016.32			
- Term Loan Rs. 444.27 lacs from Andhra Bank is repayable in equal installment within 5 year period from the date of respective loan i.e. by 2015-16 and carry interest of 12.25% p.a. Term Loan of Rs. 632.51 lacs from Andhra Bank is repayable in equal installment within 7 years period after one year moratorium period from the date of first disbursement i.e. by 2021-22 and carry interest of 12.50% pa. Term Loan from Andhra Bank is secured by paripassu charge over entire fixed assets and exclusive charge on current assets.				
- Foreign Currency Term Loan from Bank of Baroda is repayable in equal installment within 5 year period from the date of respective loan i.e. by 2019-20 and carry interest of 3.75% p.a. Term Loan from Bank of Baroda is secured by paripassu charge over entire fixed assets.				
- Foreign Currency Term Loan from Export Import Bank of India is repayable in equal quarterly installment within 9 year period after one year moratorium from the date of respective loan i.e. by 2024-25 and carry interest of LIBOR (6months) plus 6.00% p.a. Term Loan is secured by first & exclusive charge over entire fixed assets and current assets of the subsidiary of the company and corporate guarantee of the company.				
- The Finance Lease obligations are secured by hypothecation of vehicles taken under Lease. The loan is payable in equated monthly instalments within 5 years period from the date of respective loan.				
5 DEFERRED TAX LIABILITIES				
(i) Deferred Tax Liability				
Depreciation on Fixed Assets	448.23	479.96		
Total (i)	448.23	479.96		
(ii) Deferred Tax Asset				
Disallowance u/s 43 (B) of Income Tax	33.39	31.73		
Total (ii)	33.39	31.73		
Net Deferred Tax Liabilities (i-ii)	414.84	448.23	448.23	448.23
6 OTHER LONG TERM LIABILITIES				
a) Security Deposits	251.62	213.52		
b) Others	32.42	39.09	252.61	
	284.04			
7 LONG TERM PROVISIONS				
- Provision for leave Benefit (Ref Note No 36)	51.35	52.91		
- Provision for Gratuity	21.68	55.23	108.14	
	73.03			
8 Short Term Borrowings				
- Overdraft against Fixed Deposit with banks	1,732.72	2,019.28	2,019.28	
	1,732.72			
9 Trade Payable				
- Sundry Creditors	872.53	472.45	472.45	
	872.53			
10 Other Current Liabilities				
- Advances from Customers	53.15	95.41		
- Unpaid Dividends	20.66	25.30		
- Statutory Liabilities	278.59	354.72		
- Other Liabilities	285.39	184.01		
- Minority Creditors	162.08	-	659.44	
	799.87			



Lac Rs.

**Figures as at the end of
current reporting
period ending**

Figures as at the end of
previous reporting
period ending

31st March 2014

31st March 2013

11. Short Term Provisions

i) Proposed Dividend	-		109.63		
ii) Income Tax on Proposed Dividend	-		17.79		
iii) Provision for Staff Leave Benefit	13.84		12.06		
iv) Provision for Taxation	12.19	26.03	44.92		184.40

NOTE 12 - FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2013	Additions during the year	Sales/ Transfer	As on 31.03.2014	As on 01.04.2013	During the year	Adjust- ment/ Transfer	Upto 31.03.2014	As on 31.03.2014	As on 31.03.2012
Land (Leasehold)	599.31	-	-	599.31	-	-	-	-	599.31	599.31
Land (Freehold)	116.04	-	-	116.04	-	-	-	-	116.04	116.04
Land & Building (Noida)	240.48	-	-	240.48	-	-	-	-	240.48	240.48
Building	3,318.02	258.81	6.45	3,570.38	695.46	55.62	2.30	748.78	2,821.60	2,622.56
Plant & Machinery	3,694.52	325.34	330.53	3,689.33	2,593.61	181.99	256.79	2,518.81	1,170.52	1,100.91
Plant & Machinery (Noida)	90.90	-	-	90.90	-	-	-	-	90.90	90.90
Furniture, Fixture and Fitting	1,275.25	174.77	292.23	1,157.79	1,028.45	95.16	258.87	864.74	293.05	246.80
Office & Other Equipments	108.45	1.54	10.53	99.46	38.64	4.92	4.97	38.59	60.87	69.81
Computers	183.49	11.13	19.11	175.51	146.25	27.83	18.37	155.71	19.80	37.24
Vehicles	654.27	115.25	84.28	685.24	317.61	65.84	56.90	326.55	358.69	336.66
TOTAL - Current Year	10,280.73	886.84	743.13	10,424.44	4,820.02	431.36	598.20	4,653.18	5,771.26	5,460.71
Previous Year	10,253.21	59.57	32.05	10,280.73	4,355.85	482.18	18.01	4,820.02	5,460.71	5,897.36

**CHL LIMITED**

	As at, 31-03-2014 No of Units	As at 31-03-2013 No of Units	As at 31-03-2014 Lac Rs	As at 31-03-2013 Lac Rs
13. LONG TERM INVESTMENTS				
In Equity Shares - Others (Quoted & Fully Paid)				
Advani Hotels & Resorts (India) Ltd. of Rs.2/- each	500	500	0.01	0.01
Asian Hotel (East) Ltd. of Rs.10/- each	25	25	0.01	0.01
Asian Hotel (North) Ltd. of Rs.10/- each	25	25	0.01	0.01
Asian Hotel (West) Ltd. of Rs.10/- each	25	25	0.01	0.01
EIH Associate Hotels Ltd. of Rs.10/- each	50	50	0.01	0.01
EIH Ltd. of Rs.2/- each	75	75	0.02	0.02
Essar Steel Ltd of Rs. 10/- each	50,000	50,000	21.63	21.63
Hotel Leela Venture Ltd. of Rs.2/- each	250	250	-	-
Indian Hotel Ltd. of Rs.1/- each	100	100	0.02	0.02
ITC Ltd. of Rs.1/- each	30	30	0.01	0.01
Jaiprakash Associates Ltd.of Rs. 2/- each	15	15	0.01	0.01
Morepen Laboratories Ltd. of Rs. 2/- each	5,000	5,000	0.75	0.75
Penta Media Graphics Ltd. of Rs. 1/- each	100,000	1,00,000	1.00	1.00
Reliance Power Ltd. of Rs.10/-each	28,800	28,800	62.77	62.77
Royal Manor Hotels & Industries Ltd. of Rs.10/- each	100	100	-	-
Sayaji Hotel Ltd. of Rs.10/- each	100	100	-	-
HB Estate Developers Ltd of Rs. 10/-each	2,59,984	2,59,984	150.67	150.67
Taj GVK Hotels & Resorts Ltd of Rs.2/- each	10	10	0.03	0.03
			236.96	236.96
In Equity Shares - Others (Unquoted & Fully Paid)				
Bharat Hotel Ltd. of Rs.10/- each	150	15	0.01	0.01
KMAHP Pvt Ltd. of Rs.10 each	100	100	0.01	0.01
Jagriti Hydro Power Pvt Ltd. of Rs.10/- each	1,000	1,000	0.10	0.10
Makkan Hydropower Pvt Ltd of Rs. 10/- each	3,000	-	0.30	-
			0.42	0.12
In Equity Shares (Unquoted, Fully Paid up) Associate Companies				
CHL (South) Hotels Ltd of Rs.10/- each	1,00,000	1,00,000	10.00	10.00
			10.00	10.00
In Mutual Funds (Unquoted, Fully Paid)				
Osian Art Fund	1,00,000	1,00,000	10.00	10.00
Tajikistan Electricity Board Bond			0.38	0.34
			10.38	10.34
TOTAL			257.76	257.42
AGGREGATE VALUE OF	Book Value		Market Value	Market Value
Quoted Investments	236.96		52.70	60.50



Lac Rs.

	Figures as at the end of current reporting period ending		Figures as at the end of previous reporting period ending	
	31st March 2014		31st March 2013	
14. Long Term Loans & Advances				
Unsecured, considered good				
- Capital Advances	36.59		19.62	
- Other advances	542.81		520.00	
- Interst Recoverable	0.08		-	
- Security & Other Deposit	131.74		110.88	
Other Loan & advances				
- Income Tax Refundable	1,150.22	1,861.44	812.82	1,463.32
15. OTHER NON CURRENT ASSETS				
Unsecured, considered good				
- Long Term Trade Receivable	-	-	24.91	24.91
16. INVENTORIES				
(at cost or realisation value whichever is lower and as certified by the Management)				
i) Chinaware, Glassware, Silverware, Linen etc	215.26		130.38	
ii) Kitchen Accessories	143.86		81.88	
iii) Provision, Food, Beverages etc.	99.30		88.89	
iv) General Stores and Project Store	82.09	540.51	1,911.92	2,213.07
17. TRADE RECEIVABLES				
(Unsecured considered Good)				
i) Outstanding for over Six Months	4.19		7.67	
ii) Others	375.76	379.95	422.85	430.52
18. CASH AND BANK BALANCES				
Cash & Cash Equivalents				
i) Cash on Hand	16.32		29.65	
ii) Cheques/drafts in Hand	-		2.00	
iii) In current accounts	1,423.34		196.36	
Other Bank Balances				
iv) In Unpaid Dividend Account	20.66		25.30	
v) Scheduled Banks - Fixed Deposits maturing within 12 months of reporting date (Ref Note No 29)	1,757.74	3,218.06	2,201.69	2,455.00
19. SHORT TERM LOANS & ADVANCES				
(Unsecured-considered good)				
Advances recoverable in cash or kind or for value to be received considered good				
- Other advances	10.33		61.93	
- Advances to Suppliers	52.52		12.16	
- Prepaid Expenses	127.64		115.93	
- Income Tax Recoverable	60.65	251.14	-	190.02
20. OTHER CURRENT ASSETS				
i) Interest accrued on Fixed Deposits	16.94		29.53	
Others - Unsecured , considered good				
i) Commission receivable	-	16.94	4.62	34.15



CHL LIMITED

	Figures for the current reporting period ending		Figures for the previous reporting period ending	
	31st March 2014		31st March 2013	
	Lac Rs	Lac Rs	Lac Rs	Lac Rs
21. REVENUE FROM OPERATIONS				
Sale of Product				
Wine & Liquor	257.75		279.77	
Food, Beverage & Smokes	1,552.44		1,541.04	
	<u>1,810.19</u>		<u>1,820.81</u>	
Less Excise Duty	3.67	1,806.52	3.83	1,816.98
Sale of Services				
Rooms	3,003.79		2,932.15	
Licence Fee	662.70		519.04	
Communications	34.25		41.85	
Other Operating Revenues	155.75		128.84	
Banquet Misc. Services	83.79	3,940.28	79.55	3773.43
		<u>5,746.80</u>		<u>5,590.41</u>
22. OTHER INCOME				
Interest earned		191.80		234.44
Dividend Income - Long Term Investments		1.31		2.61
Foreign Currency transaction gain/(loss)		15.05		5.52
Scrap Income		8.52		6.36
Excess Provision & Other Income		21.28		34.54
Bad Debt Recovered		35.00		-
Job Work Income		-		187.48
		<u>272.96</u>		<u>470.95</u>
23. CONSUMPTION OF PROVISIONS, WINES & SMOKES				
A. PROVISIONS, BEVERAGES & SMOKES				
Opening Stock	22.67		30.31	
Add: Purchases	596.50		440.19	
	<u>619.17</u>		<u>470.50</u>	
Less : Closing stock	29.70	589.47	22.67	447.83
B. WINE & LIQUOR				
Opening Stock	66.22		102.74	
Add: Purchases	105.48		71.48	
	<u>171.70</u>		<u>174.22</u>	
Less : Closing Stock	69.59	102.11	66.22	108.00
		<u>691.58</u>		<u>555.83</u>
24. PAYMENT TO AND PROVISION FOR EMPLOYEES				
Salaries, Wages, Stipend & Bonus		1,312.58		1,169.81
Contribution to Provident, Gratuity & Other Funds		134.44		163.45
Employees Welfare Expenses		135.30		116.49
Recruitment & Training Expenses		9.19		2.61
		<u>1,591.51</u>		<u>1,452.36</u>



CHL LIMITED

28. Contingent liabilities not provided for in respect of

	2013-2014 (in lacs)	2012-2013 (in lacs)
i) Demands / Claims not acknowledged as debt or which are under litigation	NIL	Rs. 10.00
ii) Bank Guarantees furnished	Rs. 25.00	Rs. 67.00
iii) Disputed demands for taxes duties and other levies pending adjudication in appeal	Rs. 260.39	Rs. 143.86
iv) Corporate Guarantee ⁱ	US\$ 265.00	US\$ 180.00

ii. Corporate Guarantee has been given to Export/Import Bank of India against loan of same value taken by the subsidiary of the company in addition to second charge on its fixed assets.

28A Other advances are for business purposes and do-not carry interest .

29. The Fixed Deposits are pledged with:

- i) Statutory Authorities - Rs.0.90 lacs (Rs. 2.85 lacs);
- ii) Banks against bank guarantee – Rs. 25.00 lacs (Rs. 67.00 lacs); and
- iii) Banks against overdraft facilities – Rs. 1756.84 lacs (Rs. 2176.84 lacs)

30. No depreciation has been provided on building, plant and machinery in NSEZ Noida as the same has not been put to use.

31. No lease rent on following has neither been paid nor provided in the financial statements in the absence of any claim from the concerned authority:

- a. NSEZ Noida Land
- b. Jaipur Land

32. Estimated amount of contracts remaining to be executed on capital account, net of advances. In respect of the Company Rs. 400.00 Lacs (previous year Rs. 22.96 lacs)

33. Debts due to or by the company, in some cases, are unconfirmed and/or under reconciliation. In the opinion of the management the impact of adjustment on reconciliation is not likely to be significant.

34. 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.

35. MICRO AND SMALL ENTERPRISES

The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act 2006 and hence disclosure relating to the amounts unpaid at the year end with interest paid / payable under this Act has not been given.

36. **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 :	2013-14	2012-13
Discount Rate	8.00 %	8.00 %
Rate of increase in Compensation levels	6.00 %	6.00 %
Superannuation age	58 yrs	58 yrs
Mortality		
II. Table Showing Change in Benefit Obligation :		
Projected Benefit Obligations (PBO) at the beginning of the year	64.97	62.77
Interest Cost	4.53	4.73
Service Cost	8.88	9.71
Benefits paid	(16.57)	(7.36)
Actuarial (gain) loss on obligations	3.37	(4.87)
PBO at the end of the year	65.19	64.97
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	16.57	7.36
Benefits paid	(16.57)	(7.36)
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	16.57	7.36
Benefits paid	(16.57)	(7.36)
Fair value of Plan Assets at the end of the year	-	-
Excess of actual over expected return on Plan Assets	-	-
V. Funded Status	(65.19)	(64.97)
VI. Limits of Corridor not considered since total actuarial gain/loss is being recognized		
Actuarial gain/(loss) for the year – Obligation	(3.37)	4.87
Actuarial gain (loss) for the year - Plan Assets	-	-
Sub-Total	(3.37)	4.87
Actuarial (gain)/loss recognized	3.37	(4.87)
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	65.19	64.97
Fair value of Plan Assets	-	-
Difference	65.19	64.97
Unrecognised Actuarial gains (losses)	-	-
Unrecognised Transitional Liability	-	-
Liability Recognised in Balance Sheet	65.19	64.97
VIII. Net Periodic Cost		
Current Service Cost	8.88	9.71
Interest Cost	4.53	4.73
Expected Return on Plan Assets	-	-
Net Actuarial (gain) loss recognised in the year	3.37	(4.87)
Expenses Recognised in the Income Statement	16.79	(9.56)



CHL LIMITED

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

Opening Net Liability	68.97	63.89
Expense as above	16.79	11.58
Contributions/Transfers	(16.57)	(12.70)
Closing Net Liability	65.19	62.77

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

38. Contribution to Political party: NIL (Previous Year NIL)

39. Related party transactions

Subsidiary Company	CHL International	
Associate Companies	CHL (South) Hotels Limited	
Key Management Personnel	Dr. L.K.Malhotra	Managing Director
	Mr. Luv Malhotra	Joint Managing Director
	Mr. Gagan Malhotra	Executive Director
Entities controlled by Directors or their relatives	Kyjol Projects Pvt Ltd.	
	Mela Hotels Limited	
	Sankalp Portfolio Investments Pvt Ltd.	
	United Exports	
	Ultima Leasing & Financing	

Sr. no	Name of Party	Nature of Transaction	Transaction value	Bal. as on 31.03.2014*	Bal. as on 31.03.2013*
a)	United Exports	Purchase of goods	19.95	(5.37)	(1.73)
b)	Malbros Holdings Pvt. Ltd.	Inter corporate Deposit	120.00	NIL	NIL
c)	CHL International	- Unpaid Calls	-	NIL	(92.08)
		- Investment	-	6043.06	3632.32
		-Advance	-	144.30	NIL

* FIGURES IN BRACKET INDICATE PAYABLE

40. Managerial Remuneration to Directors

Particulars	2013-14	2012-13
Salary & Allowances	126.00	126.00
Contribution to P.F.	8.64	8.64
Other benefit/perquisites	4.40	3.80
Commission to Directors	NIL	NIL
Sitting Fee to other Directors	9.80	8.00



41. Details of Consumption & Purchase

The company is not required to give quantitative and value wise information in respect of, consumption; turnover, stock etc. as the same is exempted vide circular No. SO301(E) dated 08-02-2011 issued by Ministry of Corporate Affairs, Government of India.

A. C.I.F. Value of Imports	Current Year	Previous Year
a) Food & Beverage	Nil	Nil
b) Wine & Liquor – through canalizing agencies	45.43	34.42
c) Components, spare parts and stores	88.50	1.10
d) Capital Goods	116.10	3.03
B. Expenditure in Foreign Currency – on payment basis		
i. Technical Services	17.95	17.82
ii. Others	83.45	55.23
C. Earning in Foreign Exchange – on receipt basis		
On account of hotel services	1760.29	1570.42

D. 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

1. No. of Non Resident shareholders	129	130
2. No. of equity shares held by them	88.28	88.28
3. Rupees (in lakhs) equivalent of amount paid in Foreign currency	64.57	64.57
4. Amount of Rupees (in lakhs) remitted to banks in India.	23.70	23.70
5. Year to which Relates	2012-13	2011-12

Interim dividend

1. No. of Non Resident shareholders	NIL	130
2. No. of equity shares held by them	NIL	88.30
3. Rupees (in lakhs) equivalent of amount paid in Foreign currency	NIL	64.57
4. Amount of Rupees (in lakhs) remitted to banks in India.	NIL	23.72
5. Year to which Relates	2013-14	2012-13

42. Amount transferred to investor education and protection fund as required under section 205 C of the Companies Act as Rs. 3.73 lacs (Previous Year Rs. 1.51 lacs)

43. 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.



CHL LIMITED

44. Balance Sheet abstract and Company's General Business profile

a. Registration Details

CIN No.	L55101DL1979PLC009498
State Code	55
Balance Sheet Date	31.03.2014

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	16441.68
Total Assets	16441.68

SOURCE OF FUNDS

Paid-up Capital	1096.37
Reserve & Surplus	7770.31
Non- Current Liabilities	4769.81
Current Liabilities	2805.19
Deferred Tax (Net)	414.84

APPLICAION OF FUNDS

Net Fixed Assets	5678.20
Non Current Investments	6300.44
Long Term Loans & Advances	1065.62
Other Non Current Assets	0.00
Current Assets	3397.42

d. Performance of the Company

Turnover	6019.76
Total Expenditure	5834.65
Profit / (Loss) before Tax	185.12
Profit / (Loss) after Tax	126.80
Earnings per share	1.16
Dividend Rate (%)	NIL

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

Items Code (ITC Code)	NA
Product Description	Hotel Business

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

LUV MALHOTRA
Joint Managing Director

L.K. MALHOTRA
Chairman & Managing Director

(Gulshan Rai)
Partner
Membership No. 3921

N.K. GOEL
Vice President Finance

G.J. VARADARAJAN
Company Secretary

Place: New Delhi
Date : 24th May, 2014



**PROXY FORM
CHL LIMITED**

Hotel The Suryaa, New Friends Colony, New Delhi-110025
Tel +91 11 26835070, 47808080, Fax: +91 26837758, 47808081
www.chl.co.in, E-mail cs@chl.co.in, CIN No. L55101DL1979PLC009498

Name of the Member(s) :
Regd. Address :
E-mail ID :
Folio/DP ID -Client-ID No. :

I/We, being the Member(s) holding shares of the above named company, hereby appoint

(1) Name Address or failing him/her
Email ID Signature

(2) Name Address or failing him/her
Email ID Signature

(3) Name Address or failing him/her
Email ID Signature

As my/our proxy to attend and vote (on a poll) to me/us and on my/our behalf at the 35th Annual General Meeting to be held on Monday, the 29th September, 2014 at 12.30 PM at Hotel The Suryaa, New Friends Colony, New Delhi 110 025 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Resolution	For	Against
1.	Adoption of Annual Accounts for the financial year ended 31st March, 2014 together with the reports of Board and Auditors thereon		
2.	Appoint a Director in place Mr. D.V. Malhotra, who retires by rotation and being eligible offers himself for re-appointment		
3.	Re-appointment of Auditors and fixation of remuneration.		
Special Business			
4.	Appointment of Mr. Lalit Bhasin as an Independent Director		
5.	Appointment of Mr. Subhash Ghai as an Independent Director		
6.	Appointment of Mr. Yash Kumar Sehgal as an Independent Director		
7.	Empowering the Board of Directors for borrowing to an amount not exceeding Rs. 1000 Crore and for creation of charges		
8.	Empowering Board of Directors for investment not exceeding Rs. 1000 crore		
9.	Adoption of new Articles of Association in conformity with Companies Act 2013		

Signed this day of 2014
Member's Folio/DP ID-Client ID No.....
Signature of Proxy holders (s).....

Signature of Shareholder

Affix
15 Paise
Revenue
Stamp

Note :

- I. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.
- II. For the Resolutions, Explanatory Statements and Notes please refer to the Notice of 35th Annual General Meeting.
- III. It is optional to put "..." in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- IV. Please complete all details including details of the Member(s) in the box before submission.

**ATTENDANCE SLIP
CHL LIMITED**

Hotel The Suryaa, New Friends Colony, New Delhi-110025
Tel +91 11 26835070, 47808080, Fax: +91 26837758, 47808081
www.chl.co.in, E-mail cs@chl.co.in, CIN No. L55101DL1979PLC009498

I/We hereby record my/our presence at the 35th Annual General Meeting of the Company at Hotel the Suryaa, New Friends Colony, New Delhi 110 025 at 12.30 PM on Monday, the 29.09.2014

Member's Folio/DP-Client ID

Member's proxy name in Block Letters

Member's Proxy's signature

Note:

- I. Please complete the Folio/DP- Client ID- No. name and sign the Attendance Slip and hand it over the Attendance Verification center at the ENTRANCE OF THE MEETING HALL.
- II. Members holding shares in physical form are requested to advise their change in their address if any, to Beetal Financial & Computer Services Pvt. Ltd, Beetal House, 3rd Floor, 99, Madangir, behind Local Shopping Centre, New Delhi 110 062. Quoting their Folio Numbers, Members holding shares in electronic form may update such a details with their respective Depository Participant(s).
- III. Members are requested to bring this slip along with them as duplicate slips will not issued at the venue of the meeting.

Hotel “Sheraton Dushanbe,” Tajikistan



If undelivered please return to :



CHL LIMITED

HOTEL THE SURYAA

NEW FRIENDS COLONY

NEW DELHI - 110 025

PHOTO
Journal of Health Training

1	Name of the person	Date
2	Address	City
3	Occupation	State
4	Education	Country
5	Religion	Age
6	Marital Status	Sex
7	Family Size	Height
8	Weight	Blood Pressure
9	Temperature	Pulse
10	Respiration	Sight
11	Hearing	Touch
12	Taste	Smell
13	Smell	Taste
14	Taste	Smell
15	Smell	Taste
16	Taste	Smell
17	Smell	Taste
18	Taste	Smell
19	Smell	Taste
20	Taste	Smell