



**CHL LIMITED**

New Friends Colony, New Delhi 110 025

T +91 11 2683 5070, 4780 8080

F +91 11 2683 7758, 4780 8081

CHL/SECT/BSE/2019

17<sup>th</sup> July, 2019

**The Asstt. General Manager  
Bombay Stock Exchange Limited  
25<sup>th</sup> Floor, P J Towers  
Dalal Street  
Mumbai 400 001**

**SCRIP CODE 532992**

**Sub: Submission of Annual Report for the Financial Year 2018-2019**

Dear Sir,

Please find enclosed herewith Annual Report for the Financial Year 2018-2019 of CHL Limited, in pursuance with Regulation 34(1) of Securities Exchange Board India (Listing Obligations and Disclosure Regulations).

Thanking you,

Yours Faithfully,  
For CHL Limited

G J VARADARAJAN  
Company Secretary



The Suryaa New Delhi  
(A Unit of CHL Ltd.)

ISO 22000:2005 & 14000 CERTIFIED

[www.thesuryaa.com](http://www.thesuryaa.com)

Email : [chl@chl.co.in](mailto:chl@chl.co.in)

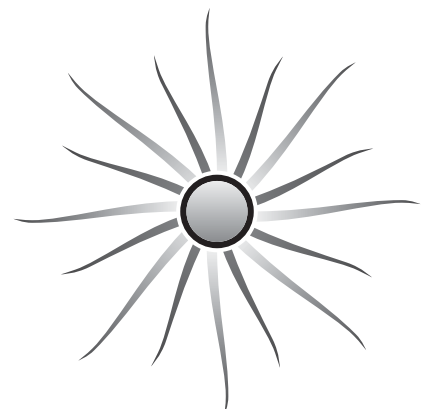
CIN : L55101DL1979PLC009498





**CHL LIMITED**

**ANNUAL REPORT  
2018 - 2019**



— THE —  
**SURYAA**  
— SERVICE SO MEMORABLE —



**40th Annual General Meeting**

Date : 12th August, 2019  
Day : Monday  
Time : 12.30 PM  
Place : Hotel The Suryaa  
Community Centre  
New Friends Colony  
New Delhi-110 025

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**BOARD OF DIRECTORS**

Dr. L. K. Malhotra - Chairman  
Mr. Luv Malhotra - Managing Director  
Mr. Gagan Malhotra - Executive Director  
Mr. A. K. Malhotra  
Ms. Kajal Malhotra  
Mr. Subhash Ghai  
Mr. R. C. Sharma  
Mr. Lalit Bhasin  
Mr. Yash Kumar Sehgal  
Mr. Alkesh Tacker

**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**

DGA & Co.  
Chartered Accountants  
G-6, Dhawandee Apartment  
6, Jantar Mantar Road  
New Delhi-110 001  
Email: devkagarwal@rediffmail.com

**Internal Auditors**

Gulvardhan Malik and Co.  
Chartered Accountants  
G.F., F-54 Dilshad Colony  
Delhi -110095  
Email: fcamalik@gmail.com

**Bankers**

Andhra Bank  
Bank of Baroda  
HDFC Bank Ltd.  
ICICI Bank

**Registrar and Share Transfer Agent**

Beetal Financial & Computer Services Pvt. Ltd.  
Beetal House, 3<sup>rd</sup> Floor,  
99, Madangir  
Behind Local Shopping Centre  
New Delhi - 110 062  
Phone : 91-11-29961281-83 Fax : 91-11-29961284  
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  
Website : http://www.chl.co.in

## NOTICE

**NOTICE is hereby given that the 40th Annual General Meeting of the Members of CHL Limited will be held on Monday, the 12th August, 2019 at 12:30 P.M. at the Registered Office of the Company at Hotel The Suryaa, New Friends Colony, New Delhi 110025 to transact the following business:**

### Ordinary Business

1. To receive, consider and adopt
  - (a) The Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2019 together with the Reports of the Directors and the Auditors thereon; and
  - (b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019 and the Reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Kumar Malhotra, (DIN 00676603) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Ms. Kajal Malhotra, (DIN: 01319170) who retires by rotation and being eligible, offers herself for re-appointment.
4. 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 DGA & Co., Chartered Accountants, New Delhi (Firm Registration No. 003486N) be and are hereby appointed as Auditors of the company for a period of three years to hold office from the conclusion of 40th Annual General Meeting till the conclusion of the 43rd Annual General Meeting of the Company and at such remuneration as may be determined by the Board of Directors of the Company.

### Special Business

5. 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 Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, **Mr. Lalit Bhasin (DIN: 0002114)** holding the position of an Independent Director whose tenure is coming to end w.e.f 28th Day of September 2019, be and is hereby re-appointed as an Independent Director of the Company w.e.f 29th Day of September 2019 for a further period of 5(Five) consecutive years not liable to retire by rotation or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.
6. 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 Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations, as amended from time to time, **Mr. Subhash Ghai (DIN: 00019803)** holding the position of an Independent Director whose tenure is coming to end w.e.f 28th Day of September 2019, be and is hereby re-appointed as an Independent Director of the Company w.e.f 29th Day of September 2019 for a further period of 5(Five) consecutive years not liable to retire by rotation or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.
7. 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 Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and pursuant to the Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations, as amended from time to time, **Mr. Yash Kumar Sehgal (DIN: 03641168)** holding the position of an Independent Director whose tenure is coming to end w.e.f 28th Day of September 2019, be and is hereby re-appointed as an Independent Director of the Company w.e.f 29th Day of September 2019 for a further period of 5(Five) consecutive years not liable to retire by rotation or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.
8. 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 Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is effective from April 1, 2019, and other applicable Regulations, as amended from time to time, ("Listing Regulations") and applicable provisions of the Companies Act, 2013, as amended from time to time read with the reasons and justification as stated in the explanatory statement annexed herewith, consent of the Members of the Company be and is hereby accorded for continuation of holding of the Office of Independent Director of the Company by **Mr. Ramesh Chandra Sharma (DIN: 00023274)** who is above the age of 75 (Seventy years) years till the end of his tenure, i.e. 17.09.2020 or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.



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

**RESOLVED THAT** subject to provisions of Sections 196,197,198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, ("Act") including Schedule V of the Act, the consent of the Company be and is hereby accorded to the re-appointment of **Mr. Gagan Malhotra (DIN:00422762) as Executive Director** whose tenure is completed on 31.03.2019, for a period of three years commencing from 01.04.2019 to 31.03.2022 and to the payment of overall remuneration to Mr. Gagan Malhotra is as follows:

**Overall Remuneration:**

Subject to the provisions of Sections 196,197,198 and 203 and other applicable provisions of the Companies Act, 2013 and modification/ amendments thereof, if any, the remuneration payable to Managing Director and Executive Director of the Company, in any Financial Year shall not exceed 10% (ten percent) of the net profit of the Company for all of them together. Subject to Schedule V of the Companies Act, 2013, in any Financial Year during the tenure of Mr. Gagan Malhotra, Executive Director, if the Company has no profit or its profits are inadequate, the remuneration payable to Mr. Gagan Malhotra, Executive Director, of the Company shall be as under w. e. f. 01.04.2019 till the end of his tenure i.e. 31.03.2022.

**Basic Salary:** Rs.3,00,000 P.M.

**House Rent Allowance:** Accommodation with amenities such as Gas, Electricity/water. House Furnishing and Repairs, the aggregate monetary value of which being limited to 60% of basic salary per month for the purpose of which limit, perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such Rule, Perquisites shall be evaluated at actual cost.

**Miscellaneous Allowances:** Rs.20,000 P.M.

**Provident Fund, Superannuation & Gratuity:** Provident Fund, Superannuation and Gratuity as per the rules of the Company, subject to the ceiling as per the guidelines for managerial remuneration in force from time to time.

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

**Privilege Leave:** One Month's leave on full pay and allowance for every eleven months of service, at the end of the tenure as per the Company's Rules.

**Car & Telephone:** Company's car with driver for Company's Business. Official telephone facility at residence. Personal long distance telephone calls shall be billed by the company.

**Leave Travel Allowance/Concession:** Airfare for self and family, once a year to any destination amount not exceeding one month's basic salary.

**Entertainment/Travelling:** Re-imbursment of travelling, entertainment and other expenses as incurred by him for the business of the Company.

**RESOLVED FURTHER THAT** the Board of Directors, be and are hereby, specifically authorized to, alter at any time and vary the terms and conditions of the remuneration to be paid in the absence of profit or inadequacy of profits, in such a manner but so as not to exceed the limits as specified in Schedule V read with Section 197 and other applicable provisions if any of the Companies Act, 2013 or any other amendment thereto or re-enactments thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company including its committee thereof and/or Company Secretary of the company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, usual, proper or expedient to give effect to the aforesaid resolution.

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

**RESOLVED THAT** the present designation of Mr. Luv Malhotra (DIN:00030477) as Joint Managing Director of the Company be and is hereby re-designated as Managing Director of the Company w.e.f 28.05.2019 with the same Remuneration and other perquisites as approved in the 38th Annual General Meeting of the company till the end of his tenure i.e 21.09.2019.

**RESOLVED FURTHER THAT** subject to provisions of Sections 196,197,198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, ("Act") including Schedule V of the Act, the consent of the Company be and is hereby accorded to the re-appointment of **Mr. Luv Malhotra as Managing Director** whose tenure is expiring on 21.09.2019 for a period of three years commencing from 22.09.2019 to 21.09.2022 and to the payment of overall remuneration to Mr. Luv Malhotra is as follows:

**Overall Remuneration:**

Subject to the provisions of Sections 197, 198 and 203 and other applicable provisions of the Companies Act, 2013 and modification/ amendments thereof, if any, the remuneration payable to Managing Director and Executive Director of the Company, in any Financial Year shall not exceed 10% (ten percent) of the net profit of the Company for all of them together. Subject to Schedule V of the Companies Act, 2013, in any Financial Year during the tenure of Mr. Luv Malhotra, Managing Director, if the Company has no profit or its profits are inadequate, the remuneration payable to Mr. Luv Malhotra, Managing Director, of the Company shall be as under w.e.f. 22.09.2019 till the end of his tenure i.e. 21.09.2022.

**Basic Salary:** Rs. 3,30,000 P.M.

**House Rent Allowance:** Accommodation with amenities such as Gas, Electricity/water. House Furnishing and Repairs, the aggregate monetary value of which being limited to 60% of basic salary per month for the purpose of which limit, perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such Rule, Perquisites shall be evaluated at actual cost.

**Miscellaneous Allowances:** Rs. 22,000 P.M.

**Provident Fund, Superannuation & Gratuity:** Provident Fund, Superannuation and Gratuity as per the rules of the Company, subject to the ceiling as per the guidelines for managerial remuneration in force from time to time.

**Privilege Leave:** One Month's leave on full pay and allowance for every eleven months of service, at the end of the tenure as per the Company's Rules.

**Car & Telephone:** Company's car with driver for Company's Business. Official telephone facility at residence. Personal long distance telephone calls shall be billed by the company.

**Leave Travel Allowance/Concession:** Airfare for self and family, once a year to any destination amount not exceeding one month's basic salary.

**Entertainment/Travelling:** Re-imbusement of travelling, entertainment and other expenses as incurred by him for the business of the Company.

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

**RESOLVED FURTHER THAT** the Board of Directors, be and are hereby, specifically authorized to, alter at any time and vary the terms and conditions of the remuneration to be paid in the absence or inadequacy of profits, in such a manner but so as not to exceed the limits as specified in Schedule V read with Section 197 and other applicable provisions if any of the Companies Act, 2013 or any other amendment thereto or re-enactments thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, including its committee thereof and/or Company Secretary of the company, be and is hereby, authorized to do all such acts, deeds, matters and things as may be considered necessary, usual, proper or expedient to give effect to the aforesaid resolution.

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

**RESOLVED THAT** the present designation of Dr. Lalit Kumar Malhotra (DIN:00213086) as Chairman and Managing Director of the Company be and is hereby re-designated as Executive Chairman of the Company w.e.f, 28.05.2019 with the same Remuneration and other perquisites as approved in the 39th Annual General Meeting of the company till the end of his tenure i.e. 14.07.2021.

**By Order of the Board**

**G.J. Varadarajan**  
Company Secretary

Place: New Delhi  
Date: 28th May, 2019



## 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. In order to be effective the 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 06.08.2019 to 12.08.2019 (both days inclusive).
3. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the Annual General Meeting is annexed hereto.
4. As per the provisions of Section 125 the Companies Act 2013, Dividends declared for the Financial Year 2011-12 (Final Dividend), 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 2011-12 will be transferred to Investors Education and Protection Fund in the month of October, 2019. As such it will not be possible to entertain dividend claim after September, 2019.
6. Members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the Registrar & Transfer Agent, giving reference of their Folio Number.
7. Members may also note that the Annual Report for Financial Year 2018-19 will also be available on the Company's website [www.chl.co.in](http://www.chl.co.in) for their download.
8. Pursuant to the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirement) Regulation 2015, additional information on Directors seeking appointment/reappointment at the Annual General Meeting is provided in the Annual Report.
9. 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.
10. 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.
11. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
12. Members/Proxies should fill in the Attendance Slip for attending the meeting.
13. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Members are provided with the facility to the shareholders to cast their votes on resolutions through e-voting services provided by Central Depository Services (India) Limited ("CDSL") for all the items of business in the notice electronically. The members may cast votes using an electronic voting system from a place other than the venue of the meeting (remote e-voting).

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

- (i) The voting period begins on 09.08.2019 at 10.00 AM and end on 11.08.2019 at 5.00 PM. During this period shareholders' of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 05/08/2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders /Members"
- (iv) 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.
- (v) Next enter the Characters Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:



<b>For Members holding shares in Demat Form and Physical Form</b>	
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"> <li>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.</li> <li>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.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the Depository or Company please enter the Member ID / Folio Number in the Dividend Bank Details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the "CHL LIMITED" on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If demat Account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows Phone users can download the app from the app store and the Windows Phones Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Voting at AGM:**

The members who have not casted their votes either electronically or through Ballot Form, can exercise their voting rights at the AGM through ballot paper.

**General Information**

- (a) Every Client ID No. /Folio No. shall have 1 (one) e-voting right irrespective of the joint-holders.
- (b) The Company has appointed Mr. Arvind Chadha, Practicing Company Secretary (CP No. 3732) to act as the scrutinizer to scrutinize the poll and remote e-voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of the shareholders meeting, submit his report after consolidation of poll/e-voting to the Chairman of the Company. The results of the voting will be declared on or after the date of the AGM i.e. 12th day of August, 2019. The declared results will be available on the company's website [www.chl.co.in](http://www.chl.co.in) and communicated to the Stock Exchange (BSE).
- (c) Pursuant to section 114 of the Companies Act, 2013 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 favor of, is more than the votes cast against, the resolution by the members.
- (d) 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, they can vote through Ballot Paper available at the venue of Annual General Meeting.
- (e) 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.
- (f) All documents referred to in the Notice and the accompanying Explanatory Statement and also the Register of Directors' and key Managerial personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the registered office of the Company on all working days (except Sunday) between 11.00 A.M. to 1.00 P.M. up to the date of the meeting.
- (g) The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission/transposition and deletion of name of deceased holder. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agents, M/s Beetal Financial Computer Services Pvt. Ltd. Accordingly, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall furnish a copy of the PAN card to M/s Beetal Financial & Computer Services Pvt. Ltd.
- (h) The route map showing directions to reach to the venue of the 40th AGM is given elsewhere in the Annual Report.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.****ITEM NO. 5**

Mr. Lalit Bhasin was appointed as Independent Director pursuant to sections 149, 150, 152 and other applicable provisions of Companies Act, 2013 in the 35th Annual General Meeting of the Company held on 29th day of September, 2014 for a period of five years. His tenure will come to an end on 28th day of September, 2019. Pursuant to Section 149(10) & (11) of the Companies Act, 2013, he is eligible for re-appointment on passing a special resolution for another term up to five consecutive years.

Mr. Lalit Bhasin, an Independent Director of the Company, is a B.Com from Sri Ram College of Commerce, Delhi. He holds Directorships in numerous companies and has a vast experience in the field of financial services industry. He is the President of HB Charitable Society.

Considering the rich experience, leadership quality and his valuable contribution to the Company, the Board of Director recommends the approval by the Members.

Except Mr. Lalit Bhasin, 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. Subhash Ghai was appointed as Independent Director pursuant to sections 149, 150, 152 and other applicable provisions of Companies Act, 2013 in the 35th Annual General Meeting of the Company held on 29th day of September, 2014 for a period of five years. His tenure will come to an end on 28th day of September, 2019.

Pursuant to section 149(10) & (11) of the Companies Act, 2013, he is eligible for re-appointment on passing a special resolution for another term up to five consecutive years.

Mr. Subhash Ghai has attained the age of more than 75 years and pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a special resolution is required for re-appointment of the Director.

Mr. Subhash Ghai, an Independent Director of the Company, is a renowned, well known Film Director. He is an eminent and outstanding personality in film industry with more than 40 years of experience. He was honored 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 re-appointment of the aforesaid Independent Director for a term of another 5 (five) consecutive years in the ensuing Annual General Meeting, notwithstanding that he has attained the age of above 75 years.

Except Mr. Subhash Ghai, 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. 7**

Mr. Yash Kumar Sehgal was appointed as an Independent Director pursuant to sections 149, 150, 152 and other applicable provisions of Companies act in the 35th Annual General Meeting of the Company held on 29th day of September, 2014 for a period of five years, whose tenures will come to an end 28th day of September, 2019.

Pursuant to section 149(10) & (11) of the Companies Act, 2013, he is eligible for re-appointment on passing a special resolution for another term up to five consecutive years.

Mr. Yash Kumar Sehgal has attained the age of more than 73 years and pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a special resolution is required for re-appointment of the Director for continuation of Directorship when he attains above the age of 75 years.

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 re-appointment of the aforesaid Independent Director for another term of 5 (five) consecutive years in the ensuing Annual General Meeting.

Except Mr. Yash Kumar Sehgal, 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. 8**

Securities and Exchange Board of India ("SEBI") has vide its notification No. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018 issued the SEBI (Listing Obligations and disclosure Requirements) (Amendment) Regulations, 2018 ("the Amendment Regulations") which brought amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") to be effective from 1st April, 2019, save as otherwise specifically provided for in the Amendment Regulations. Regulation 17 (1A) of the Listing Regulations, which has been inserted by the Amendment Regulations, requires the listed entities to obtain approval of Shareholders by way of special Resolution to appoint or continue the Directorship of Non-Executive Directors who have attained the age of 75 Years..

Accordingly, a special resolution is being proposed to be passed by the members for continuation of holding office of Director by Mr. Ramesh Chandra Sharma, who is presently above the age of 75 (Seventy Five) years, till the end of his term, i.e. 17.09.2020 or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines."

Mr. Ramesh Chandra Sharma is an I.P.S. (Retd.) and former Director of Central Bureau of Investigation. He has rich and vast experience in the fields of public administration and information technologies. He is the President of Fore School of Management and Chairman of International Institute of Security & Safety Management. He holds directorships in various Companies. Considering his rich experience, the Board of Directors recommends the approval by the Members for continuation of directorship of Mr. Ramesh Chandra Sharma as an Independent Director, notwithstanding that he has attained the age of above seventy five years.

#### **ITEM No. 9**

In the 37th Annual General Meeting of the Company, Mr. Gagan Malhotra was reappointed as an Executive Director of the Company for a period of three years commencing from 01.04.2016 to 31.03.2019. He completed his current tenure on 31.03.2019. In the Board Meeting held on 05.02.2019 he was reappointed as an Executive Director of the Company for a further period three years beginning 01.04.2019 to 31.03.2022 subject to the approval in the ensuing Annual General Meeting.

Mr. Gagan Malhotra aged 51 years is a B.Sc. Degree holder from the University of Michigan, USA. He has a rich professional experience more than two decades and an expertise in business development, planning and strategic market plan execution. He is involved in the business development and corporate strategy of the Company and with his able direction, guidance and his supervision, the Hotel Project of our subsidiary company CJSC CHL International in Dushanbe, was successfully executed. The Hotel has been in operation since 2015.

The members of the Nomination and Remuneration Committee present in its meeting held on 05.02.2019 have recommended his appointment as an Executive Director and the remuneration as per the Companies Act, 2013.

Except Mr. Gagan Malhotra, none of the Directors and Key Managerial Personnel of the Company, or their relatives is concerned or interested in the resolution except to the extent that they are the members of the Company.



**ITEM No. 10**

In the 38th Annual General Meeting of the Company Mr. Luv Malhotra was re-appointed as Joint Managing Director for a period of three years w.e.f. 22.09.2016 to 21.09.2019. In the Board Meeting held on 28th May, 2019 his present designation as Joint Managing Director of the Company has been re-designated as Managing Director of the company w.e.f. 28th May, 2019 with the same remuneration and perquisites as approved in the 38th Annual General Meeting of the Company. His tenure comes to end on 21.09.2019.

Mr. Luv Malhotra has an experience of more than 20 years in the hospitality industry. He oversees the day-to-day operations and strategic planning and various policies required for day-to-day affairs of the Company.

His designation, appointment and remuneration have been recommended by the Nomination and Remuneration Committee in its Meeting held on 28.05.2019.

**The Board recommends his appointment.**

Except Mr. Luv Malhotra, Dr. L. K. Malhotra and Ms. Kajal Malhotra, none of the Directors and Key Managerial Personnel of the Company, or their relatives are concerned or interested in the resolution except to the extent that they are the members of the Company.

**ITEM No. 11**

In the 39th Annual General Meeting of the Company, Dr L. K. Malhotra was reappointed as Chairman and Managing Director of the Company for a period of three years commencing from 15.07.2018 to 14.07.2021, with Remuneration of Rs. 7,00,000/- per month with other perquisites.

Dr. L.K. Malhotra has been in association with the Company since its inception in 1980 and he is one of the major Promoters and founding fathers of the Company.

Considering his long tenure in this organization as well as his health conditions, the Board is of the opinion that it will be in the Company's interest to designate him as Executive Chairman of the Company with the same remuneration and perquisites as approved in the 39th Annual general meeting of the Company, till the end of his tenure i.e 14.07.2021 and his continued association with the Company will provide continuity of leadership.

His designation has been recommended by the Nomination and Remuneration Committee in its Meeting held on 28.05.2019.

Except Dr. L. K. Malhotra, Mr. Luv Malhotra and Ms. Kajal Malhotra, none of the Directors and Key Managerial Personnel of the Company, or their relatives are concerned or interested in the resolution except to the extent that they are the members of the Company.

**By Order of the Board**

**G.J. Varadarajan  
Company Secretary**

Place: New Delhi

Date: 28th May, 2019

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT FORTH COMING ANNUAL GENERAL MEETING**  
Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

Name of the Director	Date of Birth	Nationality	Date of initial Appointment on the Board	Qualifications	Expertise in specific functional area	Number of shares held in the Company	List of the Directorships held in other companies. (Excluding foreign Companies/Firms)	Relationships between Directors Inter-se
<b>Dr. Lalit Kumar Malhotra</b>	07.02.1944	Indian	25.10.1980	Hon'y PhD in Business Management	More than three decades experience in the hospitality industry. He has been in association with the Company since its inception in 1980 and he is one of the major Promoters and founding fathers of the Company.	2057680 equity shares of Rs. 2/-each. (Out of which 1839000 equity shares of Rs.2/- each is held by Ultima Leasing & Financing through its partner Dr. Lalit Kumar Malhotra).	1. Malbros Holdings Private Limited 2. Mohan Meakin Ltd. 3. Mohan Rocky Springwater Breweries Ltd.	Brother of Mr. Ashok Kumar Malhotra and Father of Ms. Kajal Malhotra and Mr. Luv Malhotra
<b>Mr. Luv Malhotra</b>	09.03.1973	Indian	22.09.2000	M. Sc. Degree in Economics from the University of Buckingham, United Kingdom	Vast experience in the hospitality Industry	3,59,580 equity shares of Rs. 2/- each	1. Malbros Holdings Private Limited 2. Hotel And Restaurant Associations of Northern India. 3. CHL (South) Hotels Limited.	Son of Dr. L.K. Malhotra and Brother of Ms. Kajal Malhotra
<b>Mr. Gagan Malhotra</b>	04.09.1968	Indian	25.01.2010	B.Sc. from the University of Michigan, USA	Expertise in Business Development, planning and execution	75,000 equity shares of Rs. 2/- each	Rache Overseas Pvt. Ltd.	Nil
<b>Mr. Ashok Kumar Malhotra</b>	07.10.1949	Indian	15.07.1985	Graduate	Hotelier and has rich and vast business experience	4,000 equity shares of Rs. 2/- each	1. Mela Hotels Ltd. 2. Vastal Food Processing Industries Pvt. Ltd.	Brother of Dr. L.K. Malhotra
<b>Ms. Kajal Malhotra</b>	22.09.1970	Indian	09.02.2015	M.A. LLB	Very good grip in finance & legal fields	5,000 equity shares of Rs. 2/- each	Malbros Holdings Pvt. Ltd.	Daughter of Dr. Lalit Kumar Malhotra and Sister of Mr. Luv Malhotra
<b>Mr. Subhash Ghai</b>	21.06.1943	Indian	29.11.1997	Graduate	He is an eminent and outstanding personality in film industry with more than 40 years of experience. He was honored by the United States Senate in October, 1996 for his achievement as producer and director	Nil	1. Mukta Arts Limited 2. Mukta Tele Arts Private Limited 3. Whistling Wood International Ltd. 4. The Film & Television Producers Guild of India Ltd.	



							5. Whistling woods International Foundation 6. Mukta creative Ventures Ltd. 7. Mukta V N Films Ltd. 8. Attitude India Media Pvt. Ltd. 9. Whistling Woods International Education Foundation 10. Mukta A2 Cinemas Ltd.	Nil
<b>Mr. Lalit Bhasin</b>	14.08.1968	Indian	27.01.2011	B.Com from Sri Ram College of Commerce, Delhi.	He has a vast experience in the field of financial services industry.	Nil	1. HB Stockholdings Ltd. 2. HB Leasing and Finance Co. Ltd. 3. RRB Master Securities Delhi Ltd. 4. RRB House Finance Pvt. Ltd. 5. HB Estate Developers Ltd. 6. Pal Properties (India) Pvt. Ltd. 7. Taurus Asset Management Co. Ltd. 8. HB Portfolio Ltd. 9. HB Financial Consultants Pvt. Ltd. 10. ALMR Gems & Trading Pvt. Ltd.	Nil
<b>Mr. Yash Kumar Sehgal</b>	02.10.1946	Indian	25.09.2013	B.A (Hons)	He has vast experience in the field of finance. He has a good expertise in framing policies and procedure for various Banking services. He was acting Director, Administration and Finance, College of Banking & Finance, Muscat, Sultanate of Oman.	5,000 equity shares of Rs. 2/- each	1. Malbros Holdings Private Limited 2. CHL (South) Hotels Limited 3. Mohan Meakin Ltd. 4. Mohan Rocky Spring Water Breweries Ltd. 5. HB Estate Developers Limited 6. Taurus Investment Trust Company Limited.	Nil
<b>Mr. Ramesh Chandra Sharma</b>	24.01.1939	Indian	30.04.2003	IPS (Retd.)	He is a former Director of Central Bureau of Investigation. He has rich and vast experience in the fields of public administration and information technologies.	Nil	1. Sir Shadi Lal Enterprises Ltd. 2. HB Portfolio Ltd. 3. PCI Ltd. 4. Indsec securities and Finance Ltd.	Nil

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the 40th Annual Report of the Company along with the Audited Financial Statements for the Financial Year ended 31st March 2019.

### 1. FINANCIAL RESULTS AND OPERATIONAL PERFORMANCE

(Rs. in Lacs)

S.No.	Particulars	2018-19	2017-18
1.	Total Revenue	7075.50	6433.58
2.	Less: Expenses	5782.39	5110.76
3.	Profit before Tax	1293.11	1322.82
4.	Less : Net Tax Expenses	312.16	503.87
5.	Profit after Tax	980.95	818.95
6.	Other Comprehensive Income	5.89	4.22
7.	Total Comprehensive Income	986.84	823.17

The gross revenue of the Company for the year under review at Rs.7075.50 Lacs was higher by 9.98% than that of the previous year's gross revenue at Rs. 6433.58 lacs.

The Profit before tax after depreciation and finance cost at Rs. 1293.11 Lacs for the year under review was lower by 2.25% as compared to Rs. 1322.82 Lacs for the previous year.

Net Profit after providing tax for the year under review was Rs. 980.95 Lacs as compared to Rs 818.95 Lacs for the previous year, thus higher by 19.78% over the previous year.

### 2. FINANCIAL STATEMENTS

#### Standalone financial statements

The annexed financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act.

#### Consolidated financial statements

The directors also present the audited consolidated financial statements incorporating the duly audited financial statements of the subsidiaries, and as prepared in compliance with the Companies Act, 2013, applicable Accounting Standards and SEBI Listing Regulations, 2015 as prescribed by SEBI.

### 3. DIVIDEND

Being a Corporate Guarantor to the Loan availed by your subsidiary Company CJSC CHL International from EXIM Bank, your Company has to seek prior permission from the EXIM Bank for declaration of Dividend. The EXIM Bank as per the normal practice would not agree to give prior permission for it in view of the pending adjudication in the Hon'ble Supreme Court. Hence your Directors are constrained not to recommend any Dividend for the year under review.

### 4. APPOINTMENTS/ RE-APPOINTMENTS OF DIRECTORS

#### (a) Re-appointment of retiring Directors

Mr. Ashok Kumar Malhotra (DIN: 00676603) and Ms. Kajal Malhotra (DIN: 01319170) Directors who retire by rotation and being eligible, have offered themselves for re-appointment. The Board recommends their appointments.

#### (b) Re-appointment of Independent Directors

- (i) 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 whose tenure comes to end w.e.f 28th Day of September 2019, is being re-appointment in the ensuing Annual General Meeting of the Company. The Board recommends his re-appointment as an Independent Director of the Company w.e.f 29th Day of September 2019 for a further period of 5(Five) consecutive years not liable to retire by rotation or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.
- (ii) 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 and pursuant to the Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable Regulations, as amended from time to time, Mr. Subhash Ghai (DIN: 00019803) holding the position of an Independent Director whose tenure comes to end w.e.f 28th Day of September 2019, is being re-appointed in the ensuing Annual General Meeting of the Company. The Board recommends his re-appointment as an Independent Director of the Company w.e.f 29th Day of September 2019 for a further period of 5(Five) consecutive years not liable to retire by rotation or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.
- (iii) 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 and pursuant to the Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and disclosure requirements) regulations, 2015, and other applicable Regulations, as amended from time to time, Mr. Yash Kumar



Sehgal (DIN: 03641168) holding the position of an Independent Director whose tenure comes to end w.e.f 28th Day of September 2019, is being re-appointment in the ensuing Annual General Meeting of the Company. The Board recommends his re-appointment as an Independent Director of the Company w.e.f 29th Day of September 2019 for a further period of 5(Five) consecutive years not liable to retire by rotation or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.

**(c) Continuation of holding the position of Independent Director**

Pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is effective from April 1, 2019, and other applicable Regulations, as amended from time to time, ("Listing Regulations") and applicable provisions of the Companies Act, 2013, as amended from time to time, the Board recommends for continuation of holding of the Office of Non-executive Independent Director of the Company for Mr. Ramesh Chandra Sharma (DIN: 00023274) who is above the age of 75 (Seventy years) years till the end of his tenure, i.e. 17.09.2020 or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.

**(d) Re-appointment / Re-designation of Executive Directors**

- (i) Mr. Gagan Malhotra (DIN: 00422762), Executive Director of the Company, whose tenure has expired on 31.03.2019 was re-appointed as an Executive Director of the Company in the Board Meeting held on 05.02.2019, subject to the approval of shareholders for a further period of three years w.e.f 01.04.2019 to 31.03.2022. The Board recommends his re-appointment.
- (ii) Subject to the approval of shareholders of the company, Mr. Luv Malhotra, (DIN: 00030477), Joint Managing Director of the Company was re-designated as Managing Director of the Company w.e.f 28.05.2019 in the Board Meeting held on 28.05.2019 till the end of his tenure 21.09.2019. In the same Board Meeting, he was re-appointed as Managing Director of the Company, whose tenure is expiring on 21.09.2019 for a further period of three years commencing from 22.09.2019 to 21.09.2022. The Board recommends re-appointment of Mr. Luv Malhotra as Managing Director.
- (iii) The present designation of Dr. Lalit Kumar Malhotra as Chairman and Managing Director of the Company was re-designated as Executive Chairman of the Company w.e.f, 28.05.2019 with the same Remuneration and other perquisites as approved in the 39th Annual General Meeting of the company till the end of his tenure i.e. 14.07.2021.

**5. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of Section 203 of the Act, Dr. Lalit Kumar Malhotra, Executive Chairman, and Mr. Luv Malhotra, Managing Director, Mr. Gagan Malhotra, Executive Director, Mr. Narender Kumar Goel, Vice President (Finance)/Chief Financial Officer and Mr. G. J. Varadarajan, Company Secretary, are formalized as the Key Managerial Personnel of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and provisions of the Listing Regulations. The profile of the Independent Directors forms part of the Corporate Governance Report.

**6. MANAGEMENT DISCUSSION AND ANALYSIS**

As required under the Listing Regulation with the Stock Exchange, the Management Discussion and Analysis Report is enclosed as a part of the Report.

**7. SUBSIDIARY COMPANY**

Your subsidiary, CJSCCHL International, a Joint Venture company incorporated in Tajikistan has developed a Five-Star Hotel at Dushanbe, the capital of Tajikistan. This project has been financed by the Export Import Bank of India by way of a Term Loan aggregating to USD 32.50 million. The hotel has been in operation since 2015. It was operating under the brand name "Sheraton Dushanbe".

CJSC CHL International, our subsidiary company filed a case against the Export Import Bank of India (EXIM Bank), in respect of loan availed by it, in the Economic Court of Dushanbe, Tajikistan. The said case was decided by the Court vide its Order dated 01/05/2018 wherein the claims made by CJSC CHL International were partly accepted and the Court directed that the accounts between the borrower CJSC CHL International and the lender EXIM Bank should be reconciled and thereafter the loan agreements should be amended. The Company made various representations to EXIM Bank to comply with the aforesaid court Order but the Bank refused to consider to comply with the Court Order. Subsequently, the EXIM Bank appealed to the Hon'ble Supreme Economic Court of the Republic of Tajikistan. The appeal was dismissed vide its Order dated 14th August, 2018.

During the pendency of above case filed by CJSC CHL International in the Economic Court of Tajikistan, the EXIM Bank initiated the proceedings under Insolvency and Bankruptcy Code 2016 before the Hon'ble National Company Law Tribunal (NCLT) against CHL Limited, being the Corporate Guarantor of the Loan. Vide its Order dated 11/01/2018 the NCLT dismissed the case filed by EXIM Bank. The Bank went ahead and filed an appeal before Hon'ble Company Law Appellate Tribunal (NCLAT) that was also dismissed vide its Order dated 16.01.2019 on the ground that there is no debt that is due and/or payable from the principal borrower i.e. CJSC CHL International, hence, the corporate guarantee provided by M/s CHL Limited to EXIM Bank cannot be invoked as on the date. Subsequently the EXIM Bank filed Special Leave Petition (SLP) with the Hon'ble Supreme Court of India vide C.A. No. 001671/2019 and it is pending adjudication.

Further, the EXIM Bank filed a suit vide O.A. No. 1488/2018 for recovery of USD 4,03,30,946.75 (Equivalent to Rs. 2,80,93,48,890.14/-) before the Debt Recovery Tribunal – I, Delhi invoking the personal guarantee of Dr. Lalit Kumar Malhotra, Chairman of CHL Limited and it is pending adjudication.

There is no Associate Company within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). Further there has been no material change in the nature of business of the subsidiary.

In terms of provision to sub section (3) of Section 129 of the Act, the salient features of the Financial Statement of the subsidiary is set out in the prescribed form AOC-1, which forms part of the Annual Report 2018-19.



**8. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the financial year 2018-19 no complaint was received on sexual harassment.

**9. WHISTLE BLOWER /VIGIL MECHANISM**

In pursuant to the provisions of Section 177(9) and (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy is available on the website of the Company at [www.chl.co.in](http://www.chl.co.in) under investors/ Whistle Blower Policy link.

**10. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith.

**11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**12. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

Your Directors would like to inform that no material changes and commitments have occurred between the end of the financial year under review and the date of this report that may adversely affect the financial position of the Company.

**13. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(5) of the Act, and based on the representations received from the management, the Directors hereby confirm that:

- i. In the preparation of the Annual Accounts for the Financial Year 2018-19, the applicable accounting standards have been followed and there is no material departure;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial year and of the profit of the Company for the Financial Year;
- iii. They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the Annual Accounts on a going concern basis;
- v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**14. CORPORATE GOVERNANCE**

Your Company has taken adequate steps to adhere all the stipulations laid down in the Listing Regulation. A report on the Corporate Governance along with certificate from Practicing Company Secretary confirming the Compliance is included as part of the report.

**15. LISTING WITH STOCK EXCHANGE**

The Company confirms that it has paid the Annual Listing Fee for the year 2019-20 to BSE Limited (BSE), where the Company's Shares are listed.

**16. (a) PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The information pursuant to Section 197 (12) of the Act, read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, in respect of directors, key managerial personnel and employees of the Company is given in Annexure and form part of the report. There are no employees drawing remuneration above the limits specified under section 197 (12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

**(b) REMUNERATION RATIO OF THE KEY MANAGERIAL PERSONNEL**

The information required pursuant to section 197 read with rule 5 of the Companies (Appointment and Remuneration of the managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished in extract of Annual Return MGT 9.

**17. DEMATERIALISATION OF SHARES**

The total paid up equity share capital of the Company is Rs. 109,636,580 comprising of 5,48,18,290 equity shares of Rs. 2/- each. Out of the total equity shares, 5,36,12,672 (97.80%) Equity Shares of the Company stand dematerialized and balance 12,05,618 (2.20%) equity shares are still in physical form.

**18. AUDITORS & AUDITORS' REPORT****Statutory Auditors**

Pursuant to the provisions of Section 139 of the Act and the rules framed there under, M/s DGA & Co., Chartered Accountants, New Delhi were appointed as Statutory Auditors of the Company from the conclusion of the 38th Annual General Meeting (AGM) of the Company held on 18th September 2017 till the conclusion of the 40th AGM, for a further period of two years. The Board recommends their appointments for a period of three years to hold office from the conclusion of 40th Annual General till the conclusion of the 43rd Annual General Meeting of the Company.

The Auditors' Report is unqualified. The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under section 134 of the Companies Act, 2013.

**Internal Auditors**

M/s Gulvardhan Malik & Co., Chartered Accountants have been conducting periodic Internal Audit of all the operations of the Company. Internal Audit Reports are regularly placed before the Audit Committee for their review and for recommendation to the Board.

**Secretarial Auditors**

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s A. Chadha & Associates., Company Secretaries is continuing as Secretarial Auditor of the Company.

**19. INTERNAL CONTROL**

The information about internal controls is set out in the Management Discussion & Analysis report which is attached and forms part of this Report.

**20. RISK MANAGEMENT**

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis.

**21. CHANGES IN THE NATURE OF BUSINESS**

During the year under review, there has been no change in the nature of business of the Company. However, a packaging unit is being set up at an initial investment of approximately Rs. 30 lacs at our site at Noida Special Economic Zone (NSEZ), pursuant to the extension of Letter of Permission dated 28.04.2017 by the Ministry of Commerce and Industry, Department of Commerce (SEZ section) vide its Order dated 10.05.2018.

**22. DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**23. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per section 135 and Schedule VII of the Companies Act, 2013, your Company has already constituted the Corporate Social Responsibility Committee of Board of Directors. The present members are Mr. Yash Kumar Sehgal, Chairman, Mr. Lalit Bhasin, Member and Mr. Luv Malhotra, Member. The CSR policy as approved by Board of Directors in pursuance of section 134 (3) (o) of the Act is annexed and form part of this report. Further, the Annual Report on CSR activity in pursuance of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, describing inter-alia the initiatives taken by the Company in implementation of its CSR Policy is annexed and forms part of this Report.

**24. RELATED PARTY TRANSACTIONS**

During the year under review, there is no related party transaction covered under Section 188(1) of the Companies Act, 2013. Other Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company.

The Board of Directors of the Company has on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the Listing Agreement. This Policy was approved by the Board and is available on the website of the Company at [www.chl.co.in](http://www.chl.co.in).

**25. BOARD EVALUATION**

The performance evaluation of the Board, its Committees and Individual Directors was conducted and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and self-evaluation. Directors, who were designated, held separate discussions with each of the Directors of the Company and obtained their feedback on overall Board effectiveness as well as each of the other Directors. Based on the questionnaire and feedback, the performance of every Director was evaluated in the meeting of the Nomination and Remuneration Committee (NRC). The Meeting of NRC also reviewed performance of the Managing Director (qualitative).

A separate meeting of the Independent Directors ("Annual ID meeting") was convened on 05/02/2019, which reviewed the performance of the Board (as a whole), the Non-Independent Directors and the Chairman & Managing Director. Post the Annual ID Meeting, the collective feedback of each of the Independent Director was discussed by the Chairman of the NRC with the Board's Chairman covering performance of the Board as a whole as well as performance of the Non-Independent Directors and performance of the Board Chairman.

Some of the key criteria for performance evaluation are as follows:-

**Performance evaluation of Directors**

- Attendance at Board or Committee meetings.
- Contribution at Board or Committee meetings.
- Guidance/support to management outside Board/Committee meetings.

**Performance evaluation of Board and Committees**

- Degree of fulfillment of Key responsibilities
- Board structure and composition
- Establishment and delineation of responsibilities to committees.
- Effectiveness of Board processes, information and functioning.
- Board culture and dynamics.
- Quality of relationship between Board and Management.
- Efficacy of communication with external stakeholders.

**26. PARTICULARS AS PER SECTION 134(3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES 2014**

**(a) Conservation of Energy**

Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques. 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 and it is being continuously adopted.

(b) Technology Absorption: Nil

(c) Foreign Exchange Earnings and Outgo

During the year under review, your Company has earned Rs. 2778.15 Lacs foreign exchange (previous year Rs. 1535.55 Lacs) and used foreign exchange to the extent of Rs. 808.40 Lacs (previous year Rs. 804.07 Lacs).

**27. ACKNOWLEDGEMENTS**

Your Directors wish to convey their appreciation to the business associates for their support and contribution during the year. Your Directors would also like to thank Central Government and State Government especially Department of Tourism, employees, shareholders, customers, suppliers, alliance partners and bankers for the continued support given by them to the Company and their confidence reposed in the management and the Company.

**For and on behalf of the Board**

Place: New Delhi  
Date: 28th May, 2019

**Dr. Lalit Kumar Malhotra**  
Chairman



**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.2019**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L55101DL1979PLC009498
2.	Registration Date	16.03.1979
3.	Name of the Company	CHL LIMITED
4.	Category/Sub-category of the Company	HOSPITALITY
5.	Address of the Registered office & contact details	HOTEL THE SURYAA, COMMUNITY CENTRE, NEW FRIENDS COLONY, NEW DELHI - 110025
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/S BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED BEETAL HOUSE, 3 <sup>RD</sup> FLOOR, 99, MADANGIR BEHIND LOCAL SHOPPING CENTRE, NEW DELHI – 110062 Phone: 29961281-83 Fax: 29961284 E- mail: beetalrta@gmail.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl.No.	Name and Description of main products / services	NIC Code of the company Product / service	% to total turnover of the company
1	ACCOMODATION, FOOD AND BEVERAGES SERVICES	55101	98.50

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl.No.	NAME	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares	Applicable
1.	CHL International	Not applicable	Subsidiary Company	60.66%	2(87)

**VI. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****A. Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters/ Persons acting in concert(PAC)									
<b>(1) Indian</b>									
a) Individual/ HUF	4185370	6500	4191870	7.65	4504320	0	4504320	8.22	0.57
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>SUB-TOTAL (A)(1)</b>	<b>4185370</b>	<b>6500</b>	<b>4191870</b>	<b>7.65</b>	<b>4504320</b>	<b>0</b>	<b>4504320</b>	<b>8.22</b>	<b>0.57</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	3136429	312450	3448879	6.29	3136429	0	3136429	5.72	-0.57
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	32288300	0	32288300	58.90	32288300	0	32288300	58.90	0

d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>35424729</b>	<b>312450</b>	<b>35737179</b>	<b>65.19</b>	<b>35424729</b>	<b>0</b>	<b>35424729</b>	<b>64.62</b>	<b>-0.57</b>
<b>Total Shareholding of Promoter/ PAC (A) = (A)(1)+(A)(2)</b>	<b>39610099</b>	<b>318950</b>	<b>39929049</b>	<b>72.84</b>	<b>39929049</b>	<b>0</b>	<b>39929049</b>	<b>72.84</b>	<b>0</b>
<b>B. Public Shareholding</b>									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):	0	0	0	0	0	0	0	0	0
<b>2. Non-Institutions</b>									
(a) Bodies Corp.	698937	5000	703937	1.28	691002	5000	696002	1.27	-0.01
(i) Indian	0	0	0	0	0	0	0	0	0
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals	0	0	0	0	0	0	0	0	0
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1155380	342120	1497500	2.73	1179646	319118	1498764	2.73	0
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	632476	0	632476	1.154	632626	0	632626	1.154	0
c) Others (specify)									
Non Resident Indians	9572805	2009750	11582555	21.13	10703555	881500	11585055	21.13	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	500	0	500	0	250	0	250	0	0
Trusts	0	0	0	0	0	0	0	0	0
HUF	88443	0	88443	0.16	92714	0	92714	0.17	0.01
Others-IEPF-Authority	383830	0	383830	0.70	383830	0	383830	0.70	0
<b>Sub-total (B)(2):</b>	<b>12532371</b>	<b>2356870</b>	<b>14889241</b>	<b>27.16</b>	<b>13683623</b>	<b>1205618</b>	<b>14889241</b>	<b>27.16</b>	<b>0</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>12532371</b>	<b>2356870</b>	<b>14889241</b>	<b>27.16</b>	<b>13683623</b>	<b>1205618</b>	<b>14889241</b>	<b>27.16</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>52142470</b>	<b>2675820</b>	<b>54818290</b>	<b>100</b>	<b>53612672</b>	<b>1205618</b>	<b>54818290</b>	<b>100</b>	<b>0</b>

**B) Shareholding of Promoters along with person acting in concert**

S.N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares of Rs.2/- each	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares of Rs.2/- each	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	Mrs. Renu Malhotra	2500	0.00	0	2500	0.00	0	0
2	Mr. A K Malhotra	4000	0.01	0	4000	0.01	0	0
3	Ms. Kajal Malhotra	5000	0.01	0	5000	0.01	0	0
4	Mrs.Anita Chopra	170850	0.31	0	170850	0.31	0	0
5	Ms.Sunita Malhotra	61000	0.11	0	61000	0.11	0	0
6	Mr.D V Malhotra	1330444	2.43	0	1330444	2.43	0	0
7	Mr. Luv Malhotra	359580	0.66	0	359580	0.66	0	0
8	Dr.Lalit Kumar Malhotra*	2057680	3.75	0	2057680	3.75	0	0
9	Mrs.Neera Malhotra	20800	0.04	0	120800	0.22	0	0
10	Mrs.Usha Malhotra	1205905	2.20	0	1205905	2.20	0	0
11	Mr. Gagan Malhotra	75000	0.14	0	75000	0.14	0	0
12	Mr. Sunil Malhotra	100000	0.18	0	0	0	0	0
13	Mr. Lokesh Malhotra	450080	0.82	0	450080	0.81	0	0
14	Mrs. Alka Malhotra	125000	0.23	0	125000	0.23	0	0
15	Mr. Kumud Malhotra	150000	0.27	0	150000	0.27	0	0
16	Mrs. Chand Malhotra	191650	0.35	0	191650	0.35	0	0
17	Mr. Bhupinder Nath Malhotra	674980	1.23	0	674980	1.23	0	0
18	Mr. Neel Kamal Malhotra	656280	1.20	0	656280	1.20	0	0
19	M/s Malbros Investments Inc.	32288300	58.90	0	32288300	58.90	0	0
	Total	39929049	72.84	0	39929049	72.84	0	0

\*18,39,000 equity shares of Rs. 2/- each is held by Ultima Leasing & Financing through its partner Dr. Lalit Kumar Malhotra.

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	39929049	72.84	39929049	72.84
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	There is no change in the shareholdings of Promoters along with the person acting in concert			
	At the end of the year	39929049	72.84	39929049	72.84

**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S N	Name of the Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr Om Parkash Bajaj	1055150	1.92	3448600	6.29
2	Mr. Vipen Kumar Sabharwal	2575375	4.70	2575375	4.70
3	Mr. Navin Sabharwal	2575375	4.70	2575375	4.70
4	Mrs. Hemlata Sabharwal	906250	1.65	906250	1.65
5	Mr. Ashwani Bajaj	811250	1.48	811250	1.48
6	M/s Gemini Portfolio Pvt Ltd	0	0.00	569360	1.04
7	Ms. Rima Arora	339280	0.62	339280	0.62
8	Ms. Purnima Pathela	327500	0.60	327500	0.60
9	Ms. Ratna Bajaj	317000	0.58	317000	0.58
10.	Mr. Amit Yeshwant Modak	0	0.00	191726	0.35
11.	M/s Jupiter Portfolios Pvt.Ltd.	569630	1.04	270	0.0005
12.	Mrs. Pushpa Devi Bajaj	2393450	4.37	0	0.00

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares
1.	Dr. L. K. Malhotra*	2057680	3.75	2057680	3.75	2057680	3.75
2.	Mr. Luv Malhotra	359580	0.66	359580	0.66	359580	0.66
3.	Mr. Gagan Malhotra	75000	0.14	75000	0.14	75000	0.14
4.	Ms. Kajal Malhotra	5000	0.01	5000	0.01	5000	0.01
5.	Mr. A. K. Malhotra	4000	0.01	4000	0.01	4000	0.01
6.	Mr. Alkesh Tacker	21025	0.04	21025	0.04	21025	0.04
7.	Mr. Lalit Bhasin	0	0	0	0	0	0
8.	Mr. Subhash Ghai	0	0	0	0	0	0
9	Mr. R.C Sharma	0	0	0	0	0	0
10.	Mr. Yash Kumar Sehgal	5000	0.01	5000	0.01	5000	0.01
11.	Mr. N. K. Goel	29625	0.06	29625	0.06	29625	0.06
12.	Mr. G.J. Varadarajan	0	0	0	0	0	0

\*18,39,000 equity shares of Rs. 2/- each is held by Ultima Leasing & Financing through its partner Dr. Lalit Kumar Malhotra.

**V. INDEBTEDNESS**-Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. in Lacs)

Particulars	Secured Loans excluding deposits	Long term Finance Lease Obligations	Unsecured Short term Loans/ Intercorporate deposits	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
(i) Principal Amount	2585.43	107.66	-	-	2693.09
(ii) Interest due but not paid	-	-	-	-	-
(iii) Interest accrued but not due	9.99	-	-	-	9.99
<b>Total (i+ii+iii)</b>	<b>2595.42</b>	<b>107.66</b>	<b>-</b>	<b>-</b>	<b>2703.08</b>



Change in Indebtedness during the financial year					
Addition	-	100.23	200.00	300.23	300.23
Reduction	(760.92)	(44.11)	(200.00)	(1005.03)	(1005.03)
Net Change	(760.92)	56.12	-	-	(704.80)
Indebtedness at the end of the financial year					
(i) Principal Amount	1827.07	163.78	-	-	1990.85
(ii) Interest due but not paid		-	-	-	-
(iii) Interest accrued but not due	7.43	-	-	-	7.43
<b>Total (i+ii+iii)</b>	<b>1834.50</b>	<b>163.78</b>	<b>-</b>	<b>-</b>	<b>1998.28</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Rs. in Lacs)

SI No.	Particulars of Remuneration	Executive Chairman	Managing Director	Executive Director	Total Amount
		<b>Dr. Lalit Kumar Malhotra</b>	<b>Mr. Luv Malhotra</b>	<b>Mr. Gagan Malhotra</b>	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961*	85.20	67.60	60.80	213.60
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.40	0.40	0.40	1.20
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total (A)</b>	<b>85.60</b>	<b>68.00</b>	<b>61.20</b>	<b>214.80</b>

\*including sitting fees for the Board/Committee Meetings.

**B. Remuneration to other Directors**

(in Rs.)

SN.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. R.C. Sharma	Mr. Lalit Bhasin	Mr. Subhash Ghai	Mr. Alkesh Tacker	Mr. Yash Kumar Sehgal	
1	<b>Independent Directors</b>						
	Fee for attending Board/ Committee Meetings	80,000	1,20,000	60,000	1,00,000	2,40,000	<b>6,00,000</b>
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>80,000</b>	<b>1,20,000</b>	<b>60,000</b>	<b>1,00,000</b>	<b>2,40,000</b>	<b>6,00,000</b>



2	<b>Other Non-Executive Directors</b>	<b>Mr. A. K. Malhotra</b>	<b>Ms. Kajal Malhotra</b>				
	Fee for attending Board/ Committee Meetings	1,20,000	1,00,000				<b>2,20,000</b>
	Commission	Nil	Nil				Nil
	Others, please specify	Nil	Nil				Nil
	<b>Total (2)</b>	<b>1,20,000</b>	<b>1,00,000</b>				<b>2,20,000</b>
	<b>Total (B)=(1+2)</b>	<b>2,00,000</b>	<b>2,20,000</b>	<b>60,000</b>	<b>1,00,000</b>	<b>2,40,000</b>	<b>8,20,000</b>

**C. Remuneration to key managerial personnel other than MD/Manager/WTD.**

(Rs. in Lacs)

SN	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	TOTAL
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	26.45	10.56	37.01
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	<b>Total</b>	<b>26.45</b>	<b>10.56</b>	<b>37.01</b>

**Remuneration ratio of the directors / key managerial personnel (kmp)/employees:**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

(Rs. in Lacs)

SN	Name	Designation	Remuneration paid in FY 2018-19	Remuneration paid in FY 2017-18	Increase in remuneration from previous year	Ratio/ Times per Median of employees remuneration
1.	Dr. Lalit Kumar Malhotra	Executive Chairman	*84.00	*84.00	0	32.94
2.	Mr. Luv Malhotra	Managing Director	*66.00	*66.00	0	25.88
3.	Mr. Gagan Malhotra	Executive Director	*60.00	*60.00	0	23.53
4.	Mr. Narender Kumar Goel	Vice President(Finance) and CFO	26.45	24.21	2.24	10.13
5.	Mr. G.J.Varadarajan	Company Secretary	10.56	10.41	0.15	4.25

\*excluding sitting fees for the Board/Committee Meetings and perquisites u/s 17(2) of the Income Tax Act, 1961

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

**FORM AOC – 1**

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiary**

1.	Name of the subsidiary	CJSC CHL International (Incorporated at Tajikistan)
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.12.2018
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Somoni (1 Somoni = Rs. 7.327 as on 31.03.2019)
4.	Share capital	Rs. 11,441.68 Lacs
5.	Other Equity	(Rs 10,597.84 Lacs)
6.	Total assets	Rs. 27,403.86 Lacs
7.	Liabilities (Total Liabilities minus(Share Capital+ Other Equity)	Rs. 26,560.02 Lacs
8.	Investments	Rs. 0.22 Lacs
9.	Turnover (Including other income)	Rs. 2,258.87 Lacs
10.	Profit/(Loss)before taxation	(Rs. 2,735.42 Lacs)
11.	Provision for taxation	Nil
12.	Profit/(Loss) after taxation	(Rs. 2,735.42 Lacs)
13.	Proposed Dividend	Nil
14.	% of shareholding	60.66%

**Notes:**

There is no subsidiary which is yet to commence operation.

There is no subsidiary which has been liquidated or sold during the year.

**For and on behalf of the Board of Directors**

Place: New Delhi  
Date: 28th May, 2019

**Dr. Lalit Kumar Malhotra**  
Chairman

## MANAGEMENT DISCUSSIONS AND ANALYSIS

### Indian Economy

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships.

India's GDP is estimated to have increased 7.2 per cent in 2017-18 and 7 per cent in 2018-19. India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups.

India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and through Arbitrage Research Institute.

India's foreign exchange reserve was US\$ 405.64 billion in the week up to March 15, 2019, according to data from the RBI.

The interim Union Budget for 2019-20 was announced by then Mr. Piyush Goyal, Union Minister for Finance, Corporate Affairs, Railways and Coal, Government of India, in Parliament on February 01, 2019. It focuses on supporting the needy farmers, economically less privileged, workers in the unorganized sector and salaried employees, while continuing the Government of India's push towards better physical and social infrastructure.

Some of the recent initiatives and developments undertaken by the government are listed below:

- In February 2019, the Government of India approved the National Policy on Software Products- 2019, to develop the country as a software hub.
- The National Mineral Policy 2019, National Electronics Policy 2019 and Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles (FAME II) have also been approved by the Government of India in 2019.
- Around 1.29 million houses have been constructed up to December 24, 2018, under Government of India's housing scheme named Pradhan Mantri Awas Yojana (Urban).
- Prime Minister's Employment Generation Programme (PMEGP) will be continued with an outlay of Rs. 5,500 crore (US\$ 755.36 million) for three years from 2017-18 to 2019-20, according to the Cabinet Committee on Economic Affairs (CCEA).

### Indian Tourism Industry

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and place of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country.

India is the most digitally-advanced traveler nation in terms of digital tools being used for planning, booking and experiencing a journey, India's rising middle class and increasing disposable incomes has continued to support the growth of domestic and outbound tourism.

During 2018, foreign tourist arrivals (FTAs) in India stood at 10.56 million, achieving a growth rate of 5.20 per cent year-on-year. FTAs in January 2019 stood at 1.10 million, up 5.30 per cent compared to 1.05 million year-on-year.

The Government of India has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and double the foreign exchange earnings as well.

The Indian Government has realized the country's potential in the tourism industry and has taken several steps to make India a global tourism hub.

Some of the major initiatives planned by the Government of India to give a boost to the tourism and hospitality sector of India are as follows:

- Statue of Sardar Vallabhbhai Patel, also known as 'Statue of Unity', was inaugurated in October 2018. It is the highest standing statute in the world at a height of 182 metre. It is expected to boost the tourism sector in the country and put India on the world tourism map.
- The Government of India is working to achieve 1 per cent share in world's international tourist arrivals by 2020 and 2 per cent share by 2025.
- Under Interim Budget 2019-20, the government allotted Rs. 160.50 crore (US\$ 22.25 million) for development of tourist circuits under Swadesh Darshan.

#### (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. Your Hotel figures out as a prominent land mark hotel with a new and fresh look up of the Hotel among the Star Hotels in Delhi.

The Hotel has 163 Deluxe Rooms, 55 Club Deluxe, 17 Club Premier Rooms, 6 Deluxe Suite, 3 Luxury Suite, and 1 Presidential Suite. The Hotel offers international, contemporary and casual food with quality and style.

Sampan - the 92 cover restaurant for authentic Cantonese and Pan Asian restaurant and a panoramic roof top view of the city. Ssence - the 146 cover multi cuisine restaurant operations timings 6.00 A.M. to 1.00 A.M. (all day dinning) - guest can take advantage of the global cuisine-dining 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 Systems 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 periodically by the Internal Auditors M/s. Gulvardhan Malik & Co. 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.

**Management has put in place effective Internal Control Systems to provide reasonable assurance for:**

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

**Key elements of the Internal Control Systems are as follows:**

- (i) Existence of Authority Manuals and periodical updating of the same for all Functions.
- (ii) Existence of clearly defined organizational structure and authority.
- (iii) Existence of corporate policies for Financial Reporting and Accounting.
- (iv) Existence of Management information system updated from time to time as may be required.
- (v) Existence of Annual Budgets and Long Term Business Plans.
- (vi) Existence of Internal Audit System.
- (vii) Periodical review of opportunities and risk factors depending on the Global / Domestic Scenario and to undertake measures as may be necessary.

The Audit Committee is regularly reviewing the Internal Audit Reports in all the key areas of the operations. Additionally the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors. Internal Audit Reports are regularly circulated for perusal of Senior Management for appropriate action as required.

Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance. Risk assessments, inspections and safety audits are carried out periodically.

**(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. The policy for risk management and risk management committee has been constituted.

**(d) Financial performance and operational performance****Sales & Other Income**

The gross revenue during the year under review was Rs.7075.50 Lacs as against Rs.6433.58 Lacs during the previous financial year.

**Profit before Tax (PBT)**

Your Company has registered PBT of Rs.1293.11 Lacs as against Rs.1322.82 Lacs during the previous Financial Year.

**Total Comprehensive Income after Tax**

Your company has registered Total Comprehensive Income after tax of Rs.986.84 Lacs as against Rs.823.17 Lacs during the previous Financial Year.

**Key Financial Ratios**

Key Financial Ratios are given below:

S. No.	Particulars	2018-19	2017-18
1.	EBITDA/Turnover (percent)	27.75	29.53
2.	Profit After Tax / Turnover (percent)	13.86	12.73
3.	EBITDA/Net Interest (No.of times)	4.50	5.30
4.	Debt to Equity	0.39	0.47
5.	Return on Equity (percent)	8.56	7.78
6.	Book value per share (Rs./share)	21.01	19.30
7.	Earning per share (Rs./share)	1.80	1.50

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

An Internal Complaint Committee (ICC) pursuant to the provisions of Companies Act, 2013 for prevention, prohibition and redressal of complaints/grievances on the sexual harassment of women at work places is in place.

The Company continued the welfare activities for the employees, which include Medical Care, Group Insurance, and Cafeteria Facility. To enrich the skills/experience of the employees, your Company arranges practical Training Courses by Internal Faculty.

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 employees 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 Regulations and as such cannot be constituted as holding for any forecast/projection/explanation. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward looking statements.

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

**CHL LIMITED**

**REPORT ON CORPORATE GOVERNANCE**

**1. COMPANY'S PRACTICE ON CORPORATE GOVERNANCE**

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the organization. At CHL Limited, the Corporate Governance has been integral part of the way we have been doing our business since inception. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholders' value. Good Corporate Governance leads to long term stakeholders' value.

The company places great emphasis on values such as empowerment and integrity of the employees, safety of the employees, transparency in decision making process, fair and ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices being followed since the inception have contributed to the Company's sustained growth.

The Company's policies, practices and philosophy adopted since inception are in line with Corporate Governance. These policies and practices are reviewed periodically to ensure its effective compliance. The composition of Board of Directors is well equipped with a view to manage the affairs of the Company efficiently and professionally.

**2. BOARD OF DIRECTORS**

The Company has balanced Board of Directors, which primarily takes care of the business needs and stakeholders' interest. The Non-executive Directors including Independent Directors on the Board are experienced, competent and highly renowned persons from the fields of manufacturing, finance & taxation, economics, law, Governance etc. They take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhance the transparency and add value in the decision making process of the Board of Directors. The composition of the Board is as per the provisions of the Companies Act, 2013 and the Listing Regulations.

**(i) Composition and Category of Directors as on 31st March, 2019 is as follows:**

Category	No. of Directors
Executive Directors	3
Non Executive Non Independent Directors	2
Independent Directors	5
Total	10

**(ii) Date of Board Meetings**

The Board of Directors duly met five times during the Financial Year from 1st April, 2018 to 31st March, 2019. The dates on which the meetings were held are as follows:

S.No.	Date of Board Meeting
1.	28.05.2018
2.	08.08.2018
3.	19.09.2018
4.	12.11.2018
5.	05.02.2019

**(iii) Attendance at the Board Meetings and at the last AGM held on 19.09.2018**

Name of Directors	No. of Board Meetings Attended	Last AGM attendance (Yes/No)
Dr. Lalit Kumar Malhotra	5	Yes
Mr. Luv Malhotra	4	Yes
Mr. Gagan Malhotra	3	Yes
Mr. Ashok Kumar Malhotra	5	Yes
Mr. Subhash Ghai	3	Yes
Mr. Ramesh Chandra Sharma	4	Yes
Mr. Lalit Bhasin	3	Yes
Mr. Yash Kumar Sehgal	5	Yes
Ms. Kajal Malhotra	4	Yes
Mr. Alkesh Tacker	5	Yes

**(iv) Particulars of Directorships in other Companies**

Other Directorships including other Board Committee Members

S.No.	Name of the Director and Designation	Directorship in other Companies*	Other Board Committee Members*
1.	Dr. Lalit Kumar Malhotra Executive Chairman	1. Mohan Meakin Ltd. 2. Mohan Rocky Springwater Breweries Ltd. 3. Malbros Holdings Private Limited	<b>Audit Committee</b> Mohan Meakin Ltd.-Chairman <b>Nomination &amp; Remuneration Committee</b> Mohan Meakin Ltd.-Chairman <b>Stakeholders' Relationship Committee</b> Mohan Meakin Ltd.-Chairman
2.	Mr. Luv Malhotra Managing Director	1. CHL (South) Hotels Ltd. 2. Malbros Holdings Private Ltd 3. Hotel And Restaurant Associations of Northern India.	-
3.	Mr. Gagan Malhotra Executive Director	Rache Overseas Pvt. Ltd	-
4.	Mr. Ashok Kumar Malhotra Non - Executive Non Independent Director	1. Mela Hotels Ltd Managing Director 2. Vatsal Food Processing Industries Pvt. Ltd.	-
5.	Mr. Subhash Ghai Independent Director	1. Mukta Arts Limited Executive Chairman 2. Whistling Woods International Limited. 3. Mukta V N Films Limited. 4. Mukta Tele Arts Pvt. Ltd. 5. Mukta Creative Ventures Ltd. (Formerly known as Coruscant Tec Ltd.) 6. The Film & Television Producers Guild of India Ltd. 7. Attitude India Media Private Limited. 8. Mukta A2 Cinemas Limited. 9. Whistling Woods International Foundation. 10. Whistling Woods International Education Foundation	-
6.	Mr. Ramesh Chandra Sharma Independent Director	1. Sir Shadilal Enterprises Ltd. 2. HB Portfolio Ltd. 3. PCI Ltd. 4. Indsec Securities & Finance Ltd	<b>Audit Committee</b> 1. Sir Shadilal Enterprises Ltd.-Member 2. PCI Ltd.-Member <b>Nomination &amp; Remuneration Committee</b> 1. Sir Shadilal Enterprises Ltd.-Member 2. HB Portfolio Ltd.-Member 3. PCI Ltd.-Member <b>Stakeholders' Relationship Committee</b> PCI Ltd-Member

7.	Mr. Lalit Bhasin Independent Director	<ol style="list-style-type: none"> <li>1. HB Leasing &amp; Finance Co. Ltd Chairman</li> <li>2. HB Stockholdings Ltd.-Chairman</li> <li>3. HB Portfolio Ltd.-Chairman</li> <li>4. HB Estate Developers Ltd. Chairman</li> <li>5. Taurus Asset Management Co.Ltd.</li> <li>6. RRB Master Securities Delhi Ltd.</li> <li>7. HB Financial Consultants Pvt. Ltd.</li> <li>8. RRB House Finance Pvt. Ltd.</li> <li>9. Pal Properties (India) Pvt. Ltd.</li> <li>10. ALMR Gem &amp; Trading Pvt. Ltd.</li> </ol>	<p><b>Audit Committee</b> HB Leasing &amp; Finance Co Ltd -Member</p> <p><b>Stakeholders' Relationship Committee</b> HB Leasing &amp; Finance Co Ltd -Chairman</p> <p><b>Nomination &amp; Remuneration Committee</b> HB Leasing &amp; Finance Co Ltd -Member</p> <p><b>Corporate Social Responsibility Committee</b> HB Stockholdings Ltd.-Chairman Taurus Assets Management Company Ltd. Chairman</p>
8.	Mr. Yash Kumar Sehgal Independent Director	<ol style="list-style-type: none"> <li>1. Mohan Meakin Limited</li> <li>2. Malbros Holdings Private Limited</li> <li>3. CHL (South) Hotels Limited</li> <li>4. Mohan Rocky Spring Water Breweries Limited</li> <li>5. Taurus Investment Trust Company Ltd.</li> <li>6. HB Estate Developers Limited</li> </ol>	<p><b>Audit Committee</b> CHL (South) Hotels Ltd. -Chairman Taurus Investment Trust Company Ltd. -Member HB Estate Developers Ltd.-Member Mohan Meakin Ltd. -Member</p> <p><b>Nomination &amp; Remuneration Committee</b> CHL (South) Hotels Ltd. -Chairman HB Estate Developers Ltd.-Member Mohan Meakin Ltd. -Member</p> <p><b>Stakeholders' Relationship Committee</b> Mohan Meakin Ltd. -Member</p>
9.	Ms. Kajal Malhotra Non-Executive Non Independent Director	Malbros Holdings Private Limited Chairperson & Managing Director	-
10.	Mr. Alkesh Tacker Independent Director	CSI Telecoms Pvt. Ltd. Managing Director	-

\*Excluding foreign Companies.

None of the Independent non-executive Directors is serving as an independent director in more than seven listed companies. Further, none of the director of the company holding the position of a whole-time director in any listed company is serving as an independent director in more than three listed companies.

**3. INDEPENDENT DIRECTOR**

The Company has complied with the provisions of Independent Directors as per the Listing Regulations and according to the Provisions of section 149(6) of the Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to Section 149 (7) of the Companies Act, 2013, confirming the meeting of the criteria of independence as stipulated under the Companies Act, 2013 and Listing Regulations.

**Training of Independent Director**

Whenever an Independent Director is inducted on the Board he is introduced to our Company's culture through appropriate orientation session and is also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

The appointment letters of Independent Directors have been placed on the Company's website at [www.chl.co.in](http://www.chl.co.in) under investors Section, Independent Directors Appointment letters link.

**Performance Evaluation of Independent Directors and Non-Executive Non -Independent Directors**

The Board evaluates the performance of Independent Directors and Non-executive Non Independent Directors every year. All the Independent Directors and Non-executive Non Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions/administration.

**Separate Meeting of the Independent Directors**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 05.02.2019 to receive the performance of Non-independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committee which is necessary to effectively and reasonably perform and discharge their duties.

**4. BOARD COMMITTEES**

The Board Committees are as under:

S. No.	Name of the Committee
(a)	Audit Committee
(b)	Nomination & Remuneration Committee
(c)	Stakeholders Relationship Committee
(d)	Risk Management Committee
(e)	Corporate Social Responsibility (CSR) Committee

**(a) AUDIT COMMITTEE****(i) Terms of Reference**

The Audit Committee reviews the audit reports submitted by the Internal Auditors and Statutory Auditors, Financial Results, effectiveness of Internal Audit processes and the Company's risk management strategy. It reviews the Company's established systems and the Committee is governed by the regulatory requirements mandated by the Companies Act, 2013 and as per the Listing Regulation.

**(ii) Composition**

As on 31.03.2019, the Audit Committee of the Company consists of two Independent Directors and one Non Executive Non Independent Director.

The Chairman of the Audit Committee is financially literate and other Members are having accounting or related financial management experience. The Company Secretary of the Company acts as Secretary to the Committee.

**(iii) Meetings**

During the year under review the Committee had four Meetings as under:

S.No.	Date of Committee Meetings
1.	28.05.2018
2.	08.08.2018
3.	12.11.2018
4.	05.02.2019

**(iv) Members and Attendance**

Name of Members	Position	No. of Meetings Attended
Mr. Yash Kumar Sehgal Independent Director	Chairman	4
Mr. Lalit Bhasin Independent Director	Member	2
Mr. Luv Malhotra Managing Director	Member	3

The Chairman of the Audit Committee was present at the last Annual General Meeting.



**(b) NOMINATION AND REMUNERATION COMMITTEE**

**(i) Terms of Reference**

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every Director's performance.

**(ii) Composition**

The Nomination and Remuneration Committee of the Company consists of two Independent Directors including Chairman and one Non Executive Non Independent Director.

**(iii) Meeting**

During the year under review the Committee had two meetings i.e. on 28.05.2018 and 05.02.2019.

**(iv) Members and Attendance**

Name of Members	Position	No. of Meeting Attended
Mr. Lalit Bhasin Independent Director	Chairman	1
Mr. Yash Kumar Sehgal Independent Director	Member	2
Ms. Kajal Malhotra Non Executive Non Independent Director	Member	1

**(c) STAKEHOLDERS RELATIONSHIP COMMITTEE**

**(i) Terms of Reference**

The Committee focuses primarily on monitoring expeditious redressal of investors/stakeholders grievances and also functions in an efficient manner that all issues/concerns of stakeholders are addressed / resolved promptly.

**(ii) Composition of the Committee**

The Committee consists of two Independent Directors and one Non-executive and Non-Independent Director. The Company Secretary of the Company acts as Secretary to the Committee.

**(iii) Meeting**

During the year the Committee had one meeting i.e. on 05.02.2019.

**(iv) Members and Attendance**

Name of Members	Position	Attendance
Mr. Yash Kumar Sehgal Independent Director	Chairman	1
Mr. Lalit Bhasin Independent Director	Member	–
Mr. Ashok Kumar Malhotra Non Executive Non Independent Director	Member	1

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 2019. The Company furnishes necessary documents/information to Shareholders.

Non receipt of Annual Report and past years dividends were immediately attended. No grievances were pending at the year end. A separate e-mail ID: [invcom@chl.co.in](mailto:invcom@chl.co.in) operates as a dedicated ID solely for the purpose of registering investor complaints.

**Name and Designation of Compliance Officer**

Mr. G. J. Varadarajan, Company Secretary and Compliance Officer.

**(d) RISK MANAGEMENT COMMITTEE**

**(i) Terms of Reference**

The Company recognizes risk management as an integral component of good Corporate Governance and as a fundamental in achieving its strategic and operational objectives. It may impact shareholders' value. This Risk Management Policy applies to all team members, whether full time, part time or casual at any level of seniority within the business. The policy also applies to contractors and consultants working on behalf of CHL Ltd. This Policy as approved by the Board in the previous Financial Year has already been uploaded on the website of the Company at [www.chl.co.in](http://www.chl.co.in) under Risk Management Policy link.

**(ii) Composition**

The Risk Management Committee of the Company consists of two Independent Directors including Chairman, one Executive Director and one Senior Executive employee.



Name of Members	Position
Mr. Yash Kumar Sehgal Independent Director	Chairman
Mr. Lalit Bhasin Independent Director	Member
Mr. Luv Malhotra Managing Director	Member
Mr. Navneet Dhawan Senior Executive Employee	Senior Executive

There are periodical discussions among the Members and with Senior Executives of the Company.

**(e) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

At the commencement of the year under review the CSR Committee constituted under section 135 of the Act, comprising of Mr. Yash Kumar Sehgal, Non-executive independent director, Chairman of the Committee, Mr. Lalit Bhasin, Non-executive Independent director, Member of the Committee and Mr. Luv Malhotra, Managing Director, Member of the Committee.

The Company's CSR policy covers all permitted activity under schedule VII to the Act. The Committee is entrusted with the task of ascertaining the amount which the company is supposed to spend on CSR activities during a particular year in pursuance of section 135(5) of the Act. The CSR activity as approved by CSR Committee could be undertaken through a registered trust or a registered society provided that if such trust or society is not established by the Company, it shall have an established track record of three years in undertaking similar programs or projects. The CSR policy of the company has been uploaded on the website of the company.

**5. GENERAL BODY MEETINGS**

The details of Annual General Meetings held in the last three years are as under:

Location and time for the last three AGMs:

Year	Date	Venue	Time	Whether Special Resolution Passed
2015-16	12.08.2016	Registered Office	12:30 PM	No
2016-17	18.09.2017	Registered Office	12.30 PM	No
2017-18	19.09.2018	Registered Office	12.30 PM	Yes

No Ordinary Resolution/Special Resolution requiring a postal ballot is being proposed in the ensuing AGM.

No Extraordinary General Meeting was held during the Financial Year 2018-19.

**6. DISCLOSURES**

**(a) Basis of related party transactions**

During the year under review, the Company has not entered into any Related Party Transactions which are covered under Section 188 of the Companies Act, 2013.

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. The Board certifies that these transactions are ordinary course of business and are on arm's length basis.

**(b) Disclosure of Accounting Treatment**

Your company has adopted Indian Accounting Standard (Ind AS) with effect from 1st April 2017. There has been no change in the Accounting policies and Practices save as detailed in Notes to the Financial Statements. Further, there is no accounting matter/ transaction wherein a treatment different from that prescribed in the extant Accounting Standards has been followed while preparing the financial statements for the year under review.

**(c) Board Disclosures - Risk Management**

The Company has in place a mechanism to inform the Board Members about the risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the Executive Management.

**(d) Proceeds from public issues, right issues, preferential issues etc.**

The Company did not have any of the above issues during the year under review.

**(e) Secretarial Audit Report**

The Company has obtained Secretarial Audit Report on Quarterly/Annual basis from the Company Secretary in practice for compliance with Section 204(1) of the Companies Act, 2013, Listing Agreement, SEBI Regulations on Takeover, Insider Trading and Depositories & Participants. A text of the Annual Secretarial Audit Report is annexed elsewhere.

**(f) Management Discussion and Analysis Report**

The Management Discussion and Analysis Report have been included separately in the Annual Report to the Shareholders.

**(g) Shareholders**

- (i) The quarterly results are put on the Company's website [www.chl.co.in](http://www.chl.co.in) under the Investor Section.
- (ii) The Company has also sent Annual Report through email to those Shareholders who have registered their email ids with Depository Participant and physical copy on request who have no email id.

**7. CEO AND CFO CERTIFICATION**

The CMD & CEO and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

**8. COMPLIANCE ON CORPORATE GOVERNANCE**

The quarterly compliance report has been submitted to the Stock Exchange where the Company's equity shares are listed in the requisite format duly signed by the Compliance Officer. Pursuant to the Listing Regulations, the Secretarial Auditor's Certificate in compliance of Corporate Governance is published elsewhere in the Annual Report.

**9. WHISTLE BLOWER POLICY/VIGIL MECHANISM**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, your Company has adopted Whistle Blower Policy/Vigil Mechanism in the Board Meeting held on 09.08.2014 and the same has been uploaded on the Company's Website.

**10. MEANS OF COMMUNICATION**

Quarterly, Half-yearly and Annual Financial Results of the Company are communicated to the Stock Exchange immediately after the same are considered by the Board and are published in the Business Standard (Delhi & Mumbai) English and Hindi Edition. The results and official news release of the Company are also made available on the Company's website i.e. [www.chl.co.in](http://www.chl.co.in).

**11. SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES)**

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

**12. SHAREHOLDER'S INFORMATION**

Date, Time and Venue of 40th Annual General Meeting	12th August, 2019 at 12:30 PM, at Hotel The Suryaa, New Friends Colony, New Delhi-110025
Financial Year	1st April 2018 to 31st March 2019
Book Closure Date	From 06.08.2019 to 12.08.2019 (both days inclusive)
Listing on Stock Exchange	BSE limited
Scrip Code	532992
ISIN	INE790D01020

**Listing Fee**

The Company has paid listing fees for the year 2019 - 2020 to the BSE Limited.

**Market Price Data**

The official quoted price at the Bombay Stock Exchange during the Financial Year 2018-19 is as under:

**Scrip Code: 532992 Company: CHL LTD**

**For the Period: April 2018 to March 2019**

Month	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	No. of Shares	No. of Trades	Total (Rs.)
Apr-18	13.3	18.45	13.3	17.65	3540	25	57364
May-18	18.5	18.5	17	17.15	2526	10	43243
Jun-18	16.3	17.1	16.3	17.1	220	4	3594
Jul-18	17	17.1	17	17.1	221	6	3767
Aug-18	17.1	17.95	17.1	17.1	921	7	16012
Sep-18	17.1	17.1	16.05	16.1	121	10	1968
Oct-18	16.9	17.6	13.25	13.3	5662	26	82634
Nov-18	13.25	14.49	12	12.9	19833	44	250196
Dec-18	12.28	12.5	10.9	10.9	6036	21	72242
Jan-19	11.4	12	11.05	12	3424	7	39121
Feb-19	12	13.12	11	11	2996	17	36256
Mar-19	11	11.55	10.5	10.5	4000	12	44532

**13. TRANSFER OF UNCLAIMED DIVIDEND TO IEPF**

Pursuant to provisions of the Companies Act, 2013 an aggregate amount of Rs. 270,291 was transferred to Investors Education and Protection Fund (IEPF) during the year under review.

**14. UNCLAIMED DIVIDEND**

Reminders for unpaid dividend are sent to those Shareholders whose dividend is lying unclaimed in Dividend Accounts as per Bank records every year. Also year-wise list of the Shareholders who have not claimed their dividend is posted at website of Ministry of Corporate Affairs (MCA) in line with its Circular.

Dividends in respect of the following years remaining unclaimed for seven years from the date of disbursement will be transferred as per Section 125 of the Companies Act 2013, to the Investor Education and Protection Fund (IEPF) of the Central Government Particulars of Dividend disbursements and proposed date of transfer to the IEPF are as under:

Financial Year Ended	Date of declaration of Dividend	Due for transfer
31st March 2012 (Final)*	25.09.2012	October, 2019
31st March 2013 (Interim)	08.02.2013	March, 2020
31st March 2013 (Final)	25.09.2013	October, 2020

Unpaid/Unclaimed Interim Dividend pertaining to the year ended 31.03.2012 has already been transferred to Investors Education and Protection Fund (IEPF).

\*Unpaid/Unclaimed Final Dividend pertaining to the year ended 31.03.2012 is being transferred to Investors Education and Protection Fund (IEPF) in the month of October, 2019. As such it will not be possible to entertain Dividend Claim pertaining to the year 2012, after September, 2019.

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 distributed.

As per the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendment Rules, 2017 thereof contains the provisions for transfer of all shares in respect of which dividends has not been paid or claimed for Seven Consecutive years or more to the Investor Education and Protection Fund Authority (IEPF Authority). Accordingly, 383830 equity shares have been transferred to IEPF authority in respect of which dividend has been unpaid/unclaimed for all the respective financial year ended 31.03.2010 (interim and final). Further, 8210 equity shares are being transferred to IEPF Authority in respect of which dividend has been unpaid/unclaimed for all the respective financial year ended 31.03.2011 (interim and final). The members who have a claim on above dividends may claim the same from IEPF authority by submitting an online application in the prescribed Form No.IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No.IEPF-5. No claim shall lie against the Company in respect of the dividend/shares so transferred.

**15. REGISTRAR AND SHARE TRANSFER AGENT (RTA)**

M/s. Beetal Financial & Computer Services Pvt. Ltd. is Registrar and Transfer Agent of the Company. Any request pertaining to investor relations may be addressed to the following address:

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](mailto:beetalrta@gmail.com)

Investor correspondence may also be addressed to:

Mr. G. J. Varadarajan

Company Secretary & Compliance Officer

CHL Limited,

Hotel The Suryaa, New Friends Colony, New Delhi 110025

Tel. 91-11-26835070, 47808080 Fax: 47808081

Email: [chl@chl.co.in](mailto:chl@chl.co.in)

**16. 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. Further the same power has been delegated to our Registrar and Transfer Agent also to ensure the smooth functioning of the share transfer system. They periodically attend 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 request for dematerialization of shares is sent to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.

**Mandatory requirement of PAN**

SEBI vide its circular dated 7th January, 2010 has made it mandatory to furnish PAN copy in the following cases.

- (i) Deletion of name of deceased shareholder(s), where the shares are held in the name of the two or more shareholders.
- (ii) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder.
- (iii) Transposition of shares – in case of change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

**17. SHAREHOLDING PATTERN AS ON MARCH 31, 2019**

Category	No. of Shareholders	No. of shares held	% of shareholding
Promoters(including persons acting in concert and OCB)	19	3,99,29,049	72.84
Public	1720	1,48,89,241	27.16
<b>Total</b>	<b>1739</b>	<b>5,48,18,290</b>	<b>100</b>

**(b) Distribution of Shareholding**

Range of shares	No. of shareholders	% of Shareholders	No. of shares of Rs. 2/- each	% to total Shareholding
Up to 5,000	1585	91.14	6,51,559	1.1886
5,001 to 10,000	56	3.22	235968	0.4305
10,001 to 20,000	27	1.55	232797	0.4247
20,001 to 30,000	10	0.57	1,30,000	0.2371
30,001 to 40,000	4	0.24	68,029	0.1241
40,001 to 50,000	12	0.70	2,92,035	0.5327
50,001 to 1,00,000	15	0.86	5,97,857	1.0906
1,00,001 and above	30	1.72	5,26,10,045	95.9717
<b>Total</b>	<b>1739</b>	<b>100</b>	<b>5,48,18,290</b>	<b>100</b>

**18. DEMATERIALISATION OF SHARES AS ON MARCH 31, 2019**

The Company's shares can be traded only in dematerialized form as per SEBI notification. The Company has entered into an Agreement with NSDL and CDSL whereby shareholders have the option to dematerialize their shares with either of the depositories. Equity shares are traded at BSE Limited.

Sl.No.	Capital Details	No. of shares Rs.2/- each per share	% of total issued capital
1	Issued capital	54818290	
2	Listed capital (BSE) (As per company records)	54818290	100
3	Held in dematerialized form in CDSL	2190830	3.997
4	Held in dematerialized form in NSDL	51421842	93.804
5	Physical	1205618	2.199
6	Total number of shares (3+4+5)	54818290	100

**19. HOTEL**

Your Hotel The Surya is located at Community Centre, New Friends Colony, New Delhi 110025.

**20. ADDRESS OF REGISTERED OFFICE/ADDRESS FOR CORRESPONDENCE**

The Company Secretary

CHL Limited

Hotel The Surya

New Friends Colony

New Delhi 110025

E-mail: chl@chl.co.in

Phone: 011-26835070, Fax: 011-26836288

**21. CODE OF CONDUCT DECLARATION**

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the Listing Regulations with stock exchange, all the Directors and the designated personnel in the Management of the Company have affirmed compliance with the said code for the Financial Year ended March 31, 2019.

**22. PREVENTION OF INSIDER TRADING**

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the company has instituted a code of conduct for prohibition of insider trading for dealing in company's shares.

**23. RECONCILIATION OF SHARE CAPITAL AUDIT**

Reconciliation of Share Capital Audit is being carried out every quarter by Practicing 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 Bombay Stock Exchange within



the stipulated time. The audit, inter alia, confirms that the listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and the total number of shares in physical form.

**24. CORPORATE IDENTITY NUMBER (CIN)**

Corporate Identity Number (CIN) of the company, allotted by the Ministry of Corporate Affairs, Government of India is L55101DL1979PLC009498.

**25. GREEN INITIATIVE IN THE CORPORATE GOVERNANCE**

As part of the green initiative process, the company has taken an initiative of sending documents like notice calling Annual General meeting, Corporate Governance Report, Directors Report, audited Financial Statements, Auditors Report, Dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent / concerned depository to enable the company to send the documents in electronic form or inform the company in case they wish to receive the above documents in physical mode.

**26. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY****PHILOSOPHY**

CSR promote the conception of business accountability to a wide range of stakeholders, besides shareholders and investors. Society has high expectations from corporate business sector for responsible behavior. There is growing acknowledgement of the significant impact of the activities of the corporate sector on society – on employees, customers, shareholders, governments and others. CSR connects the stakeholders and the human resource policies. It also takes into account the impact it makes on those inside and outside the enterprise.

**GOVERNING LAW**

Section 135 (1) of the Companies Act, 2013 (the said Act), read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the said Rules), requires every company having:

- net worth of Rs. 500 crore or more, or
- turnover of Rs.1000 crore or more, or
- net profit of Rs.5 crore or more calculated in accordance with Section 198 of the Act during any financial year to constitute a CSR Committee of the Board of Directors.

Further, Section 135 (5) of the said Act mandates that the Board of every company which falls within the purview of Section 135(1) thereof, shall ensure that every year the Company spends at least 2% of the average net profit made during the three immediately preceding Financial Years.

Schedule VII to the said Act provides a comprehensive list of activities and a company may adopt one or more of those activities for its CSR policy.

Rule 4 of the said Rules enables a Company to undertake its CSR activities in any of the following manner:

- (a) On its own, as projects or programmes or activities, either new or ongoing, to the exclusion of activities undertaken in pursuance of its normal course of business:  

and/or
- (b) through a registered trust or a registered society or a company established under Section 8 of the Act by the Company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise.

However, if such trust/society/company has not been established by the Company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, then such trust/society/company must have an established track-record of three years in undertaking similar projects. Further, the Company ought to specify the projects or programmes which need to be undertaken through these entities, and the modalities or utilization of funds and monitoring and reporting mechanism.

**CSR COMMITTEE AND ITS RESPONSIBILITIES**

The Board has entrusted the CSR Committee with the task of formulating a CSR Policy adopting the activities listed in Schedule VII to the Act.

Further, the Committee has also been asked to recommend a monitoring and reporting mechanism to ensure that the activities included in the CSR policy are undertaken and the funds allocated there-for are appropriately utilized.

**DESIGNATED CSR ACTIVITIES**

The Board of the Company has adopted all the activities listed in Schedule VII to the Act for its CSR Policy namely:

- (i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

- (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;
- (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationality recognized sports, paralympic sports and Olympic sports;
- (viii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) rural development projects;
- (xi) Slum area development.

**Explanation**

For the purpose of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

The Company proposes to implement the above initiatives directly on its own and/or through recognized trusts and societies having proven track record so as to ensure compliance with the provisions of laws as detailed above.

**EXECUTION PLAN/GOVERNANCE**

Following execution, monitoring and reporting mechanism shall be followed by the CSR Committee to ensure effective implementation of the CSR policy:

- Once the financial statements for a previous year are approved and audited, the CSR Committee shall ascertain the amount required to be spent during that current financial year and prepare a CSR Plan delineating the CSR programmes to be carried out, identify the agencies which should carry out those activities and allocate budget for each such activity. The CSR Plan should be placed before the Board for its approval.
- After obtaining Board's approval, the CSR Committee shall assign the task of implementation of respective programmes to the designated persons/agencies and set-out the time-lines for implementation.
- Such persons/agencies shall implement/execute the respective programmes within the designated budget and time-lines, and report the status to the CSR Committee periodically.
- On its part, the CSR Committee may meet periodically to take stock of the orderly implementation of the CSR programmes and issue necessary directions/guidelines in accordance with the CSR policy, and keep the Board informed from time to time.
- Within 30 days of the end of the financial year, the CSR Committee shall finalize its report for that year describing the programmes undertaken and amount spent on each programme against budgeted allocation. All budget overruns should be explained to and approved by the said Committee and the Board.
- CSR Committee may meet as and when required to attend to business assigned to it. Quorum for such meetings shall be two members present in person. All decisions shall be approved by simple majority. The Committee may even pass resolutions by circulation. Minutes of proceedings of the said Committee meetings shall be recorded and signed by the Chairman of the meeting, and shall be circulated to the Board.

**MISCELLANEOUS PROVISIONS**

- CSR Projects, activities or programmes that benefit only the employees of the Company and their families shall not be considered as CSR activities.
- CSR projects, activities or programmes undertaken in India only shall amount to eligible CSR activities under this policy
- This CSR Policy may be revised from time to time by the Board on its own or based on the recommendations of the CSR Committee and shall always be compliant with the extant provisions of laws.

**The composition of the CSR Committee:**

Mr. Yash Kumar Sehgal	Chairman-Non-executive Independent Director
Mr. Lalit Bhasin	Member-Non-executive Independent Director
Mr. Luv Malhotra	Managing Director-Executive Director

**Average Net Profit of the Company:**

Average net profit of the Company for the last three Financial Years: The average net profit /(Loss) during the Financial Years from 2015 -16 to 2017-18 works out to Rs.8.75 crores.

**Prescribed CSR Expenditure (2% of the amount of Rs.8.75Cr.): Rs.17.50 lac.**

1. Details of CSR spent during the Financial Year 2018-19.
  - (a) Total amount to be spent for the Financial Year: Rs.17.50 lac.
  - (b) Amount unspent, if any, for the Financial Year :Not applicable
  - (c) Manner in which the amount spent during the Financial Year is detailed below:



Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	2	3	4	5	6	7	8
1	Setting up of homes, shelter/ ashrams for poor and for senior citizens and economically backward groups	Promoting free accommodation/ shelter/ ashrams	Haridwar Uttarkhand	Rs.15 lac was committed during FY 2017-18. This Financial Year-2018-2019 it committed Rs. 20 Lacs.	During the year under review, a sum of Rs.20 lacs was spent out of the amount committed and provided for, based on the progress of the said project.	Rs.46 lac	Spent through the Implementing agency i.e. Mataji Melan Devi Society (Regd.)

**Details of the implementing agency:**

M/s Mataji Melan Devi Society is a society registered under Societies Registration Act 1860 on 24th November 1997, a non-profit organization with the following, inter alia, objects of the society:

- (a) To help, encourage and assist in spreading education of all types.
  - (b) To provide monetary or other help to students, windows, orphans, poor and /or to persons suffering from mental or physical ailments.
  - (c) To start, maintain or otherwise manage Schools, Colleges, Hostels, Libraries, Reading Rooms, Hospitals, Clinics, and Window Homes, Old Age Homes or other centres of similar nature.
  - (d) To organize debates, competitions, seminars and other elocution contests for encouraging and spreading of knowledge.
  - (e) To provide medical relief and to organize medical help to the needy.
  - (f) To provide free accommodation and assistance to travelers.
  - (g) To provide legal aid to the poor and needy.
  - (h) To provide food and necessary help to deserving people.
    - (i) To assist any relief measures in those parts of the country which are or become subjected to natural calamities such as flood, fire, drought, famine, cyclone, earth quake, storm, accidents etc.
    - (j) To help in preservation of forests, trees, cattles and other useful animals.
2. In case the Company has failed to spend the two percent of the average net profit of the last three Financial Years or any part thereof, the company shall provide the reasons for not spending the amount in its Directors' Report: Not applicable
  3. Responsibility statement by the Corporate Social Responsibility Committee:  
The implementation and monitoring of CSR policy is in compliance with the CSR objectives and Policy of the Company.

**For and on behalf of the Board**

Place: New Delhi  
Dated: 28th May 2019

**Dr Lalit Kumar Malhotra**  
Chairman



**CERTIFICATE BY CEO/CFO**

**The Board of Directors**

**CHL Limited**

1. We have reviewed Financial Statements and the Cash Flow Statements of the Company for the year ended 31.03.2019 and that to the best of our knowledge and belief, we state that these statements:
  - (i) do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.
  - (ii) together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year that is fraudulent, illegal or violation 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) During the year, we are not aware of any instance of significant fraud with involvement therein of the management or any employee.

**N.K. Goel**  
**Vice President (Finance) & CFO**

**Luv Malhotra**  
**Managing Director**

Place: New Delhi  
Date: 28th May, 2019

**Form MR-3****SECRETARIAL AUDIT REPORT**

**[Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

To

The Members of M/s CHL Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. CHL Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2019 and ended 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. CHL Limited ("The Company") for the financial year ended on 31st March, 2019, according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the Rules made there under
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of;
    - (a) External Commercial Borrowings were in accordance with the provisions of the law during the financial year under report;
    - (b) Foreign Direct Investment (FDI) was not attracted to the company during the financial year under report;
    - (c) Overseas Direct Investment by Residents in Joint Venture / Wholly Owned Subsidiary abroad was in accordance with the provisions of the law during the Financial Year under report.
    - (d) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument during the financial year under report.
  - v. The Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
3. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not covered during the financial year under review by the Company:
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - v. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
  - vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - vii. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

4. We have also examined compliance with the applicable clauses of the following:
  - i. Secretarial Standards issued by The Institute of Company Secretaries of India.
  - ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.
5. During the Financial Year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above.
6. We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.
7. We further report that:
  - (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013.
  - (b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation of the meeting.
  - (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
8. We further report that there are adequate systems and processes in the Company with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
9. We further report that during the audit period there were no specific events/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For A. Chadha & Associates  
Company Secretaries**

Place: New Delhi  
Date: 28th May, 2019

FCS NO 5271  
CP.NO. 3732



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**INDEPENDENT AUDITOR'S REPORT****To the Members of C H L LIMITED****Report on the audit of the Standalone Financial Statements**

We have audited the accompanying Standalone Financial Statements of CHL LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss, including the Statement of other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss, (changes in equity) and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and change in equity of the Company in accordance with the accounting principles generally accepted in India, including the India Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those board of directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the audit of the standalone financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("The Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - (c) The Balance Sheet and the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at 31st March, 2019, on its financial position in its Standalone Financial Statements—(Refer Note No. 28) to the Standalone Financial Statements;
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund.

**For D G A & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 003486N**

**(D K Agarwal, FCA)**  
**Partner**  
**Membership No. 080355**

Place: New Delhi  
Dated: 28.05.2019

**ANNEXURE- A to the Independent Auditor's Report on the Standalone Financial Statements of CHLLIMITED for the year ended 31st March, 2019**

- i. a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b. The fixed assets have been physically verified by the Management during the year in accordance with a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. The discrepancies noticed on such verification which were not material have been properly dealt with in the books of account.
- c. According to the information and explanations given to us and on the basis of our examinations of the records of the company, the title deeds of the immovable properties are held in the name of the company.
- ii. In our opinion and according to the information and explanations given to us, inventories have been physically verified by the management at reasonable intervals having regard to the size of the company and no material discrepancy was noticed on such verification as compared to book records.
- iii. According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause paragraph 3 (iii) (a), (b) and (c) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and any guarantee or security provided.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act 2013.
- vii. a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.
- b. According to information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31st March, 2019 for a period of more than six months from the date they become payable.
- c. In our opinion and according to the information and explanations given to us by the company and its tax advisor/consultant, following dues of income tax have not been deposited by the company on account of disputes:

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	U/S 250/143(3)	9,802,032	AY 2005-06	ITAT, Delhi
2	Income-tax Act 1961	U/S 250/143(1)	10,25,750	AY 2007-08	CIT (Appeal)
3	Income-tax Act 1961	U/S 271(1)©	7,16,786	AY 2009-10	ITAT, Delhi
4	Income-tax Act 1961	U/S 143(3)	4,32,959	AY 2010-11	Rectification u/s 154 is pending
5	Income-tax Act 1961	U/S 143(3)	69,11,130	AY 2011-12	ITAT, Delhi
6	Income-tax Act 1961	U/S 143(3)	45,64,190	AY 2012-13	ITAT, DELHI
7	Income-tax Act 1961	U/S 143(3)	60,53,880	AY 2013-14	CIT (Appeal)
8	Income-tax Act 1961	U/S 143(3)	50,40,460	AY 2015-16	CIT (Appeal)
9	Income-tax Act 1961	U/S 271(1)©	64,95,410	AY 2012-13	CIT (Appeal)
10	Service Tax (Finance Act 1994 Service Tax Rule 1994)	U/S 73(1), Sec 78, Sec 77(2)	5,65,45,957	SCN dt 21.10.09 & 22.10.10 (F.Y.2004-05 to 2009-10)	Appeal CESTAT, Delhi

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the banks and financial institutions.
- ix. According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

- xi. According to the information and explanations given to us and based on our examination of the records of the company, the managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013, where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on the basis of our examinations of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, clause (xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For D G A & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 003486N**

**(D K Agarwal, FCA)**  
**Partner**  
**Membership No. 080355**

Place: New Delhi  
Dated: 28.05.2019

**ANNEXURE- B to the Independent Auditor's Report on the Standalone Financial Statements of CHLLIMITED for the year ended 31st March, 2019****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of C H L Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For D G A & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 003486N**

**(D K Agarwal, FCA)**  
**Partner**  
**Membership No. 080355**

Place: New Delhi  
Dated: 28.05.2019



**BALANCE SHEET AS AT MARCH 31, 2019**

**Lac INR**

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	5	<b>5,952.85</b>	5,872.92
(b) Other non-current assets	6	<b>7,080.95</b>	7,125.99
(c) Financial assets	7	<b>1,019.57</b>	954.49
<b>Total Non current assets</b>		<b>14,053.37</b>	13,953.40
<b>(2) Current assets</b>			
(a) Financial assets			
(i) Inventory	8	<b>381.89</b>	388.69
(ii) Trade receivables	9	<b>510.00</b>	488.39
(iii) Balances with banks	10	<b>154.10</b>	59.30
(iv) Other bank balances		<b>744.19</b>	513.35
(v) Other financial assets	11	<b>9.37</b>	11.45
(b) Other current assets	12	<b>166.77</b>	148.82
<b>Total Current Assets</b>		<b>1,966.32</b>	1,610.00
<b>Total Assets</b>		<b>16,019.69</b>	15,563.40
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	13	<b>1,096.37</b>	1,096.37
(b) Other Equity(Refer SOCE)	14	<b>10,421.40</b>	9,485.48
		<b>11,517.77</b>	10,581.85
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities :-			
(i) Long Term Borrowings	15.1	<b>1,108.42</b>	1,851.79
(ii) Other Financial Liabilities	15.2	<b>239.37</b>	239.37
(b) Provisions	16	<b>177.01</b>	263.93
(c) Deferred Tax Liability (Net)	17	<b>592.08</b>	667.88
		<b>2,116.88</b>	3,022.97
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	18	<b>289.97</b>	235.18
(ii) Other financial liabilities	19	<b>1,941.81</b>	1,581.62
(b) Other current liabilities	20	<b>153.26</b>	141.78
		<b>2,385.04</b>	1,958.58
<b>Total Equity and Liabilities</b>		<b>16,019.69</b>	15,563.40

As per our report of even date attached  
for **DGA & Co.**

Chartered Accountants  
Reg. No. 003486N

**(D. K. Agarwal, FCA)**  
Partner  
Membership No. 080355

New: Delhi  
Date: 28.05.2019

for & on behalf of the Board of Directors

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

**L.K.MALHOTRA**  
Chairman  
DIN 00213086

**N.K.GOEL**  
Vice President  
Finance & CFO

**G.J.VARADARAJAN**  
Company Secretary  
M.No. ACS 5287



# CHL LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Lac INR

Particulars	Note No.	For the year ending 31st March 2019	For the year ending 31st March 2018
<b>INCOME</b>			
<b>I Revenue From Operations</b>	21	<b>6,969.47</b>	6,361.10
<b>II Other Income</b>	22	<b>106.03</b>	72.48
<b>III Total Income (I + II)</b>		<b>7,075.50</b>	6,433.58
<b>IV Expenses</b>			
Consumption of Provision, Beverages, Smokes and others	23	<b>520.28</b>	471.30
Employee benefit expense	24	<b>1,998.95</b>	1,835.58
Finance Cost	25	<b>436.24</b>	358.20
Operational Expenses	26	<b>2,437.16</b>	2,183.36
Depreciation and amortization expense		<b>228.03</b>	218.75
Other expenses	27	<b>161.73</b>	43.57
Total expenses (IV)		<b>5,782.39</b>	5,110.76
<b>V Profit before tax (III-IV)</b>		<b>1,293.11</b>	1,322.82
<b>VI Tax expense :</b>			
(1) Current Tax		<b>405.77</b>	457.56
(2) Last Year Tax Provision adjustment		<b>(17.81)</b>	(26.20)
(3) Deferred Tax		<b>(75.80)</b>	72.51
		<b>312.16</b>	503.87
		<b>312.16</b>	503.87
<b>VII Profit for the year/period (V-VI)</b>		<b>980.95</b>	818.95
<b>VIII Other comprehensive income</b>			
(A) Items those will be reclassified to profit or loss in subsequent periods:			
(i) Net gain/(loss) on above		<b>5.89</b>	4.22
		<b>5.89</b>	4.22
(B) Items those will not be reclassified to profit or loss in subsequent periods:			
(i) Re-measurements of net defined benefit assets/liability		-	-
<b>IX Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>986.84</b>	823.17

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached  
for **DGA & Co.**  
Chartered Accountants  
Reg. No. 003486N

**(D. K. Agarwal, FCA)**  
Partner  
Membership No. 080355

New: Delhi  
Date: 28.05.2019

for & on behalf of the Board of Directors

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

**L.K.MALHOTRA**  
Chairman  
DIN 00213086

**N.K.GOEL**  
Vice President  
Finance & CFO

**G.J.VARADARAJAN**  
Company Secretary  
M.No. ACS 5287

**Cash Flow Statement for the year ended**

**Lac INR**

	31st March, 2019	31st March, 2018
<b>A) Cash Flow From Operating Activities</b>		
<b>Net Profit before Tax &amp; Extraordinary Items</b>	<b>1,293.11</b>	1,322.82
Adjustments for		
Depreciation	228.03	218.75
Dividend Income	(0.01)	(0.01)
Loss on Sale of Assets	97.17	4.84
Loss on Exceptional Items - trading	-	-
Comprehensive Income	5.89	4.23
Scrapped/Discarded Assets written off	29.36	-
Profit / Loss on sale of Investment	(45.04)	(150.12)
Interest Expenditure	436.24	358.20
Interest Received	(55.42)	(37.00)
<b>Operating Profit before Working Capital Changes</b>	<b>1,989.33</b>	1,721.71
<b>Adjustments for</b>		
(Increase) Decrease in Inventories	6.80	26.99
(Increase) Decrease in Trade Receivables	(21.61)	(145.94)
(Increase) Decrease in Other Financial assets	(80.95)	46.68
Increase (Decrease) in Trade Payables	54.79	(154.49)
Increase (Decrease) in Other Financial liabilities	371.67	27.23
Cash generated from Operations	2,320.03	1,522.18
Income Tax (Paid)/Refund	(348.70)	44.48
<b>Net Cash from Operating Activities (A)</b>	<b>1,971.33</b>	1,566.66
<b>(B) Cash Flow from Investing Activities</b>		
Purchase of Property, plant & Equipments	(463.95)	(125.32)
Disposal of Property, plant & Equipments	29.36	20.35
Purchase of Investment	-	-
Investment in subsidiary	-	-
Sale of Investments	-	0.11
Interest Received	55.42	37.00
Dividend Received	0.01	0.01
<b>Net Cash used in Investing Activities(B)</b>	<b>(379.16)</b>	(67.85)
<b>(C) Cash Flow from Financing Activities</b>		
Proceeds from issue of Capital	-	-
Interest Paid	(436.24)	(358.20)
Increase (Decrease) in Security Deposit	-	1.05
Dividend Paid	-	-
Dividend Tax Paid	-	-
Increase/(Decrease) in long term Borrowing	(743.37)	(872.25)
Increase/(Decrease) in Provisions	(86.92)	(221.07)
<b>Net Cash used in Financing Activities (C)</b>	<b>(1,266.53)</b>	(1,450.47)
<b>Net increase/ decrease in cash and cash equivalents (A+B+C)</b>	<b>325.64</b>	48.34
Cash & Cash Equivalent ( Opening balance)	572.65	524.31
<b>Cash &amp; Cash Equivalent (Closing balance)</b>	<b>898.29</b>	572.65

**Note :**

(a) The above cashflow statement has been prepared under indirect method setout in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

(b) Cash And Cash Equivalent comprise of:

Balance with Banks in Current Account	898.29	572.65
Deposit with Bank with maturity less than 3 months	-	-
<b>Cash &amp; Cash Equivalent in Cash Flow</b>	<b>898.29</b>	572.65

As per our report of even date attached

for & on behalf of the Board of Directors

**for DGA & Co.**

Chartered Accountants

Reg. No. 003486N

**(D. K. Agarwal,FCA)**

Partner

Membership No. 080355

**LUV MALHOTRA**

Managing Director

DIN 00030477

**L.K.MALHOTRA**

Chairman

DIN 00213086

**N.K.GOEL**

Vice President

Finance & CFO

**G.J.VARADARAJAN**

Company Secretary

M.No. ACS 5287

New: Delhi

Date: 28.05.2019



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**NOTES TO THE FINANCIAL STATEMENTS****1. CORPORATE INFORMATION**

CHL Limited ("the Company") is a public limited company domiciled in India and is listed on Bombay Stock Exchange (BSE). The Company is operating a Five Star Deluxe Hotel since 1982, presently named as "The Suryaa" in New Delhi.

**2. BASIS OF PREPARATION**

- (a) The financial statements are prepared on a historical cost basis except certain financial assets and liabilities which have been measured at fair value, defined benefit plans and contingent consideration. Historical cost is generally based on the fair value of consideration in exchange of goods and services.
- (b) The preparation of these financial statements in conformity with the recognition and measurement principle of Ind AS requires management to make judgement, estimates and assumption that affect the reported balances of assets and liabilities as at the date of financial statement.
- (c) The financial statements comprise a profit and loss account (income statement), statement of comprehensive income, balance sheet (statement of financial position), statement of changes in equity, statement of cash flows, and notes. Income and expenses, excluding the components of other comprehensive income, are recognised in the profit and loss account. Other comprehensive income is recognised in the statement of comprehensive income and comprises items of income and expense, that are not recognised in the profit and loss account as required or permitted by Ind AS.
- (d) The preparation of financial statements in conformity with Indian Accounting Standards requires the use of estimates and assumptions. It also requires management to exercise its judgement in the process of applying the accounting policies adopted by the company. Although such estimates and assumptions are based on the directors' best knowledge of the information available, actual results may differ from those estimates. The judgements and estimates are reviewed at the end of each reporting period, and any revisions to such estimates are recognised in the year in which the revision is made.

**3. SIGNIFICANT ACCOUNTING POLICIES****3.1 PROPERTY, PLANT AND EQUIPMENT**

- (a) All categories of property, plant and equipment are initially recognised at cost. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system, that is an integral part of the related hardware is capitalised as part of the computer equipment. Property, plant and equipment are subsequently carried at cost less accumulated depreciation and accumulated impairment losses if any. When significant parts of property, plant and equipments are required to be replaced at intervals, the company recognises the new part with its own associated useful life and it is depreciated accordingly.
- (b) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance expenses are charged to the profit and loss account in the year in which they are incurred.
- (c) 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.
- (d) Depreciation on tangible assets is provided on straight-line method over the useful life of assets in the manner and at the rate specified in Part C of Schedule II of Companies Act, 2013 from the date the Schedule II came into effect. A residual value of 5% (as prescribed in Schedule II of the Act) of the cost of the asset is used for the purpose of calculating the depreciation charge.

**3.2 INTANGIBLE ASSETS**

Accounting treatment of intangible assets is in accordance with IND AS-38. Intangible Assets are depreciated on straight line method over the useful life thereof.

**3.3 IMPAIRMENT OF NON FINANCIAL 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.

**3.4 INVESTMENT IN SUBSIDIARY, JOINT VENTURE**

Investment in subsidiary/joint venture is carried out at cost. The cost comprises price paid to acquire investment and directly attributable cost.

**3.5 TRANSLATION OF FOREIGN CURRENCIES**

- (a) On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the company operates), which is Indian Rupees (INR).
- (b) Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the transaction date. Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis in other items of comprehensive income or the profit and loss account respectively in the year in which they arise.

### 3.6 FINANCIAL INSTRUMENTS

#### Financial Assets

##### (i) Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction cost that are attributable of the financial assets. Purchase or sale of financial assets that requires delivery of assets are recognize on the settlement date i.e. the date that the company settle commits to purchase or sell the assets.

##### (ii) Subsequent measurement

Subsequent measurement of debt instruments depends on the Group's business model for managing the assets and the cash flow characteristics of the asset.

### 3.7 ASSETS ON LEASE

Accounting treatment of assets taken on lease is in accordance with Ind AS – 17.

### 3.8 INVENTORIES

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

Linen, Glassware etc.: Items issued to rooms and outlets are treated as replacement of old/worn items and charged to profit and loss account and items in use at the close of the year are included in inventories.

### 3.9 BORROWING COST

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

### 3.10 RISK MANAGEMENT OBJECTIVE AND POLICIES

The company's overall risk management policies are set out by the board and implemented by the management, and focus on the unpredictability of changes in the business environment and seek to minimize the potential adverse effects of such risk on the company's performance by setting acceptable levels of risk. The company does not hedge against any risks.

### 3.11 RECOGNITION OF REVENUES

- (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. 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.
- (iv) For all debt instruments measured at amortised cost or at fair market value through Other Comprehensive Income(OCI) and profit and loss account.

### 3.12 RETIREMENT AND OTHER EMPLOYEE BENEFITS

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

#### (i) Defined Contribution Plan

- (a) The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. 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.

#### (ii) Defined Benefit Plan

- (a) Gratuity liability as on the Balance Sheet date is determined on the basis of actuarial valuation using projected unit credit method (Ind AS 19). The gratuity liability amount is contributed to income tax approved insurance company with whom the Company is maintaining gratuity fund account.

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 other comprehensive income as income or expenses without resorting to any amortization.



### **3.13 CONTINGENCY AND PROVISION**

Contingent liabilities are recognized only when there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.

The Company creates a provision when there is present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

### **3.14 TAXATION**

Provision for current taxation is made in accordance with the applicable taxation laws.

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.

### **3.15 Prior period and extraordinary items and changes in Accounting Policies having material impact on the financial affairs of the company are disclosed**

#### 4a Property, plant and equipment

PARTICULARS	Land (Leasehold)	Land (Freehold)	Land & Building (Noida)	Building	Plant & Machinery	Plant & Machinery (Noida)	Furniture, Fixture and Fittings	Office Equipments	Computers	Vehicles	Capital Work in Progress	Grand Total
<b>Cost</b>												
As on 1st April - 2017	599.31	116.04	278.58	4,219.98	3,815.62	90.90	916.68	66.73	178.65	509.89		10,792.38
Additions					28.42		0.92		4.79	91.19		125.32
Transfer												-
Disposals										(58.37)		(58.37)
<b>As at March 31, 2018</b>	<b>599.31</b>	<b>116.04</b>	<b>278.58</b>	<b>4,219.98</b>	<b>3,844.04</b>	<b>90.90</b>	<b>917.60</b>	<b>66.73</b>	<b>183.44</b>	<b>542.71</b>	<b>-</b>	<b>10,859.33</b>
Accumulated Depreciation												
As on 1st April - 2017				936.25	2,681.94		730.54	57.28	129.30	270.38		4,805.69
Charged during the year				69.74	63.09		28.60	2.66	11.98	42.68		218.75
Eliminated on disposal										(38.03)		(38.03)
<b>As at March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,005.99</b>	<b>2,745.03</b>	<b>-</b>	<b>759.14</b>	<b>59.94</b>	<b>141.28</b>	<b>275.03</b>	<b>-</b>	<b>4,986.41</b>
<b>Net carrying amount as on 31st March 2018</b>	<b>599.31</b>	<b>116.04</b>	<b>278.58</b>	<b>3,213.99</b>	<b>1,099.01</b>	<b>90.90</b>	<b>158.46</b>	<b>6.79</b>	<b>42.16</b>	<b>267.68</b>	<b>-</b>	<b>5,872.92</b>
<b>Cost</b>												
As on 1st April - 2018	599.31	116.04	278.58	4,219.98	3,844.04	90.90	917.60	66.73	183.44	542.71		10,859.33
Additions			13.60	130.83	51.24		13.62		40.83	145.98	67.85	463.95
Transfer												
Disposals				(30.59)	(45.15)	(90.90)	(0.22)		(0.86)	(95.03)		(262.75)
<b>As at March 31, 2019</b>	<b>599.31</b>	<b>116.04</b>	<b>292.18</b>	<b>4,320.22</b>	<b>3,850.13</b>	<b>-</b>	<b>931.00</b>	<b>66.73</b>	<b>223.41</b>	<b>593.66</b>	<b>67.85</b>	<b>11,060.53</b>
Accumulated Depreciation												
As on 1st April - 2018				1,005.99	2,745.03		759.14	59.94	141.28	275.03		4,986.41
Charged during the year				69.97	63.80		29.01	1.33	16.65	47.28		228.04
Eliminated on disposal				(10.56)	(35.87)		(0.21)		(0.82)	(59.31)		(106.77)
<b>As at March 31, 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,065.40</b>	<b>2,772.96</b>	<b>-</b>	<b>787.94</b>	<b>61.27</b>	<b>157.11</b>	<b>263.00</b>	<b>-</b>	<b>5,107.68</b>
<b>Net carrying amount as on 31st March 2019</b>	<b>599.31</b>	<b>116.04</b>	<b>292.18</b>	<b>3,254.82</b>	<b>1,077.17</b>	<b>-</b>	<b>143.06</b>	<b>5.46</b>	<b>66.30</b>	<b>330.66</b>	<b>67.85</b>	<b>5,952.85</b>

**4b STATEMENT OF EQUITY CHANGES**

Particulars	Equity Share Capital	Reserve and Surplus					Total Other Equity
		Capital Reserve	General Reserve*	Capital Redemption Reserve	Retain Earnings	"Other items of Other Comprehensive Income"	
<b>As at April 1, 2018</b>	<b>1,096.37</b>	<b>0.94</b>	<b>3,047.42</b>	<b>110.00</b>	<b>6,327.12</b>	<b>-</b>	<b>9,485.48</b>
Impact of Valuation of Investment Add/(Less)			(45.03)				(45.03)
Prior period errors							-
Restated balance at the beginning of the reporting period	1,096.37	0.94	3,002.39	110.00	6,327.12	-	9,440.45
Profit for the year *					986.84		986.84
Other comprehensive income			(5.89)				(5.89)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(5.89)</b>	<b>-</b>	<b>986.84</b>	<b>-</b>	<b>980.95</b>
<b>As at March 31, 2019</b>	<b>1,096.37</b>	<b>0.94</b>	<b>2,996.50</b>	<b>110.00</b>	<b>7,313.96</b>	<b>-</b>	<b>10,421.40</b>
<b>As At April 1 2017</b>	<b>1,096.37</b>	<b>0.94</b>	<b>3,013.54</b>	<b>110.00</b>	<b>5,503.95</b>		<b>8,628.43</b>
Impact of Valuation of Investment Add/(Less)							-
Prior period errors							-
Restated balance at the beginning of the reporting period	1,096.37	0.94	3,013.54	110.00	5,503.95	-	8,628.43
Profit for the year *			38.10		823.17		861.27
Other comprehensive income			(4.22)				(4.22)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>33.88</b>	<b>-</b>	<b>823.17</b>	<b>-</b>	<b>857.05</b>
<b>As at March. 31st 2018</b>	<b>1,096.37</b>	<b>0.94</b>	<b>3,047.42</b>	<b>110.00</b>	<b>6,327.12</b>	<b>-</b>	<b>9,485.48</b>

\* Profit/(loss) on valuation of quoted investment shown in general reserve



**NOTE - 5 PROPERTY, PLANT AND EQUIPMENT**

PARTICULARS	GROSS		BLOCK Sales/ Transfer	DEPRECIATION			NET		BLOCK As on 31.03.2019	BLOCK As on 31.03.2018
	As on 01.04.2018	Additions during the year		As on 31.03.2019	As on 01.04.2018	During the year	Adjustment/ Transfer	Upto 31.03.2019		
Land (Leasehold)	599.31			-	-		-	599.31	599.31	
Land (Freehold)	116.04			-			-	116.04	116.04	
Land & Building (Noida)	278.58	13.60		-	-		-	292.18	278.58	
Building	4,219.98	130.83	30.59	1,005.99	69.96	10.55	1,065.40	3,254.82	3,213.99	
Plant & Machinery	3,844.03	51.24	45.15	2,745.03	63.80	35.88	2,772.95	1,077.17	1,099.00	
Plant & Machinery (Noida)	90.90		90.90	-			-	-	90.90	
Furniture, Fixture and Fitting	917.60	13.62	0.22	759.14	29.01	0.21	787.94	143.06	158.46	
Office & Other Equipments	66.73			59.94	1.33		61.27	5.46	6.79	
Computers	183.44	40.83	0.86	141.28	16.64	0.81	157.11	66.30	42.16	
Vehicles	542.72	145.98	95.04	275.03	47.29	59.32	263.00	330.66	267.69	
<b>TOTAL - Current Year</b>	<b>10,859.33</b>	<b>396.10</b>	<b>262.76</b>	<b>4,986.41</b>	<b>228.03</b>	<b>106.77</b>	<b>5,107.67</b>	<b>5,885.00</b>	<b>5,872.92</b>	
Previous Year	10,792.38	125.32	58.37	4,805.70	218.74	38.03	4,986.41	-		
Capital Work in Progress								67.85		
								<b>5,952.85</b>	<b>5,872.92</b>	



# CHL LIMITED

Notes to Financial Statements for the year ended 31 March, 2019

Lac INR

Particulars	As at 31st March 2019	As at 31st March 2018
<b>6. LONG TERM INVESTMENT</b>		
<b>In Equity Shares - (Quoted &amp; Fully Paid)</b>	<b>236.21</b>	236.21
Fair Market Value of Quoted Investment	41.06	86.10
In Equity Shares - Others (Unquoted & Fully Paid)	10.42	10.42
In Mutual Funds (Unquoted, Fully Paid)	10.00	10.00
<b>In Equity Shares (Unquoted ) - In Subsidiary</b>		
CHL International of Somoni 100 each	7,019.47	7,019.47
	<b>7,276.10</b>	<b>7,276.10</b>
Fair Market Value of Investment	<b>7,080.95</b>	7,125.99
<b>7. Other Non-Current Assets*</b>		
<b>A Non Current Financial Assets</b>		
(Unsecured, considered good)		
(i) Security Deposit	37.00	25.80
(ii) Deposit with Bank Margin Money	31.13	29.27
(iii) Tax Refundable	659.51	688.72
	<b>727.64</b>	743.79
<b>B Non Current Assets - Others</b>		
(Unsecured, considered doubtful)		
(i) Long Term Trade Receivable	20.21	12.29
(ii) Capital Advances	58.89	19.63
(iii) Subsidiary	142.83	108.78
(iv) Other advances *	70.00	70.00
Total	<b>291.93</b>	210.70
	<b>1,019.57</b>	954.49
*There is no amount due from directors, other officers of the Company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period/ year.		
<b>8. Inventories</b>		
(i) Chinaware, Glassware, Silverware ,Linen etc	124.08	121.47
(ii) Kitchen Accessories	129.13	132.10
(iii) Provision, Food, Beverages etc.	74.22	80.01
(iv) General Stores and Spares	54.46	55.11
Total	<b>381.89</b>	388.69
<b>9. Trade Receivables</b>		
(Unsecured, considered good)		
(i) Outstanding for over Six Months	18.18	9.21
(ii) Others	491.82	479.18
(iii) Doubtful		
Total	<b>510.00</b>	488.39
	<b>510.00</b>	488.39
<b>10. Cash and cash equivalent</b>		
<b>A Balances with banks:</b>		
(i) Cash on hand	14.54	18.04
(ii) Cheque in Hand	-	4.26
(iii) On current account	139.56	37.00
Total Cash & Bank Balance	<b>154.10</b>	59.30
<b>B Other bank balances</b>		
(i) Short Term Deposit (Maturity Less Than 3 months)*	-	-
(ii) Fixed deposit accounts - others	740.09	506.65
(iii) Unpaid Dividend Bank Accounts	4.10	6.70
Total Other bank balances	<b>744.19</b>	513.35
Total Cash & Cash Equivalent	<b>898.29</b>	572.65
*Short term deposits are made for varying periods, depending on the immediate cash requirements of the company, and earn interest at the respective short term deposit rates.		
<b>11. Other Financial Assets</b>		
(i) Interest accrued on bank deposits	9.37	11.45
(ii) Other advances*	-	-
Total	<b>9.37</b>	11.45
* There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.		

**Notes to Financial Statements for the year ended 31 March, 2019**

(Amount in Rs, except as otherwise stated)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>12. Other Current Assets*</b>		
(i) Advances to others	37.24	38.26
(ii) Excise duty	1.52	1.06
(iii) Prepaid Expenses	107.88	93.77
(iv) GST Credit Receivable	20.13	15.73
(v) Others	-	-
<b>Total</b>	<b>166.77</b>	<b>148.82</b>

\*There is no amount due from directors, other officers of the Company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.

**13. Equity Share Capital**

(Amount in Lac Rs, except as otherwise stated)

Particulars	As At 31st March 2019	As At 31st March 2018
<b>A Share capital</b>		
(i) Authorised Share Capital and par value per share 150,000,000 equity shares of Rs.2 each	3,000.00	3,000.00
	<u>3,000.00</u>	<u>3,000.00</u>
(ii) Issued, Subscribed & Fully paid up Capital 54,818,290 equity shares of Rs.2 each fully paid up	1,096.37	1,096.37
	<u>1,096.37</u>	<u>1,096.37</u>

**B Reconciliation of numbers of shares outstanding at the beginning and at the end of the year**

(Amount in Lac Rs, except as otherwise stated)

Particulars	As At 31st March 2019		As At 31st March 2018	
	No of Shares	Percentage	No of Shares	Percentage
Equity Shares with face value of Rs 2 per share				
Number of shares outstanding at the beginning of the period	548.18	1,096.37	548.18	1,096.37
Number of shares outstanding at the end of the period	548.18	1,096.37	548.18	1,096.37
Changes during the year	-	-	-	-

**C Rights, preferences and restrictions attaching to the class of shares**

Class of shares	Terms, rights attached to equity shares
Equity	The rights, preferences and restrictions attaching to each equity shares of the company have a par value of Rs. 2 per share and rank class of shares including restrictions on the distribution of paripassu in all respects including voting rights and entitlement to dividend and the repayment of capital.

**D Details of shareholder, holding more than 5% shares**

(Amount in Lac Rs, except as otherwise stated)

Particulars	As At 31st March 2019		As At 31st March 2018	
	No of Shares	Percentage	No of Shares	Percentage
Equity Share				
Malbros Investments Inc	322.88	58.90%	322.88	58.90%
Shri O P Bajaj	34.48	6.29%	-	-

**E (E) Shares held by holding Company**

(Amount in Lac Rs, except as otherwise stated)

Particulars	As At 31st March 2019		As At 31st March 2018	
	No of Shares	Percentage	No of Shares	Percentage
Equity Share				
Malbros Investments Inc	322.88	58.90%	322.88	58.90%

**Notes to Financial Statements for the year ended 31 March, 2019****Lac INR**

Particulars	As at 31st March 2019	As at 31st March 2018
<b>14. Other Equity</b>		
<b>A CAPITAL RESERVE</b>		
As per last Balance Sheet	<u>0.94</u>	<u>0.94</u>
<b>B CAPITAL REDEMPTION RESERVE</b>		
As per last Balance Sheet	<u>110.00</u>	<u>110.00</u>
<b>C GENERAL RESERVE</b>		
As per last Balance Sheet	<b>3,047.41</b>	3,013.53
Add/(less) : Impact on valuation of Quoted investment	<b>(45.03)</b>	38.10
Add : Other Comprehensive income	<u>5.89</u>	<u>4.22</u>
	<b>2,996.49</b>	<b>3,047.41</b>
<b>D PROFIT &amp; LOSS ACCOUNT</b>		
As per last Balance Sheet	<b>6,327.13</b>	5,503.96
Add Transferred from Profit & Loss Account	<u>986.84</u>	<u>823.17</u>
	<u>7,313.97</u>	<u>6,327.13</u>
	<u><b>10,421.40</b></u>	<u><b>9,485.48</b></u>
<b>15. Non Current Financial liabilities</b>		
<b>(i) Long Term Borrowings</b>		
Andhra Bank Term Loan	<b>253.01</b>	443.51
BOB Dubai Term Loan	<b>691.73</b>	1,300.62
Loan Against Vehicle Hire Purchase	<b>132.35</b>	104.90
Financial Lease	<u>31.33</u>	<u>2.76</u>
	<u><b>1,108.42</b></u>	<u>1,851.79</u>
<b>(ii) Other Financial Liabilities</b>		
Security Deposits	<b>239.37</b>	239.37
	<u>239.37</u>	<u>239.37</u>
<b>Total Non Current Financial Liabilities</b>	<u><b>1,347.79</b></u>	<u><b>2,091.16</b></u>
<p>- Term Loan from Andhra Bank (INR 1500 lacs) is repayable in equal installment within 7 years period from 17-08-2014 and carry interest of 11.75% pa. Term Loan from Andhra Bank is secured by paripassu charge over entire fixed assets and exclusive charge on current assets.</p> <p>- Foreign Currency Term Loan from Bank of Baroda (USD 5.00 million) is repayable in equal installment within 5 year period from 25-08-2016 and carry interest of LIBOR + 3.25% p.a. Term Loan from Bank of Baroda is secured by paripassu charge over entire fixed assets.</p> <p>- Loan against Vehicle are secured by hypothecation of vehicles taken under Hire Purchase Lease. The loan is payable in equated monthly installments within 5 years period from the date of respective loan. The Finance Lease is financed by an NBFC for purchase of specific assets and repayable in equated monthly installment in three years from the date of availment of respective loan.</p>		
<b>16. Provisions</b>		
<b>A Provision for employee benefits</b>		
(i) Gratuity	<b>29.29</b>	43.33
(ii) Leave Benefit	<b>90.83</b>	83.84
<b>B Income Tax Provision</b>		
(i) Provisions	<b>(0.18)</b>	136.76
(ii) Current Year	<b>57.07</b>	-
<b>Total</b>	<u><b>177.01</b></u>	<u><b>263.93</b></u>

Notes to Financial Statements for the year ended 31 March, 2019

Lac INR

Particulars	As at 31st March 2019	As at 31st March 2018
<b>17. Deferred tax Liability (Net)</b>		
Deferred taxes liability (Net)	667.88	704.84
Current Year	<u>(75.80)</u>	<u>(36.96)</u>
	<u>592.08</u>	<u>667.88</u>
(a) The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:		
<b>Deferred tax liabilities:</b>		
- Difference in carrying value of property, plant & equipments	<u>620.70</u>	<u>704.84</u>
<b>Total deferred income tax liabilities</b>	<u>620.70</u>	<u>704.84</u>
<b>Deferred tax assets:</b>		
- Employee benefits	<u>(28.62)</u>	<u>(36.96)</u>
<b>Total deferred tax assets</b>	<u>(28.62)</u>	<u>(36.96)</u>
Deferred tax liabilities after set off	<u>592.08</u>	<u>667.88</u>
<b>18. Trade Payables</b>		
Outstanding dues of micro & medium enterprises	7.45	-
Outstanding dues of trade payables other than micro & medium enterprises	<u>282.52</u>	<u>235.18</u>
<b>Total</b>	<u>289.97</u>	<u>235.18</u>
<b>19. Other Financial Liabilities</b>		
<b>Current</b>		
Andhra Bank Term Loan	190.60	190.60
Bob Dubai Term Loan	691.73	650.70
Interest Accrued but not payable	7.43	9.99
Overdraft from Banks against Fixed Deposit	552.35	316.52
<b>Payable</b>		
Expenses payable	9.16	6.33
Payable to employees	219.27	214.64
Advance from Customers	156.25	109.61
Unpaid Dividend	4.10	6.70
Other Payables	<u>110.92</u>	<u>76.53</u>
<b>Total</b>	<u>1,941.81</u>	<u>1,581.62</u>
<b>20. Other Current Liabilities</b>		
GST & VAT Payable	113.33	102.75
TDS payable	18.08	17.27
Payable to government authorities	21.85	21.76
<b>Total</b>	<u>153.26</u>	<u>141.78</u>



# CHL LIMITED

Revenue From Operation		(Amount in Rs)	
Particulars	Particulars Figures as at the end of current reporting period ending 31st March 2019	Figures as at the end of previous reporting period ending 31st March 2018	
<b>21. Revenue From Operations</b>			
<b>Sale of Product</b>			
Wine & Liquor	358.09	227.34	
Food, Beverage & Smokes	2,077.00	1,841.62	
	<b>2,435.09</b>	<b>2,068.96</b>	
Less Excise Duty	0.01	1.38	2,067.58
<b>Sale of Services</b>			
Rooms	3,475.39	3,275.66	
Licence Fee	741.41	742.00	
Communications	13.56	15.31	
Other Operating Revenues	221.27	200.55	
Banquet Misc. Services	82.76	60.00	4,293.52
	<b>4,534.39</b>		
	<b>6,969.47</b>		<b>6,361.10</b>
<b>22. Other Income</b>			
Interest earned on Fixed Deposit		55.42	37.00
Dividend Income - Long Term Investments		0.01	0.01
Foreign Currency transaction gain/(loss)		18.87	20.43
Scrap Income		0.99	1.62
Excess Provision & Other Income		30.74	13.42
		<b>106.03</b>	<b>72.48</b>
<b>23. Consumption of Provision, Beverages and Smokes</b>			
<b>A. PROVISIONS, BEVERAGES &amp; SMOKES</b>			
Opening Stock	14.75	15.66	
Add: Purchases	425.00	414.78	
	<b>439.75</b>	<b>430.44</b>	
Less : Closing stock	12.95	14.75	415.69
<b>B. WINE &amp; LIQUOR</b>			
Opening Stock	65.26	49.14	
Add: Purchases	89.49	71.73	
	<b>154.75</b>	<b>120.87</b>	
Less : Closing Stock	61.27	65.26	55.61
	<b>93.48</b>		
	<b>520.28</b>		<b>471.30</b>

Notes to Financial Statements for the year ended 31 March, 2019

Lac INR

Particulars	Particulars Figures as at the end of current reporting period ending 31st March 2019	Figures as at the end of current reporting period ending 31st March 2018
<b>24. Employee Benefits Expense</b>		
Salaries, Wages & other benefits	1,753.87	1,570.95
Contribution to ESI and Provident fund	122.99	117.18
Gratuity	29.29	43.33
Compensated absences	17.22	21.58
Employees Welfare Expenses	74.70	81.13
Recruitment & Training Expenses	0.88	1.41
	<u>1,998.95</u>	<u>1,835.58</u>
<b>25. Finance Cost</b>		
(i) Interest on Term Loan	354.34	297.80
(ii) Interest others	62.76	48.37
(iii) Bank & Financial Charges	19.14	12.03
	<u>436.24</u>	<u>358.20</u>
<b>26. Operational Expenses</b>		
Linen, Room Catering and other Supplies	172.10	157.36
Power & Fuel	786.97	730.34
Water Charges	34.38	32.17
Repairs : Machinery	76.61	80.12
Building	66.04	112.65
Others	143.72	156.17
Rent, Rates & Taxes	210.83	132.59
Hire Charges	195.47	173.86
Insurance	14.73	12.93
communication Expenses	21.03	25.82
Operational Expenses	38.67	42.78
Travelling & Conveyance	178.60	122.48
Legal & Professional Expenses	235.71	176.62
Advertisement & Publicity	7.85	7.06
Commission	212.29	177.98
Other Selling Expenses	42.16	42.43
	<u>2,437.16</u>	<u>2,183.36</u>
<b>27. Other Expenses</b>		
Directors Sitting Fee	11.20	12.40
Charity & Donation	4.00	5.41
CSR Responsible expenses	20.00	15.00
Loss on sale of Assets	97.17	4.84
Bad Debts	-	5.92
Assets Written off	29.36	-
	<u>161.73</u>	<u>43.57</u>



28. Contingent liabilities not provided for in respect of Lac Rupees

	2018-2019	2017-2018
i) Demands / Claims not acknowledged as debt or which are under litigation	20.00	20.00
ii) Bank Guarantees furnished	NIL	NIL
iii) Disputed demands for taxes duties and other levies pending adjudication in appeal	975.89	Rs.452.22
iv) Corporate Guarantee (million Dollar)**	US\$32.50	US\$32.50

\*\*CJSC CHL International, our subsidiary Company filed a case against the Export Import Bank of India (EXIM Bank), in respect of loan availed by it, in the Economic Court of Dushanbe, Tajikistan..During the pendency of above case filed by CJSC CHL International in the Economic Court of Tajikistan, the EXIM Bank initiated the proceedings under Insolvency and Bankruptcy Code 2016 before the Hon'ble National Company Law Tribunal (NCLT) against CHL Limited, being the Corporate Guarantor of the Loan. Vide its Order dated 11/01/2018 the NCLT dismissed the case filed by EXIM Bank. The Bank went ahead and filed an appeal before Hon'ble Company Law Appellate Tribunal (NCLAT) that was also dismissed vide its Order dated 16.01.2019 on the ground that there is no debt that is due and/or payable from the principal borrower i.e. CJSC CHL International, hence, the corporate guarantee provided by M/s CHL Limited to EXIM Bank cannot be invoked as on the date. Subsequently the EXIM Bank filed Special Leave Petition (SLP) with the Hon'ble Supreme Court of India vide C.A. No. 001671/2019 and it is pending adjudication.

Further, the EXIM Bank filed a suit vide O.A. No. 1488/2018 for recovery of USD 40,330,946.75 (Equivalent to Rs. 280,93,48,890.14/-) before the Debt Recovery Tribunal – I, Delhi invoking the personal guarantee of Dr. Lalit Kumar Malhotra, Chairman of CHL Limited and it is pending adjudication.

29. (i) Other advances are for business purposes and do-not carry interest.

(ii) Legal & Professional charges includes payment of auditors.

30. The Fixed Deposits are pledged with:

(i) Statutory Authorities - Rs.1.12 lacs (Rs. 1.02 lacs).

(ii) Against overdraft facilities – Rs 738.98 lacs (Rs. 505.63 lacs).

31. No depreciation has been provided on building, plant and machinery in NSEZ Noida as the same has not been put to use. Some old Machinery has been sold as not useable.

32. Lease rental on NSEZ Noida land has been paid. No Lease rental has been provided in financial statement in respect of Jaipur Land in the absence of any claim from the concerned authority.

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

In respect of the Company Rs.112.00 Lacs (previous year Rs. 1.07 lacs)

34. Debts due to or by the company, are generally unconfirmed by the parties and/or under reconciliation. In the opinion of the management the impact of adjustment on reconciliation is not likely to be significant.

35. 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.

### 36. MICRO AND SMALL ENTERPRISES

The company has 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 under this Act is Rs. 7.45 lacs. There is no overdue payment and hence no interest has been provided.

### 37. EMPLOYEES BENEFITS

#### Defined Contribution Plans

Retirement benefit in the form of provident fund, family pension fund and ESI is a defined contribution scheme.

#### Defined Benefit Plans

In accordance with Ind AS 19, actuarial valuation was done in respect of Gratuity and Compensated absence-Earned Leave. The gratuity liability amount contributed to an approved gratuity fund. The Compensated absence – Earned leave is calculated based on the following assumptions:-

Assumptions:	2018-19	2017-18
Expected Return on Plan Assets	7.78%	7.20%
Rate of Discounting	7.78%	7.20%
Rate of increase in Compensation levels	5.00%	5.00%
Rate of Employee Turnover	1.00%	1.00%
Mortality Rate during Employment – Indian Assured Lives	(2006-08)	(2006-08)
Mortality Rate After Employment	NA	NA



**Table Showing Change in The Present Value of Projected Benefit Obligation:**

Present Value of Benefit Obligations (PBO) at the beginning of the year	383.19	341.28
Interest Cost	29.80	24.57
Service Cost	20.03	20.27
Past Service Cost	-	16.65
Benefits paid	(31.24)	(19.69)
Actuarial (Gain)/Losses on Obligation – Due to change in Demographic Assumptions	(0.20)	(11.99)
Actuarial (gain) loss on obligations	8.50	12.09
PBO at the end of the year	410.09	383.19

**Tables showing Changes in the Fair value of Plan Assets**

Fair Value of Plan Assets at the beginning of the year	339.85	310.79
Expected Return on Plan Assets	26.44	22.38
Contributions/Transfers	43.34	30.62
Benefits paid	(31.24)	(19.69)
Return on Plan Assets excluding interest income	2.41	(4.25)
Fair Value of Plan Assets At the end of the year	380.81	3.40

**Amount Recognised in the Balance Sheet**

(Present Value of Benefit Obligation at the end of the Period)	(410.09)	(383.19)
Fair Value of Plan Assets at the end of the Period	380.81	339.85
Funded Status (Surplus)/(Deficit)	(29.29)	(43.34)
Unrecognised Past Service Cost at the end of the Period	-	-
Net(Liability)/Asset Recognised in the Balance Sheet	(29.29)	(43.34)

**Net Interest Cost for the Current Period**

Present Value of Benefit Obligation at the end of the Period	383.19	341.28
(Fair Value of Plan Assets at the end of the Period)	(339.85)	(310.79)
Net Liability/(Asset) at the Beginning	43.34	30.49
Interest Cost	29.81	24.57
(Expected Return on Plan Assets)	(26.44)	(22.38)
Net Interest Cost for Current Period	3.37	2.20

**Expenses Recognised in the Statement of Profit or Loss for Current Period**

Current Service Cost	20.03	20.27
Net Interest Cost	3.37	2.20
Past Service Cost	-	16.65
(Expected Contribution by the Employees)	-	-
(Gains)/Losses on Curtailments and Settlements	-	-
Expenses Recognised in the Statement of Profit or Loss	23.40	39.11

**Expenses Recognised in the Other Comprehensive Income for Current Period**

Actuarial (Gain)/Losses on Obligation for the Period	8.30	0.10
Return on Plan Assets, excluding interest come	(2.41)	4.25
Change in Asset Ceiling	-	-
Net (Income)/Expense for the Period Recognised in OCI	5.89	4.36

**Balance Sheet Reconciliation**

Opening Net Liability	43.34	30.49
Expenses Recognised in Statement of Profit or Loss	23.40	39.11
Expenses Recognised in OCI	5.89	4.36
(Employer Contribution)	(43.34)	(30.62)
Net Liability/(Asset) Recognised in the Balance Sheet	29.29	43.34

**Category of Assets**

Insurance Fund	380.81	339.85
Total	380.81	339.85

**38. Related party Disclosure and transactions**

Subsidiary Company	CISC CHL International, Dushanbe	
Key Management Personnel	Dr. L.K.Malhotra Mr. Luv Malhotra Mr. Gagan Malhotra Mr. N.K.Goel Mr. G.J.Varadarajan	Chairman Managing Director Executive Director Vice President Finance & CFO Company Secretary
Entities controlled by Directors or their relatives	Mela Hotels Limited Malbros Holdings Pvt Ltd Ultima Leasing & Financing	

Sr. No	Name of Party	Nature of Transaction	Transaction value	Bal. as on 31.3.2019	Bal. as on 31.3.2018
(a)	Malbros Holdings Pvt Ltd	Asset Financing	50.00	31.33	2.76
(b)	CHL International	-Investment	0.00	7019.47	7019.47
		-Advances	34.05	142.83	108.78

**39. Managerial Remuneration to Directors**

Particulars	2018-19	2017-18
Salary & Allowances	198.36	210.00
Contribution to P.F.	14.83	14.83
Other benefit/perquisites	12.24	3.60
Sitting Fee to other Directors	8.20	9.40

**40. 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**

		2018-19	2017-18
(a)	Food & Beverages	NIL	NIL
(b)	Wine & Liquor – through canalizing agencies	10.42	8.39
(c)	Components, spare parts and stores	1.59	2.13
(d)	Capital Goods	NIL	2.39

**B. Expenditure in Foreign Currency – on payment basis**

(i)	Technical Services	NIL	NIL
(ii)	Others (inclusive of repayment of ECB and its interest)	808.40	804.07

**C. Earning in Foreign Exchange – on receipt basis**

On account of hotel services	2778.15	1535.55
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<b>D. Remittance in Foreign Currency on account of Dividend to non resident shareholders</b>	NIL	NIL
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41. Amount transferred to Investor Education and Protection Fund as required under section 124 and 125 of the Companies Act 2013 - Rs 2.70 lacs (Previous Year Rs.3.11 lacs)

42. **FINANCIAL RISK MANAGEMENT**

The Company's financial risk management is an integral part of how to plan and execute the business strategies. The Company's financial risk management policy is set by the Managing Board.

(i) **Credit Risk**

- (a) Credit risk on trade receivables is managed by ensuring that credit is extended to customers with an established credit history. To manage this, the Company periodically assess the financial reliability of customer taking into account the credit history, past experience and other relevant factors. Individual risk limits are set accordingly. In respect of walk-in customers, the Company does not allow any credit period and therefore is not exposed to any credit risk.
- (b) Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor falling to engage in a repayment plan with the Company and the debt is greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable dues. When recoveries are made, these are recognize in profit or loss.
- (c) The ageing analysis of these receivables (gross of provision) has been considered from the date of invoice

Particulars	As at 31-03-2019	As at 31-03-2018
Upto 3 months	417.86	438.09
3 to 6 months	71.14	41.06
More than 6 months	38.37	21.50
Total	527.37	500.68

The Company believes that no impairment allowance is necessary in respect of above mentioned financial assets, considering the marketable value of debtors.

Balance with banks are subject to very low credit risk due to good credit rating assigned to these banks.

(ii) **Liquidity risk**

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities. The board has developed a risk management framework for the management of the company's short, medium and long-term liquidity requirements thereby ensuring that all financial liabilities are settled as they fall due. The company manages liquidity risk by continuously reviewing forecasts and actual cash flows, and maintaining banking facilities to cover any shortfalls.

The table below summarises the maturity analysis for financial liabilities to their remaining contractual maturities. The amounts disclosed are the contractual undiscounted cash flows

Particulars	As at 31-03-2019			As at 31-03-2018		
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total
Non current financial liabilities—borrowings	--	1108.42	1108.42	--	1851.79	1851.79
Non current financial liabilities—others	--	239.37	239.37	--	239.37	239.37
Current financial liabilities—borrowings	1941.81	--	1941.18	1581.62	--	1581.62
Current financial liabilities—Trade Payables	289.97	--	289.97	235.18	--	235.18
Current financial liabilities—others	153.26	--	153.26	141.78	--	141.78
Total	2385.04	1347.79	3732.83	1958.58	2091.16	4049.74

(iii) **Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	31-03-2019	31-03-2018
Total Debt	3909.84	4313.67
Equity	11517.77	10581.85
Capital & net debt	15427.61	14631.59
Gearing ratio = Debt / Capital and debt	25.34%	28.96%



**43. Segment Reporting:**

The Company operates only in one reportable segment, i.e. Hospitality/Hotel Business.

44. 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.

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As per our report of even date attached  
**for DGA & Co.**

Chartered Accountants  
Reg. No. 003486N

**(D. K. Agarwal, FCA)**  
Partner  
Membership No. 080355

New: Delhi  
Date: 28.05.2019

for & on behalf of the Board of Directors

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

**L.K.MALHOTRA**  
Chairman  
DIN 00213086

**N.K.GOEL**  
Vice President  
Finance & CFO

**G.J.VARADARAJAN**  
Company Secretary  
M.No. ACS 5287

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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of C H L LIMITED**

#### **Report on the audit of the Consolidated Financial Statements**

We have audited the accompanying Consolidated Financial Statements of C H L LIMITED ("the company"), which comprise the consolidated Balance Sheet as at 31 March 2019, the consolidated Statement of Profit and Loss, including the Statement of other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2019, and the consolidated profit/loss, (consolidated changes in equity) and its consolidated cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and change in equity of the Company in accordance with the accounting principles generally accepted in India, including the India Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those board of directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related



disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

We did not audit the financial statements of a subsidiary whose financial statements as on March 31, 2019 reflect total assets of Rs27403.86 Lac and total deficit of Rs2735.42 Lac for the year ended on that date. These financial statements and other financial information have been audited by other auditor whose report has been furnished to us and our opinion is based solely on the report of the other auditor.

Our opinion is not modified in respect of these matters.

#### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("The Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - (c) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at 31st March, 2019, on its consolidated financial position of the entities – (Refer Note No. 28) to the Consolidated Financial Statements;
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund.

**For D G A & Co.  
Chartered Accountants  
Firm Reg. No. 003486N**

**(D K Agarwal, FCA)  
Partner  
Membership No. 080355**

Place: New Delhi  
Dated: 28.05.2019

**Consolidated Balance sheet as at 31st March, 2019**

**Lac INR**

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	5	<b>31,985.91</b>	33,488.27
(b) Other non-current assets	6	<b>61.70</b>	106.74
(c) Financial assets	7	<b>1,021.15</b>	985.63
<b>Total Non current assets</b>		<b>33,068.76</b>	34,580.64
<b>(2) Current assets</b>			
(a) Inventory	8	<b>779.52</b>	734.72
(b) Financial assets			
(i) Trade receivables	9	<b>593.09</b>	610.27
(ii) Balances with banks	10	<b>209.97</b>	180.67
(iii) Other bank balances		<b>744.19</b>	513.35
(iv) Other financial assets	11	<b>149.35</b>	35.27
(b) Other current assets	12	<b>859.20</b>	838.06
<b>Total Current Assets</b>		<b>3,335.32</b>	2,912.34
<b>Total Assets</b>		<b>36,404.08</b>	37,492.98
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	13	<b>5,518.58</b>	5,518.58
(b) Other Equity(Refer SOCE)	14	<b>(176.44)</b>	1,623.06
		<b>5,342.14</b>	7,141.64
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities :			
(i) Long Term Borrowings	15.1	<b>22,272.13</b>	23,015.50
(ii) Other Financial Liabilities	15.2	<b>1,635.90</b>	1,651.87
(b) Deferred Tax Liability (Net)	16	<b>592.08</b>	667.88
(c) Provisions	17	<b>177.01</b>	263.93
		<b>24,677.12</b>	25,599.18
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	18	<b>531.96</b>	873.76
(ii) Other financial liabilities	19	<b>5,699.60</b>	3,736.62
(b) Other current liabilities	20	<b>153.26</b>	141.78
		<b>6,384.82</b>	4,752.16
<b>Total Equity and Liabilities</b>		<b>36,404.08</b>	37,492.98

As per our report of even date attached  
for **DGA & Co.**  
Chartered Accountants  
Reg. No. 003486N

for & on behalf of the Board of Directors

**(D. K. Agarwal,FCA)**  
Partner  
Membership No. 080355

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

**L.K.MALHOTRA**  
Chairman  
DIN 00213086

New: Delhi  
Date: 28.05.2019

**N.K.GOEL**  
Vice President  
Finance & CFO

**G.J.VARADARAJAN**  
Company Secretary  
M.No. ACS 5287



# CHL LIMITED

## Statement of Consolidated Profit & Loss for the year ended 31st March, 2019

Lac INR

Particulars	Note No.	For the year ending 31st March 2019	For the year ending 31st March 2018	
<b>I</b>	Revenue From Operations	21	<b>9,218.40</b>	8,636.68
<b>II</b>	Other Income	22	<b>115.97</b>	72.48
<b>III</b>	Total Income (I+II)		<b>9,334.37</b>	8,709.16
<b>IV</b>	<b>Expenses</b>			
	Consumption of Provision, Beverages, Smokes and others	23	<b>741.44</b>	705.11
	Employee benefit expense	24	<b>2,874.70</b>	2,868.96
	Finance Cost	25	<b>1,979.20</b>	1,549.41
	Operational Expenses	25	<b>3,520.24</b>	3,343.30
	Depreciation and amortization expense		<b>1,810.32</b>	1,769.16
	Other expenses	27	<b>161.73</b>	43.57
	Total expenses (IV)		<b>11,087.63</b>	10,279.51
<b>V</b>	<b>Profit Before extraordinary items (III-IV)</b>		<b>(1,753.26)</b>	(1,570.35)
<b>VI</b>	<b>Exceptional items/Extraordinary Items</b>		<b>310.94</b>	-
<b>VII</b>	<b>Profit before tax (V-VI)</b>		<b>(1,442.32)</b>	(1,570.35)
<b>VIII</b>	<b>Tax expense :</b>			
	(1) Current Tax		<b>405.77</b>	457.56
	(2) Last Year Tax Provision adjustment		<b>(17.81)</b>	(26.20)
	(2) Mat Credit Entitlement			
	(3) Deferred Tax		<b>(75.80)</b>	72.51
			<b>312.16</b>	503.87
			<b>312.16</b>	503.87
<b>IX</b>	<b>Profit for the year/period (VII-VIII)</b>		<b>(1,754.48)</b>	(2,074.22)
<b>X</b>	<b>Other comprehensive income</b>			
	(A) Items those will be reclassified to profit or loss in subsequent periods:			
	(i) Net gain/(loss) on above		<b>5.89</b>	4.22
			<b>5.89</b>	4.22
	(B) Items those will not be reclassified to profit or loss in subsequent periods:			
<b>XI</b>	<b>Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>(1,748.59)</b>	(2,070.00)

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached  
for **DGA & Co.**  
Chartered Accountants  
Reg. No. 003486N

**(D. K. Agarwal, FCA)**  
Partner  
Membership No. 080355

New: Delhi  
Date: 28.05.2019

for & on behalf of the Board of Directors

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

**L.K.MALHOTRA**  
Chairman  
DIN 00213086

**N.K.GOEL**  
Vice President  
Finance & CFO

**G.J.VARADARAJAN**  
Company Secretary  
M.No. ACS 5287



**Consolidated Cash Flow Statement for the year ended 31st March, 2019**

**Lac INR**

Particulars	For the year ending 31st March 2019	For the year ending 31st March 2018
<b>A) Cash Flow From Operating Activities</b>		
Net Profit before Tax & Extraordinary Items	(1,566.11)	(2,001.25)
Adjustments for		
Extraordinary Items		133.19
Depreciation	1,769.16	1,749.89
Dividend Income	(0.01)	(0.01)
Exchange Reserve	1,389.92	1,451.74
Loss on Sale of Assets	4.84	1.03
Scrapped/Discarded Assets written off	-	-
Profit/(Loss) on Investment	(150.12)	-
Interest Expenditure	1,549.41	1,679.82
Interest Received	(37.00)	(61.91)
<b>Operating Profit before Working Capital Changes</b>	<b>2,960.09</b>	<b>2,952.50</b>
Adjustments for		
(Increase) Decrease in Inventories	63.77	61.09
(Increase) Decrease in Trade Receivables	(110.05)	75.21
(Increase) Decrease in Loans	130.86	607.01
(Increase) Decrease in Other Financial assets	118.39	70.95
Increase (Decrease) in Trade Payables	(57.68)	729.54
Increase (Decrease) in Other Financial liabilities	860.27	280.47
<b>Cash generated from Operations</b>	<b>3,965.65</b>	<b>4,776.77</b>
Income Tax (Paid)/Refund	44.48	(160.40)
<b>Net Cash from Operating Activities (A)</b>	<b>4,010.13</b>	<b>4,616.37</b>
<b>B) Cash Flow from Investing Activities</b>		
Purchase of Property, plant & Equipment	(2,306.19)	(632.94)
Disposal of Property, plant & Equipment	20.35	25.04
Purchase of Investment	-	-
Investment of Minority Interest		(1.00)
Sale of Investments	0.13	0.01
Interest Received	37.00	61.91
Dividend Received	0.01	0.01
<b>Net Cash used in Investing Activities(B)</b>	<b>(2,248.70)</b>	<b>(546.97)</b>
<b>C) Cash Flow from Financing Activities</b>		
Proceeds from issue of Capital		
Interest Paid	(1,549.41)	(1,679.82)
Increase (Decrease) in Security Deposit	1.05	
Increase/(Decrease) in long term Borrowing	25.51	(2,224.47)
Increase/(Decrease) in Provisions	(221.07)	(367.23)
<b>Net Cash used in Financing Activities (C)</b>	<b>(1,743.92)</b>	<b>(4,271.52)</b>
<b>Net increase/ decrease in cash and cash equivalents (A+B+C)</b>	<b>17.51</b>	<b>(202.12)</b>
<b>Cash &amp; Cash Equivalent (Opening balance)</b>	<b>676.51</b>	<b>878.63</b>
<b>Cash &amp; Cash Equivalent (Closing balance)</b>	<b>694.02</b>	<b>676.51</b>
<b>Note:</b>		
(a) The above cashflow statement has been prepared under indirect method setout in the Indian Accounting Standard (Ind AS-7) Statement of Cash Flow.		
(b) Cash And Cash Equivalent comprise of:-		
Balance with Banks in Current Account	694.02	676.51
Deposit with Bank with maturity less than 3 months	-	-
Cash & Cash Equivalent in Cash Flow	694.02	676.51

As per our report of even date attached  
for **DGA & Co.**

for & on behalf of the Board of Directors

Chartered Accountants  
Reg. No. 003486N

**(D. K. Agarwal,FCA)**  
Partner  
Membership No. 080355

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

**L.K.MALHOTRA**  
Chairman  
DIN 00213086

New: Delhi  
Date: 28.05.2019

**N.K.GOEL**  
Vice President  
Finance & CFO

**G.J.VARADARAJAN**  
Company Secretary  
M.No. ACS 5287

**NOTES TO THE FINANCIAL STATEMENTS****1. CORPORATE INFORMATION**

CHL Limited ("the Company") is a public limited company domiciled in India and is listed on Bombay Stock Exchange (BSE). The Company is operating a Five Star Deluxe Hotel since 1982, presently named as "The Suryaa" in New Delhi.

**2. BASIS OF PREPARATION**

- (a) The financial statements are prepared on a historical cost basis except certain financial assets and liabilities which have been measured at fair value, defined benefit plans and contingent consideration. Historical cost is generally based on the fair value of consideration in exchange of goods and services.
- (b) The preparation of these financial statements in conformity with the recognition and measurement principle of Ind AS requires management to make judgement, estimates and assumption, that affect the reported balances of assets and liabilities as at the date of financial statement.
- (c) The financial statements comprise a profit and loss account (income statement), statement of comprehensive income, balance sheet (statement of financial position), statement of changes in equity, statement of cash flows, and notes. Income and expenses, excluding the components of other comprehensive income, are recognised in the profit and loss account. Other comprehensive income is recognised in the statement of comprehensive income and comprises items of income and expense, that are not recognised in the profit and loss account as required or permitted by Ind AS.
- (d) The preparation of financial statements in conformity with Indian Accounting Standards requires the use of estimates and assumptions. It also requires management to exercise its judgement in the process of applying the accounting policies adopted by the company. Although such estimates and assumptions are based on the directors' best knowledge of the information available, actual results may differ from those estimates. The judgements and estimates are reviewed at the end of each reporting period, and any revisions to such estimates are recognised in the year in which the revision is made.

**3. SIGNIFICANT ACCOUNTING POLICIES****3.1 PROPERTY, PLANT AND EQUIPMENT**

- (a) All categories of property, plant and equipment are initially recognised at cost. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system, that is an integral part of the related hardware is capitalised as part of the computer equipment. Property, plant and equipment are subsequently carried at cost less accumulated depreciation and accumulated impairment losses if any. When significant parts of property, plant and equipments are required to be replaced at intervals, the company recognises the new part with its own associated useful life and it is depreciated accordingly.
- (b) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance expenses are charged to the profit and loss account in the year in which they are incurred.
- (c) 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.
- (d) Depreciation on tangible assets is provided on straight-line method over the useful life of assets in the manner and at the rate specified in Part C of Schedule II of Companies Act, 2013 from the date the Schedule II came into effect. A residual value of 5% (as prescribed in Schedule II of the Act) of the cost of the asset is used for the purpose of calculating the depreciation charge.

**3.2 INTANGIBLE ASSETS**

Accounting treatment of intangible assets is in accordance with IND AS-38. Intangible Assets are depreciated on straight line method over the useful life thereof.

**3.3 IMPAIRMENT OF NON FINANCIAL 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.

**3.4 INVESTMENT IN SUBSIDIARY, JOINT VENTURE**

Investment in subsidiary/joint venture is carried out at cost. The cost comprises price paid to acquire investment and directly attributable cost.

**3.5 TRANSLATION OF FOREIGN CURRENCIES**

- (a) On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the company operates), which is Indian Rupees (INR).
- (b) Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the transaction date. Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis in other items of comprehensive income or the profit and loss account respectively in the year in which they arise.

**3.6 FINANCIAL INSTRUMENTS****Financial Assets****(i) Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction cost that are attributable of the financial assets. Purchase or sale of financial assets that requires delivery of assets are recognize on the settlement date i.e. the date that the company settle commits to purchase or sell the assets.

**(ii) Subsequent measurement**

Subsequent measurement of debt instruments depends on the Group's business model for managing the assets and the cash flow characteristics of the asset.

**3.7 ASSETS ON LEASE**

Accounting treatment of assets taken on lease is in accordance with Ind AS – 17.

**3.8 INVENTORIES**

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

Linen, Glassware etc.: Items issued to rooms and outlets are treated as replacement of old/worn items and charged to profit and loss account and items in use at the close of the year are included in inventories.

**3.9 BORROWING COST**

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

**3.10 RISK MANAGEMENT OBJECTIVE AND POLICIES**

The company's overall risk management policies are set out by the board and implemented by the management, and focus on the unpredictability of changes in the business environment and seek to minimize the potential adverse effects of such risk on the company's performance by setting acceptable levels of risk. The company does not hedge against any risks.

**3.11 RECOGNITION OF REVENUES**

- 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. 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.
- iv. For all debt instruments measured at amortised cost or at fair market value through Other Comprehensive Income(OCI) and profit and loss account.

**3.12 RETIREMENT AND OTHER EMPLOYEE BENEFITS**

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

**i. Defined Contribution Plan**

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. 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.

**ii. Defined Benefit Plan**

- (a) Gratuity liability as on the Balance Sheet date is determined on the basis of actuarial valuation using projected unit credit method (Ind AS 19). The gratuity liability amount is contributed to income tax approved insurance company with whom the Company is maintaining gratuity fund account.

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 other comprehensive income as income or expenses without resorting to any amortization.

**3.13 CONTINGENCY AND PROVISION**

Contingent liabilities are recognized only when there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise: or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.

The Company creates a provision when there is present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

**3.14 TAXATION**

Provision for current taxation is made in accordance with the applicable taxation laws.

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.

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

**4 (a) Property, plant and equipment**

	Land (Leasehold)	Land (Freehold)	Land & Building (Noida)	Building	Plant & Machinery	Plant & Machinery (Noida)	Furniture, Fixture and Fittings	Office Equipments	Computers	Vehicles	Capital Work in Progress	Grand Total
<b>Cost</b>												
As on 1st April - 2018	993.48	116.04	278.58	18,861.18	10,816.95	90.90	8,920.72	82.27	2,040.58	581.34	38.17	42,820.21
Additions			13.60	130.83	51.24		13.62		40.83	145.98	29.68	425.78
Transfer												-
Disposals				(30.59)	(45.15)	(90.90)	(0.22)	(0.86)	(0.86)	(95.04)		(262.76)
<b>As at March 31, 2019</b>	<b>993.48</b>	<b>116.04</b>	<b>292.18</b>	<b>18,961.42</b>	<b>10,823.04</b>	<b>-</b>	<b>8,934.12</b>	<b>82.27</b>	<b>2,080.55</b>	<b>632.28</b>	<b>67.85</b>	<b>42,983.23</b>
<b>Accumulated Depreciation</b>												
As on 1st April - 2018	15.20	-	-	1,571.04	3,398.90	-	3,085.18	68.18	860.53	294.74	-	9,293.77
Charged during the year	6.54			283.00	295.99		884.02	3.99	286.51	51.07		1,811.12
Eliminated on disposal				(10.55)	(35.88)		(0.21)		(0.81)	(59.32)		(106.77)
<b>As at March 31, 2019</b>	<b>21.74</b>	<b>-</b>	<b>-</b>	<b>1,843.49</b>	<b>3,659.01</b>	<b>-</b>	<b>3,968.99</b>	<b>72.17</b>	<b>1,146.23</b>	<b>286.49</b>	<b>-</b>	<b>10,998.12</b>
<b>Net carrying amount as on 31st March 2019</b>	<b>971.74</b>	<b>116.04</b>	<b>292.18</b>	<b>17,117.93</b>	<b>7,164.03</b>	<b>-</b>	<b>4,965.13</b>	<b>10.10</b>	<b>934.32</b>	<b>345.79</b>	<b>67.85</b>	<b>31,985.11</b>
<b>Cost</b>												
As on 1st April - 2017	966.52	116.04	278.58	17,859.61	10,311.66	90.90	8,372.40	81.23	1,908.76	548.52		40,534.22
Additions	26.96			1,001.57	505.29		548.32	1.04	131.82	91.19	38.17	2,344.36
Transfer												-
Disposals										(58.37)		(58.37)
<b>As at March 31, 2018</b>	<b>993.48</b>	<b>116.04</b>	<b>278.58</b>	<b>18,861.18</b>	<b>10,816.95</b>	<b>90.90</b>	<b>8,920.72</b>	<b>82.27</b>	<b>2,040.58</b>	<b>581.34</b>	<b>38.17</b>	<b>42,820.21</b>
<b>Accumulated Depreciation</b>												
As on 1st April - 2017	9.70			1,296.85	3,101.69		2,216.41	62.96	588.75	286.27		7,562.63
Charged during the year	5.50			274.19	297.21		868.77	5.22	271.78	46.49		1,769.16
Eliminated on disposal										(38.02)		(38.02)
<b>As at March 31, 2018</b>	<b>15.20</b>	<b>-</b>	<b>-</b>	<b>1,571.04</b>	<b>3,398.90</b>	<b>-</b>	<b>3,085.18</b>	<b>68.18</b>	<b>860.53</b>	<b>294.74</b>	<b>-</b>	<b>9,293.77</b>
<b>Net carrying amount as on 31st March 2018</b>	<b>978.28</b>	<b>116.04</b>	<b>278.58</b>	<b>17,290.14</b>	<b>7,418.05</b>	<b>90.90</b>	<b>5,835.54</b>	<b>14.09</b>	<b>1,180.05</b>	<b>286.60</b>	<b>38.17</b>	<b>33,526.44</b>

**4 (b) STATEMENT OF EQUITY CHANGES**

Particulars	Reserve and Surplus						Total Other Equity
	Equity share Capital INCLUDING Minority Interest	Capital Reserve	General Reserve*	Capital Redemption Reserve	Retain Earnings	Other items of Other Comprehensive Income	
<b>As at April 1, 2018</b>	<b>5,518.58</b>	<b>0.94</b>	<b>3,324.55</b>	<b>110.00</b>	<b>(1,812.42)</b>	<b>-</b>	<b>1,623.07</b>
Changes in accounting policy			(45.03)				(45.03)
Difference in exchange fluctuation							-
Restated balance at the beginning of the reporting period	5,518.58	0.94	3,279.52	110.00	(1,812.42)	-	1,578.04
Profit for the year *					(1,748.59)		(1,748.59)
Other comprehensive income			(5.89)				(5.89)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(5.89)</b>	<b>-</b>	<b>(1,748.59)</b>	<b>-</b>	<b>(1,754.48)</b>
<b>As at March 31, 2019</b>	<b>5,518.58</b>	<b>0.94</b>	<b>3,273.63</b>	<b>110.00</b>	<b>(3,561.01)</b>	<b>-</b>	<b>(176.44)</b>
<b>As At April 1 2017</b>	<b>5,518.58</b>	<b>0.94</b>	<b>3,290.67</b>	<b>110.00</b>	<b>257.58</b>	<b>-</b>	<b>3,659.18</b>
Changes in accounting policy							-
Exchange Fluctuation							-
Prior period errors							-
Restated balance at the beginning of the reporting period	5,518.58	0.94	3,290.67	110.00	257.58	-	3,659.18
Profit for the year *			38.10		(2,070.00)		(2,031.90)
Other comprehensive income			(4.22)				(4.22)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>33.88</b>	<b>-</b>	<b>(2,070.00)</b>	<b>-</b>	<b>(2,036.12)</b>
<b>As at March. 31st 2018</b>	<b>5,518.58</b>	<b>0.94</b>	<b>3,324.55</b>	<b>110.00</b>	<b>(1,812.42)</b>	<b>-</b>	<b>1,623.06</b>

\* Profit/(loss) on valuation of quoted investment shown in general reserve



**NOTE - 5 PROPERTY, PLANT AND EQUIPMENT**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 01.04.2018	Additions during the year	Sales/ Transfer	As on 31.03.2019	As on 01.04.2018	During the year	Adjustment/ Transfer	Upto 31.03.2019	As on 31.03.2019	As on 31.03.2018
Land (Leasehold)	993.48			993.48	15.20	5.74		20.94	972.54	978.28
Land (Freehold)	116.04			116.04	-			-	116.04	116.04
Land & Building (Noida)	278.58	13.60		292.18	-			-	292.18	278.58
Building	18,861.18	130.83	30.59	18,961.42	1,571.04	283.00	10.55	1,843.49	17,117.93	17,290.14
Plant & Machinery	10,816.95	51.24	45.15	10,823.04	3,398.90	295.99	35.88	3,659.01	7,164.03	7,418.05
Plant & Machinery (Noida)	90.90		90.90	-	-			-	-	90.90
Furniture, Fixture and Fitting	8,920.72	13.62	0.22	8,934.12	3,085.18	884.02	0.21	3,968.99	4,965.13	5,835.54
Office & Other Equipments	82.27			82.27	68.18	3.99		72.17	10.10	14.09
Computers	2,040.58	40.83	0.86	2,080.55	860.53	286.51	0.81	1,146.23	934.32	1,180.05
Vehicles	581.34	145.98	95.04	632.28	294.74	51.07	59.32	286.49	345.79	286.60
<b>TOTAL - Current Year</b>	<b>42,782.04</b>	<b>396.10</b>	<b>262.76</b>	<b>42,915.38</b>	<b>9,293.77</b>	<b>1,810.32</b>	<b>106.77</b>	<b>10,997.32</b>	<b>31,918.06</b>	<b>33,488.27</b>
Previous Year	40,534.22	2,306.19	58.37	42,782.04	7,562.63	1,769.16	38.02	9,293.77	-	32971.57
Capital Work in Progress									67.85	
									<b>31,985.91</b>	<b>33,488.27</b>

Notes to Consolidated Financial Statements for the year ended 31 March, 2019

Lac INR

Particulars	As at 31st March 2019	As at 31st March 2018
<b>6. LONG TERM INVESTMENT</b>		
<b>In Equity Shares -(Quoted &amp; Fully Paid)</b>	<b>236.21</b>	236.21
Fair Market Value of Quoted Investment	<u>41.06</u>	86.10
<b>In Equity Shares - Unquoted &amp; Fully Paid)</b>	<b>10.42</b>	10.42
<b>In Mutual Funds (Unquoted, Fully Paid)</b>	<b>10.00</b>	10.00
Tajikistan Electricity Board	<u>0.22</u>	0.22
Total Investment at cost	<u>256.63</u>	256.63
Total Investment at Fair Market Value	<u>61.70</u>	106.74
<b>7. Other Non-Current Assets</b>		
<b>Non Current Financial Assets</b>		
Unsecured, considered good		
Security Deposit	<b>37.00</b>	25.80
Deposit with Bank Margin Money	<b>31.13</b>	29.27
Tax Refundable	<b>661.09</b>	688.72
<b>Non Current Assets - Others</b>		
Unsecured, considered doubtful		
Long Term Trade Receivable	<b>20.21</b>	12.29
Capital Advances	<b>58.89</b>	19.63
Subsidiary	<b>142.83</b>	108.78
Other advances *	<b>70.00</b>	70.00
<b>Total</b>	<b><u>1,021.15</u></b>	<u>954.49</u>
*There is no amount due from directors, other officers of the Company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period/ year.		
<b>8. Inventories</b>		
(i) Chinaware, Glassware, Silverware ,Linen etc	<b>271.59</b>	121.47
(ii) Kitchen Accessories	<b>223.70</b>	280.83
(iii) Provision, Food, Beverages etc.	<b>74.22</b>	105.70
(iv) General Stores and Spares	<b>210.01</b>	226.72
	<u>779.52</u>	734.72
Less : Provision for Slow Moving items	-	-
<b>Total</b>	<b><u>779.52</u></b>	<u>734.72</u>
<b>9. Trade Receivables</b>		
Unsecured, considered good		
(i) Outstanding for over Six Months	<b>18.18</b>	21.51
(ii) Others	<b>574.91</b>	606.38
<b>Total</b>	<b><u>593.09</u></b>	<u>627.89</u>



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**Notes to Consolidated Financial Statements for the year ended 31 March, 2019****Lac INR**

Particulars	As at 31st March 2019	As at 31st March 2018
<b>10. Cash and cash equivalent</b>		
Balances with banks:		
- Cash on hand	25.93	26.82
- Cheque in Hand		4.26
- On current account	184.04	149.59
<b>Total cash and cash equivalent as per Statement of Cash Flows</b>	<b>209.97</b>	<b>180.67</b>
Other bank balances		
- Fixed deposit accounts (Maturity more than 3 months)	740.09	506.65
Unpaid Dividend Bank Accounts	4.10	6.70
<b>Total Other bank balances</b>	<b>744.19</b>	<b>513.35</b>
<b>Total</b>	<b>954.16</b>	<b>694.02</b>

Short term deposits are made for varying periods , depending on the immediate cash requirements of the company, and earn interest at the respective shoet term deposit rates.

**11. Other Financial Assets**

Interest accrued on bank deposits	9.37	11.45
Other advances	139.98	-
<b>Total</b>	<b>149.35</b>	<b>11.45</b>

There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.

**12. Other Current Assets**

Advances to others	37.24	32.66
Excise duty	1.52	1.03
Cenvet Credit Recoverable		
Prepaid expense	138.84	112.36
GST Receivable	20.13	15.73
Others	661.47	698.45
<b>Total</b>	<b>859.20</b>	<b>860.23</b>

\* There is no amount due from directors, other officers of the Company or firms in which any director is a partner or private companies in which any director is a director or member at any time during the reporting period.



Notes to Consolidated Financial Statements for the year ended 31 March, 2019

Lac Rs.

Particulars	As at		As at	
	31st March 2019		31st March 2018	
<b>13. Equity Share Capital</b>				
<b>Share capital</b>				
<b>(A) Authorised, Issued, Subscribed and paid-up share capital and par value per share</b>				
<b>Authorised Capital</b>				
150,000,000 equity shares of Rs.2 each		<b>3,000.00</b>		3,000.00
		<b>3,000.00</b>		3,000.00
<b>Issued , Subscribed &amp; Fully paid up Capital</b>				
54,818,290 equity shares of Rs.2 each fully paid up		<b>1,096.37</b>		1,096.37
Minority Interest		<b>4,422.21</b>		4,422.21
		<b>5,518.58</b>		5,518.58

**(B) Reconciliation of numbers of shares outstanding at the beginning and at the end of the year**

Particulars	Lac			
	As at March 31, 2019		As at March 31, 2018	
	No of shares	Amount	No of Shares	Amount
Equity Shares with face value of Rs 2 per share				
Number of shares outstanding at the beginning of the period	<b>548.18</b>	<b>1,096.37</b>	548.18	1,096.37
Number of shares outstanding at the end of the period	<b>548.18</b>	<b>1,096.37</b>	548.18	1,096.37
Changes during the year				

**(C) Rights, preferences and restrictions attaching to the class of shares**

Class of shares	Terms, rights attached to equity shares
Equity	The rights, preferences and restrictions attaching to each equity shares of the company have a par value of Rs. 2 per share and rank class of shares including restrictions on the distribution of paripassu in all respects including voting rights and entitlement to dividend and the repayment of capital.

**(D) Details of shareholder, holding more than 5% shares**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No of shares	Amount	No of Shares	Amount
Equity Share				
Malbros Investments Inc	<b>322.88</b>	<b>58.90%</b>	322.88	58.90%
Shri O P Bajaj	<b>34.48</b>	<b>6.29%</b>	-	-

**(E) Shares held by holding Company**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No of shares	Amount	No of Shares	Amount
Equity Share				
Malbros Investments Inc	<b>322.88</b>	<b>58.90%</b>	322.88	58.90%

**Notes to Consolidated Financial Statements for the year ended 31 March, 2019****Lac INR**

Particulars	As at 31st March 2019	As at 31st March 2018
<b>14. Other Equity</b>		
<b>(A) CAPITAL RESERVE</b>		
As per last Balance Sheet	0.94	0.94
<b>(B) CAPITAL REDEMPTION RESERVE</b>		
As per last Balance Sheet	110.00	110.00
<b>(C) GENERAL RESERVE</b>		
As per last Balance Sheet	3,324.54	3,290.66
Add/ (less): Impact on valuation of Quoted investment	(45.03)	38.10
Add Transferred from Profit & Loss Account	5.88	4.22
	<u>3,273.63</u>	<u>3,324.54</u>
<b>(D) PROFIT &amp; LOSS ACCOUNT</b>		
As per last Balance Sheet	(1,812.42)	257.58
Add Transferred from Profit & Loss Account	(1,748.59)	(2,070.00)
	<u>(3,561.01)</u>	<u>(1,812.42)</u>
	<u>(176.44)</u>	<u>1,623.06</u>
<b>15. Non Current Financial liabilities</b>		
<b>(i) Long Term Borrowings</b>		
Andhra Bank Term Loan	253.01	443.51
BOB DUBAI TERM LOAN	691.73	1,300.62
Export Import Bank of India	21,163.71	21,163.71
Loan Against Vehicle Hire Purchase	132.35	104.90
Financial Lease	31.33	2.76
	<u>22,272.13</u>	<u>23,015.50</u>
<b>(ii) Other Financial Liabilities</b>		
Security Deposits	239.37	239.37
Unsecured Loan	1,396.53	1,412.50
	<u>1,635.90</u>	<u>1,651.87</u>
<b>Total</b>	<u>23,908.03</u>	<u>24,667.37</u>

- Term Loan of Rs. 1500.00 lacs from Andhra Bank is repayable in equal installment within 7 years period from 17-08-2014 and carry interest of 11.80% 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 (USD 5.00 million) is repayable in equal installment within 5 year period from 25-08-2016 and carry interest of LIBOR + 3.25% 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 38 quarterly instalments after two years moratorium and carry interest of LIBOR (6months) plus 400bps. 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 holding company and personal guarantee of Chairman of the holding company. (Refer Note 28)
- The Finance Lease obligations are secured by hypothecation of vehicles taken under Lease. The loan is payable in equated monthly installments within 5 years period from the date of respective loan.
- The Finance Lease obligation includes amount financed by an NBFC for purchase of computers printers.

Notes to Consolidated Financial Statements for the year ended 31 March, 2019

Lac INR

Particulars	As at 31st March 2019	As at 31st March 2018
<b>16. Deferred taxes liability (Net)</b>	<b>667.88</b>	704.84
Current Year	<u>(75.80)</u>	<u>(36.96)</u>
	<b>592.08</b>	<b>667.88</b>
(a) The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:		
<b>Deferred tax liabilities:</b>		
- Difference in carrying value of property, plant & equipments	<u>620.70</u>	<u>704.84</u>
<b>Total deferred income tax liabilities</b>	<b>620.70</b>	<b>704.84</b>
<b>Deferred tax assets:</b>		
- Employee benefits	<u>(28.62)</u>	<u>(36.96)</u>
<b>Total deferred tax assets</b>	<b>(28.62)</b>	<b>(36.96)</b>
<b>Deferred tax liabilities after set off</b>	<u><b>592.08</b></u>	<u><b>667.88</b></u>
<b>17. Provisions</b>		
<b>Provision for employee benefits</b>		
- Gratuity	<b>29.29</b>	43.33
- Leave Benefit	<b>90.83</b>	83.84
- Income Tax Provision	-	-
- Provisions	<b>(0.18)</b>	-
- Current Year	<b>57.07</b>	136.76
<b>Total</b>	<u><b>177.01</b></u>	<u><b>263.93</b></u>
<b>18. Trade Payables</b>		
Outstanding dues of micro & medium enterprises	<b>7.45</b>	-
Outstanding dues of trade payables other than micro & medium enterprises	<u><b>524.51</b></u>	<u>873.76</u>
<b>Total</b>	<u><b>531.96</b></u>	<u>873.76</u>
<b>19. Other Financial Liabilities</b>		
<b>Current</b>		
Andhra Bank Term Loan	<b>190.60</b>	190.60
Bob Dubai Term Loan	<b>691.73</b>	650.70
Interest Accrued but not payable	<b>7.43</b>	9.99
Overdraft from Banks against Fixed Deposit	<b>552.35</b>	316.52
<b>Payable</b>		
Expenses payable	<b>9.16</b>	6.33
Payable to employees	<b>356.01</b>	335.67
Advance from Customers	<b>158.27</b>	109.61
Unpaid Dividend	<b>4.10</b>	6.70
Other Payables	<b>3,729.95</b>	2,110.50
<b>Total</b>	<u><b>5,699.60</b></u>	<u>3,736.62</u>
<b>20. Other Current Liabilities</b>		
GST & VAT Payable	<b>113.33</b>	102.75
TDS payable	<b>18.08</b>	17.27
Payable to government authorities	<b>21.85</b>	21.76
<b>Total</b>	<u><b>153.26</b></u>	<u>141.78</u>



# CHL LIMITED

## Notes to Consolidated Financial Statements for the year ended 31 March, 2019

Lac INR

Particulars	For the year ending 31st March 2019	For the year ending 31st March 2018
<b>21. REVENUE FROM OPERATIONS</b>		
Sale of Product		
Wine & Liquor	358.09	227.34
Food, Beverage & Smokes	2,898.68	2,620.49
	3,256.77	2,847.83
Less Excise Duty	0.01	1.38
	3,256.76	2,846.45
<b>Sale of Services</b>		
Rooms	4,794.85	4,688.23
Licence Fee	778.75	763.55
Communications	13.56	15.31
Other Operating Revenues	291.72	263.14
Banquet Misc. Services	82.76	60.00
	5,961.64	5,790.23
	9,218.40	8,636.68
<b>22. OTHER INCOME</b>		
Interest earned on Fixed Deposit	55.42	37.00
Dividend Income - Long Term Investments	0.01	0.01
Foreign Currency transaction gain/(loss)	28.81	20.43
Scrap Income	0.99	1.62
Excess Provision & Other Income	30.74	13.42
	115.97	72.48
<b>23. Consumption of Provision, Beverages and Smokes</b>		
Provisions, Beverages, Liquor & Smokes	741.44	705.11
	741.44	705.11
<b>24. Employee Benefits Expense</b>		
Salaries, Wages & other benefits	2,484.53	2,108.44
Contribution to ESI and Provident fund	265.61	503.19
Gratuity	29.30	43.34
Compensated absences	17.22	21.58
Employees Welfare Expenses	77.16	191.00
Recruitment & Training Expenses	0.88	1.41
	2,874.70	2,868.96
<b>25. Finance Cost</b>		
(i) Interest on Term Loan	1,824.16	1,473.99
(ii) Interest others	62.76	48.37
(iii) Bank & Financial Charges	92.28	27.05
	1,979.20	1,549.41
<b>26. Operational Expenses</b>		
Linen, Room Catering and other Supplies	259.84	222.76
Power & Fuel	991.44	987.10
Repairs : Machinery	88.54	114.04
Building	101.06	172.25
Others	143.72	165.36
Rent, Rates & Taxes	440.59	430.15
Hire Charges	195.47	173.86
Insurance	14.73	29.04
communication Expenses	101.21	67.34
Operational Expenses	430.44	238.91
Travelling & Conveyance	180.35	194.84
Legal & Professional Expenses	236.00	195.36
Advertisement & Publicity	55.99	7.06
Commission	212.29	177.98
Other Selling Expenses	68.57	167.25
	3,520.24	3,343.30
<b>27. OTHER EXPENSES</b>		
Directors Sitting Fee	11.20	12.40
Charity & Donation	4.00	5.41
CSR Responsible expenses	20.00	15.00
Loss on sale of Assets	97.17	4.84
Doubtful Debts	5.92	-
Assets Written Off	29.36	-
	161.73	43.57

28. Contingent liabilities not provided for in respect of

Lac Rupees

	2018-2019	2017-2018
i) Demands / Claims not acknowledged as debt or which are under litigation	20.00	20.00
ii) Bank Guarantees furnished	NIL	NIL
iii) Disputed demands for taxes duties and other levies pending adjudication in appeal	975.89	Rs.452.22
iv) Corporate Guarantee(million Dollar)**	US\$32.50	US\$32.50

\*\*CJSC CHL International, our subsidiary company filed a case against the Export Import Bank of India (EXIM Bank), in respect of loan availed by it, in the Economic Court of Dushanbe, Tajikistan. The said case was decided by the Court vide its Order dated 01/05/2018 wherein the claims made by CJSC CHL International were partly accepted and the Court directed that the accounts between the borrower CJSC CHL International and the lender EXIM Bank should be reconciled and thereafter the loan agreements should be amended. The Company made various representations to EXIM Bank to comply with the aforesaid court Order but the Bank refused to consider to comply with the Court Order. Subsequently, the EXIM Bank appealed to the Hon'ble Supreme Economic Court of the Republic of Tajikistan. The appeal was dismissed vide its Order dated 14th August, 2018.

During the pendency of above case filed by CJSC CHL International in the Economic Court of Tajikistan, the EXIM Bank initiated the proceedings under Insolvency and Bankruptcy Code 2016 before the Hon'ble National Company Law Tribunal (NCLT) against CHL Limited, being the Corporate Guarantor of the Loan. Vide its Order dated 11/01/2018 the NCLT dismissed the case filed by EXIM Bank. The Bank went ahead and filed an appeal before Hon'ble Company Law Appellate Tribunal (NCLAT) that was also dismissed vide its Order dated 16.01.2019 on the ground that there is no debt that is due and/or payable from the principal borrower i.e. CJSC CHL International, hence, the corporate guarantee provided by M/s CHL Limited to EXIM Bank cannot be invoked as on the date. Subsequently the EXIM Bank filed Special Leave Petition (SLP) with the Hon'ble Supreme Court of India vide C.A. No. 001671/2019 and it is pending adjudication.

Further, the EXIM Bank filed a suit vide O.A. No. 1488/2018 for recovery of USD 40,330,946.75 (Equivalent to Rs. 280,93,48,890.14/-) before the Debt Recovery Tribunal – I, Delhi invoking the personal guarantee of Dr. Lalit Kumar Malhotra, Chairman of CHL Limited and it is pending adjudication.

29. (i) Other advances are for business purposes and do-not carry interest.  
(ii) Legal & Professional charges includes payment of auditors.

30. The Fixed Deposits are pledged with:

- (i) Statutory Authorities-Rs.1.12 lacs (Rs. 1.02 lacs);  
(ii) Against overdraft facilities-Rs 738.98 lacs (Rs. 505.63 lacs).

31. No depreciation has been provided on building, plant and machinery in NSEZ Noida as the same has not been put to use. Some old Machinery has been sold as not useable.

32. Lease rental on NSEZ Noida land has been paid. No Lease rental has been provided in financial statement in respect of Jaipur Land in the absence of any claim from the concerned authority.

33. Estimated amount of contracts remaining to be executed on capital account, net of advances:  
In respect of the Company Rs.112.00 Lacs (previous year Rs. 1.07 lacs)

34. Debts due to or by the company, are generally unconfirmed by the parties and/or under reconciliation. In the opinion of the management the impact of adjustment on reconciliation is not likely to be significant.

35. 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.

36. **MICRO AND SMALL ENTERPRISES**

The company has 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 under this Act is Rs. 7.45 lacs. There is no overdue payment and hence no interest has been provided.

37. **EMPLOYEES BENEFITS**

**Defined Contribution Plans**

Retirement benefit in the form of provident fund, family pension fund and ESI is a defined contribution scheme.

**Defined Benefit Plans**

In accordance with Ind AS 19, actuarial valuation was done in respect of Gratuity and Compensated absence-Earned Leave. The gratuity liability amount contributed to an approved gratuity fund. The Compensated absence – Earned leave is calculated based on the following assumptions:-

Assumptions:	2018-19	2017-18
Expected Return on Plan Assets	7.78%	7.20%
Rate of Discounting	7.78%	7.20%
Rate of increase in Compensation levels	5.00%	5.00%
Rate of Employee Turnover	1.00%	1.00%
Mortality Rate during Employment – Indian Assured Lives	(2006-08)	(2006-08)
Mortality Rate After Employment	NA	NA

**Table Showing Change in The Present Value of Projected Benefit Obligation:**

Present Value of Benefit Obligations (PBO) at the beginning of the year	<b>383.19</b>	341.28
Interest Cost	<b>29.80</b>	24.57
Service Cost	<b>20.03</b>	20.27
Past Service Cost	-	16.65
Benefits paid	<b>(31.24)</b>	(19.69)
Actuarial (Gain)/Losses on Obligation–Due to change in Demographic Assumptions	<b>(0.20)</b>	(11.99)
Actuarial (gain) loss on obligations	<b>8.50</b>	12.09
PBO at the end of the year	<b>410.09</b>	383.19

**Tables showing Changes in the Fair value of Plan Assets**

Fair Value of Plan Assets at the beginning of the year	<b>339.85</b>	310.79
Expected Return on Plan Assets	<b>26.44</b>	22.38
Contributions/Transfers	<b>43.34</b>	30.62
Benefits paid	<b>(31.24)</b>	(19.69)
Return on Plan Assets excluding interest income	<b>2.41</b>	(4.25)
Fair Value of Plan Assets At the end of the year	<b>380.81</b>	340

**Amount Recognised in the Balance Sheet**

(Present Value of Benefit Obligation at the end of the Period)	<b>(410.09)</b>	(383.19)
Fair Value of Plan Assets at the end of the Period	<b>380.81</b>	339.85
Funded Status (Surplus)/(Deficit)	<b>(29.29)</b>	(43.34)
Unrecognised Past Service Cost at the end of the Period		
Net(Liability)/Asset Recognised in the Balance Sheet	<b>(29.29)</b>	(43.34)

**Net Interest Cost for the Current Period**

Present Value of Benefit Obligation at the end of the Period	<b>383.19</b>	341.28
(Fair Value of Plan Assets at the end of the Period)	<b>(339.85)</b>	(310.79)
Net Liability/(Asset) at the Beginning	<b>43.34</b>	30.49
Interest Cost	<b>29.81</b>	24.57
(Expected Return on Plan Assets)	<b>(26.44)</b>	(22.38)
Net Interest Cost for Current Period	<b>3.37</b>	2.20

**Expenses Recognised in the Statement of Profit or Loss for Current Period**

Current Service Cost	<b>20.03</b>	20.27
Net Interest Cost	<b>3.37</b>	2.20
Past Service Cost	-	16.65
(Expected Contribution by the Employees)	-	
(Gains)/Losses on Curtailments and Settlements	-	
Expenses Recognised in the Statement of Profit or Loss	<b>23.40</b>	39.11

**Expenses Recognised in the Other Comprehensive Income for Current Period**

Actuarial (Gain)/Losses on Obligation for the Period	<b>8.30</b>	0.10
Return on Plan Assets, excluding interest come	<b>(2.41)</b>	4.25
Change in Asset Ceiling	-	-
Net (Income)/Expense for the Period Recognised in OCI	<b>5.89</b>	4.36

### Balance Sheet Reconciliation

Opening Net Liability	<b>43.34</b>	30.49
Expenses Recognised in Statement of Profit or Loss	<b>23.40</b>	39.11
Expenses Recognised in OCI	<b>5.89</b>	4.36
(Employer Contribution)	<b>(43.34)</b>	(30.62)
Net Liability/(Asset) Recognised in the Balance Sheet	<b>29.29</b>	43.34

### Category of Assets

Insurance Fund	<b>380.81</b>	339.85
Total	<b>380.81</b>	339.85

### 38. Related party Disclosure and transactions

Subsidiary Company	CISE CHL International, Dushanbe				
Key Management Personnel	Dr. L.K.Malhotra Mr. Luv Malhotra Mr. Gagan Malhotra Mr. N.K.Goel Mr. G.J.Varadarajan	Chairman Managing Director Executive Director Vice President Finance & CFO Company Secretary			
Entities controlled by Directors or their relatives	Mela Hotels Limited Malbros Holdings Pvt Ltd Ultima Leasing & Financing				
Sr.No	Name of Party	Nature of Transaction	Transaction value	Bal. as on 31.3.2019	Bal. as on 31.3.2018
(a)	Malbros Holdings Pvt Ltd	Asset Financing	50.00	31.33	2.76
(b)	CHL International	-Investment	0.00	34.05	7019.47
		- Advances	142.83	7019.47	108.78

### 39. Managerial Remuneration to Directors

Particulars	<b>2018-19</b>	2017-18
Salary & Allowances	<b>198.36</b>	210.00
Contribution to P.F.	<b>14.83</b>	14.83
Other benefit/perquisites	<b>12.24</b>	3.60
Sitting Fee to other Directors	<b>8.20</b>	9.40

### 40. 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

	<b>2018-19</b>	2017-18
(a) Food & Beverages	<b>NIL</b>	NIL
(b) Wine & Liquor—through canalizing agencies	<b>10.42</b>	8.39
(c) Components, spare parts and stores	<b>1.59</b>	2.13
(d) Capital Goods	<b>NIL</b>	2.39

#### B. Expenditure in Foreign Currency—on payment basis

i. Technical Services	<b>NIL</b>	NIL
ii. Others (inclusive of repayment of ECB and its interest)	<b>808.40</b>	804.07

#### C. Earning in Foreign Exchange—on receipt basis

On account of hotel services	<b>2778.15</b>	1535.55
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#### D. Remittance in Foreign Currency on account

of Dividend to non resident shareholders	<b>NIL</b>	NIL
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41. Amount transferred to Investor Education and Protection Fund as required under section 124 and 125 of the Companies Act 2013 - Rs 2.70 lacs (Previous Year Rs.3.11 lacs)

42. **FINANCIAL RISK MANAGEMENT**

The Company's financial risk management is an integral part of how to plan and execute the business strategies. The Company's financial risk management policy is set by the Managing Board.

**i. Credit Risk**

- (a) Credit risk on trade receivables is managed by ensuring that credit is extended to customers with an established credit history. To manage this, the Company periodically assess the financial reliability of customer taking into account the credit history, past experience and other relevant factors. Individual risk limits are set accordingly. In respect of walk-in customers, the Company does not allow any credit period and therefore is not exposed to any credit risk.
- (b) Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor falling to engage in a repayment plan with the Company and the debt is greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable dues. When recoveries are made, these are recognize in profit or loss.
- (c) The ageing analysis of these receivables (gross of provision) has been considered from the date of invoice

Particulars	As at 31-03-2019	As at 31-03-2018
Upto 3 months	483.58	547.71
3 to 6 months	71.14	41.06
More than 6 months	38.37	21.50
Total	593.09	610.27

The Company believes that no impairment allowance is necessary in respect of above mentioned financial assets, considering the marketable value of debtors.

Balance with banks are subject to very low credit risk due to good credit rating assigned to these banks.

**ii. Liquidity risk**

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities. The board has developed a risk management framework for the management of the company's short, medium and long-term liquidity requirements thereby ensuring that all financial liabilities are settled as they fall due. The company manages liquidity risk by continuously reviewing forecasts and actual cash flows, and maintaining banking facilities to cover any shortfalls.

The table below summarises the maturity analysis for financial liabilities to their remaining contractual maturities. The amounts disclosed are the contractual undiscounted cash flows

Particulars	As at 31-03-2019			As at 31-03-2018		
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total
Non current financial liabilities – borrowings	--	22272.13	22272.13	--	23015.50	23015.50
Non current financial liabilities – others	--	1812.91	1812.9190	--	1651.87	1651.87
Current financial liabilities–borrowings	1442.11	--	1442.11	1167.81	--	1167.81
Current financial liabilities – Trade Payables	531.96	--	531.96	873.76	--	873.76
Current financial liabilities – others	4410.75	--	4410.75	2710.59	--	2710.59
Total	6384.82	24085.04	30469.86	4752.16	24667.37	29419.53

**iii. Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	31-03-2019	31-03-2018
Total Debt	23714.24	24183.31
Equity	5518.58	5518.58
Capital & net debt	29232.82	29701.89
Gearing ratio = Debt/Capital & net debt	81.12%	81.42%



**43. Segment Reporting:**

The Company operates only in one reportable segment, i.e. Hospitality/Hotel Business.

44. 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.

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As per our report of even date attached  
for **DGA & Co.**

Chartered Accountants  
Reg. No. 003486N

**(D. K. Agarwal, FCA)**  
Partner  
Membership No. 080355

New: Delhi  
Date: 28.05.2019

for & on behalf of the Board of Directors

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

**L.K.MALHOTRA**  
Chairman  
DIN 00213086

**N.K.GOEL**  
Vice President  
Finance & CFO

**G.J.VARADARAJAN**  
Company Secretary  
M.No. ACS 5287

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**PROXY FORM  
CHL LIMITED**

Hotel The Suryaa, New Friends Colony, New Delhi-110 025  
 Tel +91 11 2683 5070, 4780 8080, Fax: +91 2683 7758, 4780 8081  
 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 to me/us and on my/our behalf at the 40th Annual General Meeting to be held on Monday, the 12th of August, 2019 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:

Ordinary Business	Resolutions	For	Against
Resolution No. 1	To receive, consider and adopt (a) The Audited Standalone Financial Statements of the Company for the year ended 31 March, 2019 together with the Reports of the Directors and the Auditors thereon; and (b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019 and the Reports of the Auditors thereon.		
Resolution No. 2	Appointment of a Director in place of Mr. A. K. Malhotra, (DIN 00676603) who retires by rotation and being eligible, offers himself for re-appointment.		
Resolution No. 3	Appointment of a director in place of Ms. Kajal Malhotra, (DIN: 01319170) who retires by rotation and being eligible, offers herself for re-appointment.		
Resolution No. 4	Appointment of M/s DGA & Co. Chartered Accountant, New Delhi as Statutory Auditors and fixation of remuneration from the conclusion of 40th Annual General Meeting till the conclusion of 43rd Annual General Meeting.		

**Special Business**

Resolution No. 5 (Special Resolution)	Re-appointment of Mr. Lalit Bhasin (DIN: 00002114) as Independent Director of the Company for a period of Five years w.e.f. 28.09.2019.		
Resolution No. 6 (Special Resolution)	Re-appointment of Mr. Subhash Ghai (DIN: 00019803) as Independent Director of the Company for a period of Five years w.e.f. 28.09.2019.		
Resolution No. 7 (Special Resolution)	Re-appointment of Mr. Yash Kumar Sehgal (DIN: 03641168) as Independent Director of the Company for a period of Five years w.e.f. 28.09.2019.		
Resolution No. 8 (Special Resolution)	Continuation of holding of the office of Independent Director by Mr. Ramesh Chandra Sharma (DIN: 00023274) till the end of his tenure 17.09.2020.		
Resolution No. 9 (Ordinary Resolution)	Re-appointment of Mr. Gagan Malhotra (DIN: 00422762) as Executive Director for a period of 3 years from 01.04.2019 to 31.03.2022 and his remuneration		
Resolution No. 10 (Ordinary Resolution)	Change of Designation and re-appointment of Mr. Luv Malhotra (DIN: 00030477) as Managing Director of Company for a period of three years w.e.f. 22. 09.2019 to 21.09.2022 and his remuneration		
Resolution No. 11 (Special Resolution)	Change of Designation of Dr. Lalit Kumar Malhotra (DIN: 00213086) as Executive Chairman of the Company till the end of his tenure 14.07.2021		

Signed this ..... Day of .....2019

Signature of Shareholder

Member's Folio/DP ID-Client ID No.....

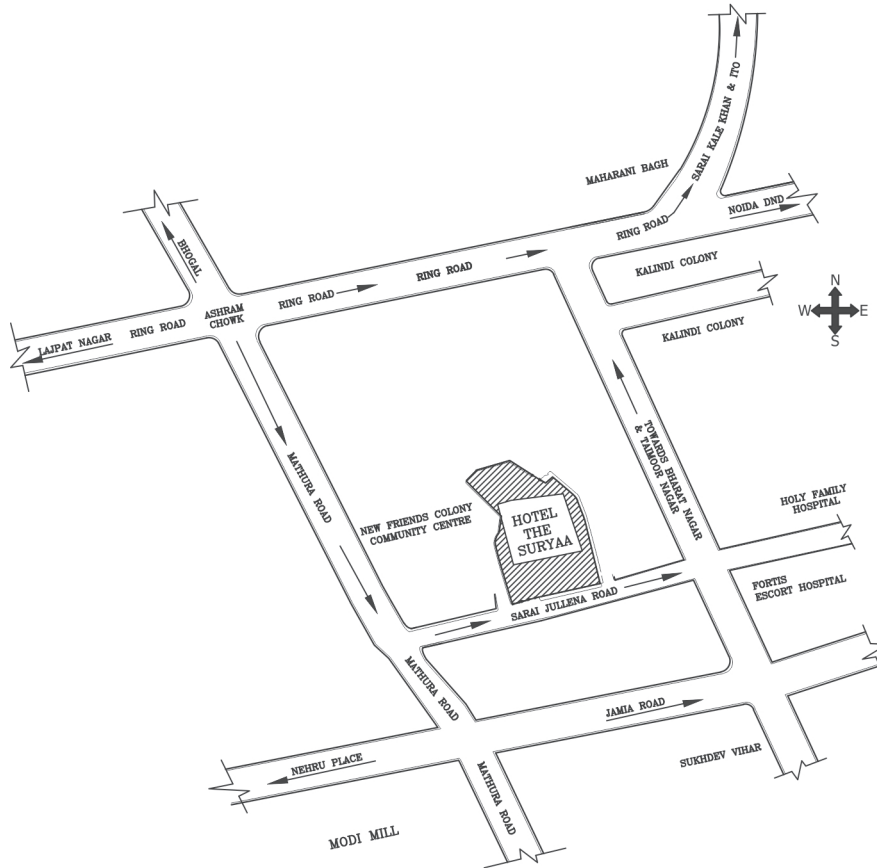
Signature of Proxy holders.....

Affix  
Revenue  
Stamp not  
less than Rs.1

**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 40th Annual General Meeting.
- III. It is optional to put v 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.

**ROUTE MAP OF HOTEL THE SURYAA NEW DELHI**



**ATTENDANCE SLIP  
CHL LIMITED**

Hotel The Surya, 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 40th Annual General Meeting of the Company At Hotel the Surya, New Friends Colony, New Delhi 110 025 on Monday, the 12th of August, 2019 at 12.30 PM.

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. and name, 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 slip will not issued at the venue of the meeting.

Signature of Shareholder



*If undelivered please return to :*



**CHL LIMITED**

HOTEL THE SURYAA

NEW FRIENDS COLONY

NEW DELHI - 110 025