



**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/2020

07<sup>th</sup> September, 2020

The Asstt General Manager  
Bombay Stock Exchange Limited.,  
25<sup>th</sup> Floor, PJ Towers,  
Dalal Street, Mumbai 400001

**SCRIP CODE 532992**

Dear Sir,

Please find enclosed herewith Annual Report -2019-2020 for the Financial Year ended 31.03.2020 for your record.

Thanking you,

**Yours faithfully  
For CHL LIMITED**

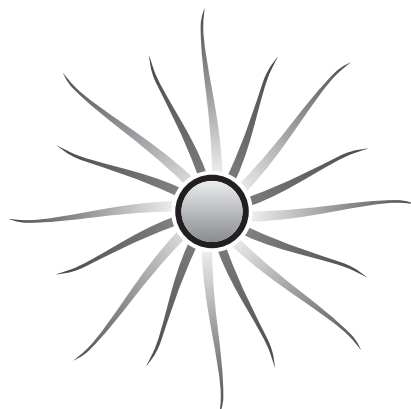
  
**G. J Varadarajan**  
Company Secretary





**CHL LIMITED**

**ANNUAL REPORT  
2019 - 2020**



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



**41st Annual General Meeting**

Date	:	29th September, 2020
Day	:	Tuesday
Time	:	4:30 pm
Mode of Meeting	:	Through Video Conferencing/ Other Audio Visual Means
Place	:	The venue of the meeting shall be deemed to be the Registered Office of the Company at Hotel The Suryaa, New Friends Colony, New Delhi-110025.

**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, Dhawandeep 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

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**NOTICE:**

**NOTICE is hereby given that the 41st Annual General Meeting (AGM) of the Members of CHL Limited will be held on Tuesday, the 29th September, 2020 at 4:30 P.M. through Video Conferencing/Other Audio Visual Means to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at Hotel The Surya, New Friends Colony, New Delhi-110025.**

**Ordinary Business**

1. To receive, consider and adopt:
  - (a) The Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2020 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, 2020 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.

**By Order of the Board**

**G. J. Varadarajan**  
**Company Secretary**  
**ACS5287**

Place: New Delhi  
Date: 7th September, 2020

**NOTES:**

**e-Voting System – For Remote e-voting and e-voting during 41st AGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the General Meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.chl.co.in](http://www.chl.co.in). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
9. The attendance and participation of the Members attending the 41st AGM through VC / OAVM will be reckoned for the purpose of quorum for the 41st AGM under section 103 of the 'Act'.
10. The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2020 to 29.09.2020 (both days inclusive).
11. As per the provisions of Section 125 the Companies Act 2013, Dividends declared for the Financial Year 2012-13 (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 year may approach the Company Secretary of the company at the Registered Office for issue of Demand Draft in lieu of the dividend warrant.
12. Final Dividend pertaining to the Financial Year 2012-13 will be transferred to Investors Education and Protection Fund in the month of October, 2020. As such it will not be possible to entertain dividend claim after September, 2020.
13. 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.
14. 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.
15. 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 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).
16. Members of the Company under the category of Institutional Investors are encouraged to participate and vote at AGM through VC / OAVM. Corporate members intending to authorize their representative to participate and vote at the Meeting are requested to send a certified copy of the Board Resolution / authorization letter to the Company or upload the same on the e-voting portal of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

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

- (i) The voting period begins on 25.09.2020 at 10:00 AM and end on 28.09.2020 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. 22.09.2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting there after.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iv) Click on "Shareholders /Members"
- (v) 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.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can login at <http://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully login to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Characters Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat share holders as well as physical shareholders). <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> </ul>
Dividend Bank Details Number	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.
OR Date of Birth (DOB)	<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 in the Dividend Bank Details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the "CHL LIMITED" on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat Account holder has forgotten the changed 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting" available for android based mobiles. The m-Voting app can be downloaded from Google Play 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.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders- please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at [www.evotingindia.com](http://www.evotingindia.com) under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at the company email id [chl@chl.co.in](mailto:chl@chl.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at the company email id [chl@chl.co.in](mailto:chl@chl.co.in). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**(xx) 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [chl@chl.co.in](mailto:chl@chl.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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) or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).



- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

#### **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 e-voting during the AGM 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 e-voting(s) to the Chairman of the Company. The results of the voting will be declared on or after the date of the AGM i.e. 29th day of September, 2020. The declared results will be available on the company's website [www.chl.co.in](http://www.chl.co.in) and communicated to the Bombay 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) 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.
- (e) 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.

**By Order of the Board**

**G. J. Varadarajan**  
**Company Secretary**  
**ACS5287**

Place: New Delhi  
Date: 7th September, 2020



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**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 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	Relationship between Directors Inter-se
Mr. Ashok Kumar Malhotra	07.10.1949	Indian	15.07.1985	Graduate	Hotelier and has rich and vast business experience	4,000 equity shares of Rs. 2/- each	Mela Hotels Ltd. Vastal Food Processing Industries Pvt. Ltd.	Brother of Dr. L.K. Malhotra
Ms. Kajal Malhotra	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

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting the 41st Annual Report of the Company along with the Audited Financial Statements for the Financial Year ended 31st March 2020.

#### 1. FINANCIAL RESULTS AND OPERATIONAL PERFORMANCE (Rs. in Lacs)

S. No.	Particulars	2019-20	2018-19
1.	Total Revenue	6073.54	7075.50
2.	Less: Expenses	5598.48	5782.39
3.	Profit before Tax	475.06	1293.11
4.	Less : Net Tax Expenses	188.51	312.16
5.	Profit after Tax	286.55	980.95
6.	Other Comprehensive Income	-	5.89
7.	Total Comprehensive Income	286.55	986.84

The gross revenue of the Company for the year under review was Rs.6073.54 Lacs was lower by 14.16% than that of the previous year's gross revenue at Rs.7075.50 lacs.

The Profit before tax after depreciation and finance cost at Rs.475.06 Lacs for the year under review was lower by 63.26% as compared to Rs.1293.11 Lacs for the previous year.

Net Profit after providing tax for the year under review was Rs.286.55 Lacs as compared to Rs 980.95 Lacs for the previous year, thus lower by 70.78% 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 subsidiary, 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 CJSCHL 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. BOARD/ COMMITTEE MEETINGS

The number of Board/ Committee Meetings held during the year under review is given under Corporate Governance Report.

#### 5. COVID-19 PANDEMIC OUTBREAK - IMPACT ON HOSPITALITY SECTOR

The economic impact of the outbreak has been devastating the Hotel Industry. With the number of cases rising sharply on a daily basis, even if the pandemic is contained soon, the ripple-effects will be felt across the world well into the year, pushing all major economies into a possible recession.

The Travel & Tourism sector across the globe is undoubtedly the biggest casualty of the COVID-19 pandemic. Several countries have issued travel advisories and are in lock down mode, with all major global business, social and sporting events getting cancelled since February, 2020. The biggest collateral damage of worldwide lock downs can now be clearly seen on travel and hospitality industry and India is no exception. Hotel demand has rapidly dropped to virtually zero in a matter of just weeks beginning Mid- March, 2020.

Due to outbreak of Corona Virus epidemic, your company stopped operations w.e.f 23th March, 2020. The Hospitality industries are not allowed to start operations till 18th August, 2020 keeping in mind the guidelines issued by Central Government/ Local Government. The business of the Hospitality sector is mainly depending upon the domestic / foreign tourists. Since 25th March, 2020 all domestic and International air travel passengers are prohibited to operate. Although during the slow down period business in all sectors is affected in general, in particular the Hospitality business has been severely affected and practically there is no business at all. Since then there is no inflow of domestic and foreign tourists and business of the company has affected badly and practically there is no revenue during



this period. The improvement / revival of Hospitality industry is depending on the improvement of other manufacturing and service sectors. Hotels, restaurants and other hospitality services, except those meant for housing health/ police/Government officials/ healthcare workers/ stranded persons including tourists and for quarantine facilities; and running of canteens at bus depots, railway stations and airports. Restaurants shall be permitted to operate kitchens for home delivery of food items.

Since 23rd March, 2020 onwards, our Hotel stopped operation as per the Central/ State Governments directions. Profitability for the Quarter (1st April 2020 to 30th June, 2020) Financial Year 2020-21 of the Company has been severely affected during this period as well as for the period till the operation of the Hotel is allowed to continue and becomes normal. The Hotel operations are allowed to continue w.e.f 19th August, 2020. And it will take another 3 to 4 Months to make the operation of the Hotel normal.

#### **Strength**

Despite all odds your Organization is strong enough to revive and come back strongly to generate profits in the coming years.

### **6. APPOINTMENTS/RE-APPOINTMENTS AND CESSATION 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-designation of Executive Chairman of the Company**

Dr. Lalit Kumar Malhotra (DIN: 00213086), Executive Chairman of the Company, re-designated as Non- Executive Chairman of the Company w.e.f 01.07.2020, and hence he is ceased to be an Executive Chairman of the Company w.e.f 01.07.2020 and he is not entitled to draw any remuneration w.e.f 01.07.2020 and becomes Non-Executive, Non-Independent Director of the Company w.e.f 01.07.2020.

#### **(c) Cessation of Independent Director**

The tenure of Mr. Ramesh Chandra Sharma (DIN: 00023274) as Non-Executive Independent Director of the Company, who is above the age of 75 (Seventy years) years, has come to end on 17.09.2020 and he, due to his health issues, doesn't offer himself to re-appoint as Non-Executive Independent Director of the Company. Hence, from 18.09.2020 he ceases to be a Non-Executive Independent Director of the Company. The Board of Directors in its Board Meeting held on 7th September, 2020 noted his cessation as Non-Executive Independent Director.

#### **(d) Other Independent Directors**

- (i) At the 40th Annual General Meeting of the held on the 12th August, 2019, Mr. Lalit Bhasin (DIN: 00002114) holding the position of an Independent Director whose tenure is coming to end w.e.f 28th Day of September 2019, was 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.
- (ii) At the 40th Annual General Meeting of the held on the 12th August, 2019, 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, was 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.
- (iii) At the 40th Annual General Meeting of the held on the 12th August, 2019, 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, was 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.
- (iv) At the 37th Annual General Meeting of the held on the 12th August, 2016, Mr. Alkesh Tacker (DIN:00513286) was appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years not liable to retire by rotation.

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 brief profile of the Independent Directors forms part of the Corporate Governance Report.

### **7. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Luv Malhotra, Managing Director, Mr. Gagan Malhotra, Executive Director and Mr. G. J. Varadarajan, Company Secretary, are formalized as the Key Managerial Personnel of the Company.

#### **Cessation of Chief Financial Officer (CFO) and Vice President (Finance) (VPF) of the Company**

As per the terms of the appointment of Mr. Narender Kumar Goel, Vice President (Finance) (VPF) and Chief Financial Officer (CFO) of the Company, his tenure comes to end on 30th June, 2020 and with no further extension in his tenure, he ceased to be the Vice President (Finance) (VPF) and Chief Financial Officer (CFO) of the Company w.e.f., 1st July, 2020.

## 8. 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.

## 9. SUBSIDIARY COMPANY

Your subsidiary, CJSC CHL International, a Joint Venture company incorporated in Tajikistan has developed a Five-Star Hotel at Dushanbe, the capital of Tajikistan. The hotel is now operative in name of "Hilton Dushanbe". The Hotel project was financed by the Export Import Bank of India.

Pursuant to the filing of case before the Economic Court of Tajikistan by the CJSC CHL International, our subsidiary company, against the Export Import Bank of India (EXIM Bank) in respect of loan availed by it, the Economic Court of Tajikistan partially accepted the claims of CJSC CHL International vide its Order dated 01.05.2018. Against this Order, EXIM Bank appealed to the Hon'ble Supreme Court of Tajikistan, which was dismissed by the Hon'ble Supreme Court of Tajikistan, vide its Order dated 14.08.2018.

During the pendency of case in the Economic Court of Tajikistan, the EXIM Bank initiated the proceedings under IBC Code 2016 in the National Company Law Tribunal (NCLT) against CHL Limited, invoking its Corporate Guarantee, which was dismissed vide its Order dated 11.01.2018. The EXIM Bank, against this Order, appealed to National Company Law Appellate Tribunal (NCLAT), New Delhi and the same was also dismissed vide its Order dated 16.01.2019. Subsequently, EXIM Bank has filed Civil Appeal before Hon'ble Supreme Court of which is pending for adjudication.

Further, the EXIM Bank filed an Original Application before the Debts Recovery Tribunal – I, Delhi invoking the personal Guarantee of Mr. Lalit Kumar Malhotra, Chairman of CHL Limited, which is also 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 2019-20.

## 10. 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 2019-20 no complaint was received on sexual harassment.

## 11. 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.

## 12. EXTRACT OF ANNUAL RETURN

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

## 13. 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.

## 14. 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.

## 15. 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:

- In the preparation of the Annual Accounts for the Financial Year 2019-20, the applicable accounting standards have been followed and there is no material departure;
- 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;
- 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;
- They have prepared the Annual Accounts on a going concern basis;
- They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**16. 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.

**17. LISTING WITH STOCK EXCHANGE**

The Listing fee is being paid for the year 2020 - 2021 to the BSE Limited, where the Company's Shares are listed.

**18. 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.

**19. 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.

**20. DEMATERIALISATION OF SHARES**

As on 31st March, 2020, 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, 5,39,97,922 (98.50%) Equity Shares of the Company stand dematerialized and balance 8,20,368 (1.497%) equity shares are still in physical form.

**21. 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 40th Annual General Meeting (AGM) of the Company held on 12th August 2019 till the conclusion of the 43rd AGM, for a further period of three years.

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.

**22. STATUTORY AUDIT**

The Report of the Statutory Auditors of the Company along with the Notes to Schedules forms part of the Annual Report 2019-20 and contains an Unmodified Opinion without any qualification, reservation, disclaimer or adverse remark.

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

**23. COST AUDIT**

The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

**24. INTERNAL CONTROL**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The information about internal controls is set out in the Management Discussion & Analysis report which is attached and forms part of this Report.

**25. 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.

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

During the year under review, there has been no change in the nature of business of the Company.

**27. MICRO, SMALL AND MEDIUM ENTERPRISES (MSME)**

Your Company has registered on 03.07.2020 as 'Medium Enterprise' under the 'Micro, Small and Medium Enterprises Development Act, 2006' vide registration number: UDYAM-DL-09-0000001.

**28. 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.

**29. 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.

**30. 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 Regulations. 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).

**31. BOARDEVALUATION**

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 12/02/2020, 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.

**32. 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**

**33. 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

Dr. Lalit Kumar Malhotra  
Chairman  
DIN: 00213086

Place: New Delhi  
Date: 7th September, 2020





**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	99.20

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

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

**IV. 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	
<b>A. Promoters/ Persons acting in concert (PAC)</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	4504320	0	4504320	8.22	4504320	0	4504320	8.22	0
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>4504320</b>	<b>0</b>	<b>4504320</b>	<b>8.22</b>	<b>4504320</b>	<b>0</b>	<b>4504320</b>	<b>8.22</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRI-Individuals	3136429	0	3136429	5.72	3136429	0	3136429	5.72	0
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>0</b>	<b>35424729</b>	<b>64.62</b>	<b>35424729</b>	<b>0</b>	<b>35424729</b>	<b>64.62</b>	<b>0</b>
<b>Total Shareholding of Promoter/ PAC (A) = (A)(1)+(A)(2)</b>	<b>39929049</b>	<b>0</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
<b>Sub-total (B)(1):</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>2. Non-Institutions</b>									
(a) Bodies Corp.	691002	5000	696002	1.27	681674	5000	686674	1.25	-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	1179646	319118	1498764	2.73	1242819	286368	1529187	2.79	0
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	632626	0	632626	1.154	632626	0	632626	1.15	0
(c) Others (specify)									
Non Resident Indians	10703555	881500	11585055	21.13	11031055	529000	11560055	21.09	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	250	0	250	0	750	0	750	0	0
Trusts	0	0	0	0	0	0	0	0	0
HUF	92714	0	92714	0.17	87864	0	87864	0.16	0.01
Others-IEPF-Authority	383830	0	383830	0.70	392085	0	392085	0.72	0
<b>Sub-total (B)(2):</b>	<b>13683623</b>	<b>1205618</b>	<b>14889241</b>	<b>27.16</b>	<b>14068873</b>	<b>820368</b>	<b>14889241</b>	<b>27.16</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>13683623</b>	<b>1205618</b>	<b>14889241</b>	<b>27.16</b>	<b>14068873</b>	<b>820368</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. Aneeta 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. Lokesh Malhotra	450080	0.82	0	450080	0.81	0	0
13	Mrs. Alka Malhotra	125000	0.23	0	125000	0.23	0	0
14	Mr. Kumud Malhotra	150000	0.27	0	150000	0.27	0	0
15	Mrs. Chand Malhotra	191650	0.35	0	191650	0.35	0	0
16	Mr. Bhupinder Nath Malhotra	674980	1.23	0	674980	1.23	0	0
17	Mr. Neel Kamal Malhotra	656280	1.20	0	656280	1.20	0	0
18	M/s Malbros Investments Inc.	32288300	58.90	0	32288300	58.90	0	0
	<b>Total</b>	<b>39929049</b>	<b>72.84</b>	<b>0</b>	<b>39929049</b>	<b>72.84</b>	<b>0</b>	<b>0</b>

\*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	3448600	6.29	3448600	6.29
2	Mr. Vipen Kumar Sabharwal	2575375	4.70	0	0
3	Mr. Navin Sabharwal	2575375	4.70	5150750	9.396
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	569360	1.04	0	0
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	191726	0.35	191726	0.35
11	Mr. Shashi Ramakant Kasat	101620	0.185	101620	0.185
12	Mr. Ramakant R Kasat	74380	0.1357	74380	0.1357

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

S N	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/ Intercompany deposits	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
(i) Principal Amount	1827.07	123.78	-	-	1950.85
(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>123.78</b>	<b>-</b>	<b>-</b>	<b>1958.28</b>



Change in Indebtedness during the financial year					
Addition	-		600.00	-	600.00
Reduction	1580.50	25.66		-	1606.16
<b>Net Change</b>	<b>(1580.50)</b>	<b>(25.66)</b>	<b>600.00</b>	<b>-</b>	<b>1006.16</b>
Indebtedness at the end of the financial year					
(i) Principal Amount	251.40	98.12	600.00	-	949.52
(ii) Interest due but not paid	2.60	-	6.86	-	9.46
(iii) Interest accrued but not due	-	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>254.00</b>	<b>98.12</b>	<b>606.86</b>	<b>-</b>	<b>958.98</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*	84.80	67.60	60.80	213.20
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.21	0.21	0.21	0.63
	(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>85.01</b>	<b>67.81</b>	<b>61.01</b>	<b>213.83</b>

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

**B. Remuneration to other Directors**

(in Rs.)

S.No.	Particulars of Remuneration	Name of Directors					Total Amount
1	<b>Independent Directors</b>	<b>Mr. R.C. Sharma</b>	<b>Mr. Lalit Bhasin</b>	<b>Mr. Subhash Ghai</b>	<b>Mr. Alkesh Tacker</b>	<b>Mr. Yash Kumar Sehgal</b>	
	Fee for attending Board/ Committee Meetings	60,000	2,00,000	40,000	80,000	2,00,000	5,80,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>60,000</b>	<b>2,00,000</b>	<b>40,000</b>	<b>80,000</b>	<b>2,00,000</b>	<b>5,80,000</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	60,000	60,000				1,20,000
	Commission	Nil	Nil				Nil
	Others, please specify	Nil	Nil				Nil
	<b>Total (2)</b>	<b>60,000</b>	<b>60,000</b>				<b>1,20,000</b>
	<b>Total (B)=(1+2)</b>	<b>1,20,000</b>	<b>2,60,000</b>	<b>40,000</b>	<b>80,000</b>	<b>2,00,000</b>	<b>7,00,000</b>

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

(Rs. in Lacs)

S.N.	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	25.83	10.86	36.69
	(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>25.83</b>	<b>10.86</b>	<b>36.69</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 2019-20	Remuneration paid in FY 2018-19	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	33.47
2.	Mr. Luv Malhotra	Managing Director	*66.00	*66.00	0	26.29
3.	Mr. Gagan Malhotra	Executive Director	*60.00	*60.00	0	23.90
4.	Mr. Narender Kumar Goel	Vice President(Finance) and CFO	25.83	24.21	1.62	10.29
5.	Mr. G.J.Varadarajan	Company Secretary	10.86	10.41	0.45	4.33

\*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 (Incorporated at Tajikistan)	CJSC CHL International
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.12.2019
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.7.383 as on 31.03.2020)
4.	Share capital	Rs. 11,441.68 Lacs
5.	Other Equity	(Rs13,636.38 Lacs)
6.	Total assets	Rs. 25,791.96 Lacs
7.	Liabilities (Total Liabilities minus(Share Capital+ Other Equity)	Rs. 27,986.66 Lacs
8.	Investments	Rs. 0.30 Lacs
9.	Turnover (Including other income)	Rs. 2,608.26 Lacs
10.	Profit/(Loss)before taxation	(Rs. 3,038.54 Lacs)
11.	Provision for taxation	Nil
12.	Profit/(Loss) after taxation	(Rs. 3,038.54Lacs)
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**

Place: New Delhi  
Date: 7th September, 2020

**Dr. Lalit Kumar Malhotra**  
Chairman  
**DIN: 00213086**

## MANAGEMENT DISCUSSIONS AND ANALYSIS

### MACROECONOMIC OVERVIEW / GLOBAL ECONOMY

The global economy in Calendar Year ('CY') 2019 has seen one of the slowest growth rates since the 2008 financial crisis. The International Monetary Fund ('IMF') estimates that the global GDP ('Gross Domestic Product') may have registered 2.9% growth in CY 2019, significantly lower than 3.6% in CY 2018, and that there will be a negative growth of 3% in CY 2020. A slowdown had been anticipated early in the financial year, because of the US-China trade relations and the consequent stress on the global manufacturing and trade.

The biggest pandemic was the outbreak of coronavirus in the beginning of CY 2020, which grew from a local problem in China to a global pandemic in a matter of weeks in early CY 2020. Lockdowns in most of the affected countries saved lives but were a huge blow to economic activities and the impact will be felt for a long time to come. To counter the losses and prevent a complete economic breakdown, governments and central banks around the world have unleashed unprecedented amounts of fiscal and monetary support. Nonetheless, warning of a recessionary effect was issued by top analysts.

### INDIAN ECONOMY

The Indian economy registered a growth of 4.2% in Financial Year ('FY') 2019-20, much lower than the 6.1% in FY 2018-19 (Source: IMF). Wage stagnation, job losses, rising rural unemployment rates, stressed Non-Banking Financial Companies (NBFCs) and decline in credit growth caused a sharp drop in domestic demand. On the supply side, excess idle production capacity and lower private investments further dragged down economic activity. The Government of India undertook initiatives such as liberalizing sectors to attract foreign direct investments, upfront capital infusion in public sector banks to alleviate liquidity concerns and reducing corporate tax rates to revive private investments.

Following the Covid-19 outbreak, India implemented one of the strictest nationwide lockdowns in the world early on, in order to keep the infection numbers under control. This has resulted in mass unemployment in the lower income segment and staff downsizing across sectors. The restriction on free movement of goods and people disrupted supply chains and nearly wiped out the demand for non-essential goods and services. The Government of India announced Rs.1.7 lakh crore relief package to help India's marginalized population tackle the challenges caused by the Covid-19 pandemic. This included direct cash transfer benefits to more than 8.7 crore Indian farmer families, free food and gas distribution, social and security measures for the organized sector and medical covers for health workers.

The Reserve Bank of India ('RBI') provided a monetary stimulus by slashing the repo rate to 5.15%, a cut of 135 basis points in FY 2019-20, to boost demand and private consumption.

India also witnessed considerable deceleration in economic growth in 2019-20. According to the provisional estimates released by the Central Statistics Office (CSO) on 29th May 2020, growth in India's Gross Domestic Product (GDP) for 2019-20 is estimated at 4.2 per cent, compared to 6.1 per cent in the previous year. This deceleration was driven by a slowdown in industry and services growth, even as agriculture grew from 2.4 per cent in 2018-19 to 4.0 per cent in 2019-20.

Even as there is significant uncertainty around the duration and intensity of the pandemic, and its impact on India's economic performance in 2020-21, there are a few bright spots. Agriculture and allied activities continue to be resilient and a normal south west monsoon is expected in 2020, which augurs well for rural demand. At the same time, inflationary pressures are likely to be in check with collapse in crude prices and softening of food prices, allowing room for further fiscal and monetary policy interventions.

### COVID-19 PANDEMIC OUTBREAK - IMPACT ON HOSPITALITY SECTOR

Although during the slow down period business in all sectors is affected in general, in particular the Hospitality business has been severely affected and practically there is no business at all. Since then there is no inflow of domestic and foreign tourists and business of the company has affected badly and practically there is no revenue during this period.

### BUSINESS PERFORMANCE / OPPORTUNITIES

2019-20 was much more challenging as compared to the previous year from a macroeconomic standpoint. Not only did economic growth decelerate as the year progressed, social and economic concerns added to the policy uncertainty, dampening sentiment and arresting modest gains towards economic revival over the past few years. From the Hospitality and Service Industry's perspective, even as this affected the broad-based demand, there are opportunities across markets and service based product segments. This focus would be reflected in our performance in the coming years.

#### (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:

- Existence of Authority Manuals and periodical updating of the same for all Functions.
- Existence of clearly defined organizational structure and authority.
- Existence of corporate policies for Financial Reporting and Accounting.
- Existence of Management information system updated from time to time as may be required.
- Existence of Annual Budgets and Long Term Business Plans.
- Existence of Internal Audit System.
- 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.6,073.54 Lacs as against Rs.7,075.50 Lacs during the previous financial year.

**Profit before Tax (PBT)**

Your Company has registered PBT of Rs.475.06 Lacs as against Rs.1293.11 Lacs during the previous Financial Year.

**Total Comprehensive Income after Tax**

Your company has registered Total Comprehensive Income after tax of Rs. 286.55 Lacs as against Rs. 986.84 Lacs during the previous Financial Year.

**Key Financial Ratios**

Key Financial Ratios are given below:

S. No.	Particulars	2019-20	2018-19
1.	EBITDA/Turnover (percent)	16.87	27.75
2.	Profit After Tax / Turnover (percent)	4.76	13.86
3.	EBITDA /Net Interest (No.of times)	3.80	4.50
4.	Debt to Equity	0.28	0.39
5.	Return on Equity (percent)	2.43	8.56
6.	Book value per share (Rs./share)	21.48	21.01
7.	Earning per share (Rs./share)	0.52	1.80

**(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, 2020 is as follows:

Category	No. of Directors
Executive Directors	3
Non-Executive Non Independent Directors	2
Independent Directors	5
<b>Total</b>	<b>10</b>

##### (ii) Date of Board Meetings

The Board of Directors duly met four times during the Financial Year 1st April, 2019 to 31st March, 2020. The dates on which the meetings were held are hereunder:

S.No.	Date of Board Meeting
1.	28.05.2019
2.	12.08.2019
3.	14.11.2019
4.	12.02.2020

##### (iii) Attendance at the Board Meetings and at the last AGM held on 12.08.2019

Name of Directors	No. of Board Meetings Attended	Last AGM attendance (Yes/No)
Dr. Lalit Kumar Malhotra	4	Yes
Mr. Luv Malhotra	4	Yes
Mr. Gagan Malhotra	4	Yes
Mr. Ashok Kumar Malhotra	3	Yes
Mr. Subhash Ghai	2	No
Mr. Ramesh Chandra Sharma	3	Yes
Mr. Lalit Bhasin	4	Yes
Mr. Yash Kumar Sehgal	4	Yes
Ms. Kajal Malhotra	3	Yes
Mr. Alkesh Tacker	4	Yes



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

Other Directorships including other Board Committee Members

<b>S.No.</b>	<b>Name of the Director and Designation</b>	<b>Directorship in other Companies*</b>	<b>Other Board Committee Members*</b>
1.	Dr. Lalit Kumar Malhotra** 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. 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. Indsec Securities & Finance Ltd	<b>Audit Committee</b> Sir Shadilal Enterprises Ltd.-Member <b>Nomination &amp; Remuneration Committee</b> 1. Sir Shadilal Enterprises Ltd.-Member 2. HB Portfolio Ltd.-Member

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

\*\*Dr. Lalit Kumar Malhotra was re-designated as Non-Executive Chairman of the Company from Executive Chairman of the Company in the Board Meeting held on 26.06.2020.

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 12.02.2020 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.

**Brief Profile of Independent Directors**

Name of the Independent Directors	Nationality	Date of Appointment on the Board	Qualifications	Expertise in specific functional area
Mr. Subhash Ghai	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
Mr. Lalit Bhasin	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.
Mr. Yash Kumar Sehgal	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 services of the Bank.
Mr. Ramesh Chandra Sharma*	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.
Mr. Alkesh Tacker	Indian	15.03.2016	Graduate	Vast and rich experience in the varied fields of business

\*He ceases to be an independent director w.e.f. 18.09.2020

**4. BOARD COMMITTEES**

The Board Committees are as under:

Sl. 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 31.03.2020, 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:

Sl. No.	Date of Committee Meetings
1.	28.05.2019
2.	12.08.2019
3.	14.11.2019
4.	12.02.2020

**(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	4
Mr. Luv Malhotra Managing Director	Member	4

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 one meeting i.e. on 28.05.2019.

**(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	1
Ms. Kajal Malhotra Non - Executive Non Independent Director	Member	--

**(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 12.02.2020.

**(iv) Members and Attendance**

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

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 2020. 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 operates as a dedicated ID solely for the purpose of registering investor complaints. Henceforth all Annual reports will be sent in electronic form on registered Email ID on request.

**Name and Designation of Compliance Officer**

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

**RISK MANAGEMENT COMMITTEE**

**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.

### 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.

### (d) 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
2016-17	18.09.2017	Registered Office	12.30 PM	No
2017-18	19.09.2018	Registered Office	12.30 PM	Yes
2018-19	12.08.2019	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 2019-20.

## 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 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.

**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.

**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 41st Annual General Meeting through VC/OAVM	29th September, 2020 at 4:30 PM. The venue of the Meeting shall be deemed to be at the Registered Office of the Company at Hotel The Suryaa, New Friends Colony, New Delhi - 110025
Financial Year	1st April 2019 to 31st March 2020
Book Closure Date	From 23.09.2020 to 29.09.2020 (both days inclusive)
E-Voting Start Date and Time	25.09.2020 at 10:00 A.M.
E-Voting End Date and Time	28.09.2020 at 05:00 P.M.
Listing on Stock Exchange	BSE limited
Scrip Code	532992
ISIN	INE790D01020

**Listing Fee**

The Listing fee is being paid for the year 2020 - 2021 to the BSE Limited.

**Market Price Data**

The official quoted price at the Bombay Stock Exchange during the Financial Year 2019-20 is as under:

**Scrip Code: 532992 Company: CHL LTD For the Period: April 2019 to March 2020**

Month	Open Price (Rs.)	High Price(Rs.)	Low Price(Rs.)	Close Price(Rs.)	No.of Shares	No. of Trades	Total Turnover(Rs.)
Apr-19	10.50	10.55	10.05	10.05	952	10	9933
May-19	10.00	10.00	8.55	8.55	2030	15	18389
Jun-19	8.25	8.25	7.36	8	9922	18	78340
Jul-19	8.00	9.70	8.00	9.15	4000	9	34739
Aug-19	9.60	10.00	9.12	9.12	2548	13	24322
Sep-19	9.50	9.50	9.05	9.05	234	3	2122
Oct-19	9.05	9.05	8.60	8.6	102	4	877
Nov-19	8.60	8.60	7.70	7.8	1262	17	9950
Dec-19	7.41	7.41	7.05	7.4	141	7	1025
Jan-20	7.40	7.87	6.68	6.72	1866	11	13378
Feb-20	7.00	7.00	6.32	6.32	1205	4	7982
Mar-20	6.01	6.01	5.44	5.44	1224	9	6792



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

Pursuant to provisions of the Companies Act, 2013 an aggregate amount of Rs. 2,93,458.00 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 2013 (Final)	25.09.2013	October, 2020

Unpaid/Unclaimed Interim Dividend pertaining to the year ended 31.03.2013 has already been transferred to Investors Education and Protection Fund (IEPF).

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, 392085 equity shares have been transferred to IEPF authority in respect of which dividend has been unpaid/unclaimed for all the respective Financial Years ended 31.03.2012. 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. (a) SHAREHOLDING PATTERN AS ON MARCH 31, 2020**

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	1697	1,48,89,241	27.16
Total	1716	5,48,18,290	100

**(b) Distribution of Shareholding**

Range of shares	No. of shareholders	% No. of Shareholders	% of shares of Rs. 2/- each	% to total Shareholding
Up to 5,000	1563	91.08	641692	1.1706
5,001 to 10,000	56	3.26	238441	0.4350
10,001 to 20,000	27	1.57	228735	0.4173
20,001 to 30,000	10	0.58	132750	0.2422
30,001 to 40,000	4	0.23	68229	0.1245
40,001 to 50,000	12	0.69	292408	0.5334
50,001 to 1,00,000	15	0.87	597735	1.0904
1,00,001 and above	29	1.69	52618300	95.9868
Total	1716	100	54818290	100

**18. DEMATERIALISATION OF SHARES AS ON MARCH 31, 2020**

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.

S.N.	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	2230141	4.068
4	Held in dematerialized form in NSDL	51767781	94.435
5	Physical	820368	1.497
6	Total number of shares (3+4+5)	54818290	100

**19. HOTEL**

Your Hotel The Suryaa 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 Suryaa

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, 2020.

**For and on behalf of the Board**

Place: New Delhi  
Date: 7th September, 2020

**Dr. Lalit Kumar Malhotra**  
Chairman  
DIN: 00213086

## **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/update their email id with Registrar and Share Transfer Agent / concerned depository to enable the company to send the documents in electronic form. Physical form has been discontinued looking present scenario.

## **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

##### 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 2016-17 to 2018-19 works out to Rs.12.25 crores.

Prescribed CSR Expenditure (2% of the amount of Rs.12.25Cr.): Rs.24.50 lac.

**1. Details of CSR spent during the Financial Year 2019-20.**

- (a) Total amount to be spent for the Financial Year: Rs.24.50 lac.
- (b) Amount unspent, if any, for the Financial Year : Rs. 14.50 lac.
- (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	This Financial Year 2019-20, it was committed Rs. 24.50 Lacs.	During the year under review, a sum of Rs.10 lacs was spent out of the amount committed and provided for, based on the progress of the said project.	Rs.46 lac up to the financial Year 2018-19 Rs. 10.00 lacs is spent during the Financial	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:

- To help, encourage and assist in spreading education of all types.
  - To provide monetary or other help to students, widows, orphans, poor and /or to persons suffering from mental or physical ailments.
  - 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.
  - To organize debates, competitions, seminars and other elocution contests for encouraging and spreading of knowledge.
  - To provide medical relief and to organize medical help to the needy.
  - To provide free accommodation and assistance to travelers.
  - To provide legal aid to the poor and needy.
  - To provide food and necessary help to deserving people.
  - 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, earthquake, storm, accidents etc.
  - To help in preservation of forests, trees, cattle 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**

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**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 31.03.2020 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) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee.

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

**Luv Malhotra**  
**Managing Director**  
**DIN: 000477**

Place: New Delhi  
Date: 26th June, 2020

**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, 2020**

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, 2020, 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, 2020, according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the Rules made thereunder
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. 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 thereunder 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, 2018.
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, 2018;
  - 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: 7th September, 2020

**FCS NO 5271**  
**CP.NO. 3732**





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**INDEPENDENT AUDITOR'S REPORT****To the Members of CHL LIMITED****Report on the audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying Standalone Financial Statements of CHL LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2020, 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, 2020, and profit, 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.

**Emphasis of Matter**

We draw your attention to Note No. 41 to the financial statements, which explain the uncertainties and management's assessment of the financial impact due to disruptions arising from COVID-19 pandemic situation. The company has assessed potential impact of COVID-19 on the carrying value of trade receivable, and assets including (Non current and current) appearing in financial statements of the company. In developing assumptions and estimates relating to future uncertainties in the economic conditions because of this pandemic, the company as at the date of approval of these financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to future economic condition. Our opinion is not modified in respect of this matter.

The management performed year end physical verification of inventories prior to the year end. We were not able to physically observe the physical stock verification before the year end.

**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 the 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 Indian 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.

The 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, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, 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, 2020, 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

UDIN:20080355AAAAAG1310

Place: Melbourne, Australia

Dated: 26.06.2020

**ANNEXURE- A to the Independent Auditor's Report on the Standalone Financial Statements of CHLLIMITED for the year ended 31st March, 2020**

- 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 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, 2020 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	Hon'ble ITAT Has passed order dated 01.11.2018 and appeal effect is pending before Assessing Officer, Delhi
2	Income-tax Act 1961	U/S 271(1)(c)	7,16,786	AY 2009-10	Penalty deleted by Hon, ble ITAT, Delhi vide order dated 16.10.2019 effect is pending
3	Income-tax Act 1961	U/S 143(3)	4,32,959	AY 2010-11	Rectification u/s 154 is pending
4	Income-tax Act 1961	U/S 143(3)	69,11,130	AY 2011-12	Appeal partly allowed by Hon, ble ITAT, Delhi and appeal effect is pending.
5	Income-tax Act 1961	U/S 143(3)	45,64,190	AY 2012-13	Appeal partly allowed by Hon, ble ITAT, Delhi and appeal effect is pending.
6	Income-tax Act 1961	U/S 143(3)	60,53,880	AY 2013-14	Appeal partly allowed by CIT(A) and appeal effect is pending.
7	Income-tax Act 1961	U/S 143(3)	50,40,460	AY 2015-16	Appeal partly allowed by CIT(A) and appeal effect is pending.
8	Income-tax Act 1961	U/S 271(1)(c)	64,95,410	AY 2012-13	Appeal partly allowed by CIT(A) and appeal effect is pending.
9	Income-tax Act 1961	U/S 143(3)	7,67,780	AY 2017-18	Appeal partly allowed by CIT(A) and appeal effect is pending.
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)	The Company has opted for Sabka Vishwas-(Legacy Dispute Resolution) Scheme, 2019 and demand reduced to Rs 16293506/- Company has deposited Rs 24,44,026/- and balance of Rs 1,38,49,480/- shall be deposited by 30.06.2020.

- 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**  
**UDIN:20080355AAAAAG1310**

Place: Melbourne, Australia  
Dated: 26.06.2020

**ANNEXURE- B to the Independent Auditor's Report on the Standalone Financial Statements of CHLLIMITED for the year ended 31st March, 2020****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 2020 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 2020, 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**  
**UDIN:20080355AAAAAG1310**

Place: Melbourne, Australia  
Dated: 26.06.2020

**BALANCE SHEET AS AT 31ST MARCH, 2020**
**Lac INR**

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	5	<b>5,795.52</b>	5,952.85
(b) Other non-current assets	6	<b>7,055.21</b>	7,080.95
(c) Financial assets	7	<b>967.09</b>	1,019.57
<b>Total Non current assets</b>		<b>13,817.82</b>	14,053.37
<b>(2) Current assets</b>			
(a) Financial assets			
(i) Inventory	8	<b>358.15</b>	381.89
(ii) Trade receivables	9	<b>393.53</b>	510.00
(iii) Balances with banks	10	<b>113.07</b>	154.10
(iv) Other bank balances		<b>302.52</b>	744.19
(v) Other financial assets	11	<b>3.90</b>	9.37
(b) Other current assets	12	<b>137.13</b>	166.77
<b>Total Current Assets</b>		<b>1,308.30</b>	1,966.32
<b>Total Assets</b>		<b>15,126.12</b>	16,019.69
<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>10,682.20</b>	10,421.40
		<b>11,778.57</b>	11,517.77
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities:-			
(i) Long Term Borrowings	15.1	<b>161.52</b>	1,108.42
(ii) Other Financial Liabilities	15.2	<b>242.92</b>	239.37
(b) Provisions	16	<b>261.21</b>	177.01
(c) Deferred Tax Liability (Net)	17	<b>671.69</b>	592.08
		<b>1,337.34</b>	2,116.88
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	18	<b>326.43</b>	289.97
(ii) Other financial liabilities	19	<b>1,620.21</b>	1,941.81
(b) Other current liabilities	20	<b>63.57</b>	153.26
		<b>2,010.21</b>	2,385.04
<b>Total Equity and Liabilities</b>		<b>15,126.12</b>	16,019.69

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

Chartered Accountants  
Reg. No. 003486N

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

Place: Melbourne, Australia  
Dated: 26.06.2020

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

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

for & on behalf of the Board of Directors

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

Gurugram, Haryana  
Date: 26.06.2020

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



# CHL LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Lac INR

Particulars	Note No.	For the year ending 31st March 2020	For the year ending 31st March 2019
<b>I Revenue From Operations</b>	21	<b>6,025.12</b>	6,969.47
<b>II Other Income</b>	22	<b>48.42</b>	106.03
<b>III Total Income (I + II)</b>		<b>6,073.54</b>	7,075.50
<b>IV Expenses</b>			
Consumption of Provision,			
Beverages, Smokes and others	23	<b>490.61</b>	520.28
Employee benefit expense	24	<b>2,054.47</b>	1,998.95
Finance Cost	25	<b>267.96</b>	436.24
Operational Expenses	26	<b>2,484.43</b>	2,437.16
Depreciation and amortization expense		<b>273.26</b>	228.03
Other expenses	27	<b>27.75</b>	161.73
Total expenses (IV)		<b>5,598.48</b>	5,782.39
<b>V Profit before tax (III-IV)</b>		<b>475.06</b>	1,293.11
<b>VI Tax expense:</b>			
(1) Current Tax		<b>136.58</b>	405.77
(2) Last Year Tax Provision adjustment		<b>(27.68)</b>	(17.81)
(3) Deferred Tax		<b>79.61</b>	(75.80)
		<b>188.51</b>	312.16
		<b>188.51</b>	312.16
<b>VII Profit for the year/period (V-VI)</b>		<b>286.55</b>	980.95
<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		-	5.89
		-	5.89
(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>286.55</b>	986.84

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

Place: Melbourne, Australia  
Dated: 26.06.2020

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

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

for & on behalf of the Board of Directors

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

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

Gurugram, Haryana  
Date: 26.06.2020

# Cash Flow Statement for the year ended

Lac INR

	31st March, 2020	31st March, 2019
<b>A) Cash Flow From Operating Activities</b>		
<b>Net Profit before Tax &amp; Extraordinary Items</b>	<b>475.06</b>	<b>1,293.11</b>
Adjustments for		
Depreciation	273.26	228.03
Dividend Income	(0.02)	(0.01)
Loss on Sale of Assets	-	97.17
Comprehensive Income	-	5.89
Scrapped/Discarded Assets written off	0.05	29.36
Profit / (Loss) on sale of Investment		(45.04)
Interest Expenditure	267.96	436.24
Interest Received	(30.67)	(55.42)
<b>Operating Profit before Working Capital Changes</b>	<b>985.64</b>	<b>1,989.33</b>
<b>Adjustments for</b>		
(Increase) Decrease in Inventories	23.74	6.80
(Increase) Decrease in Trade Receivables	116.47	(21.61)
(Increase) Decrease in Other Financial assets	87.59	(80.95)
Increase (Decrease) in Trade Payables	36.46	54.79
Increase (Decrease) in Other Financial liabilities	(411.29)	371.67
<b>Cash generated from Operations</b>	<b>838.61</b>	<b>2,320.03</b>
Income Tax (Paid)/Refund		(348.70)
<b>Net Cash from Operating Activities (A)</b>	<b>838.61</b>	<b>1,971.33</b>
<b>B) Cash Flow from Investing Activities</b>		
Purchase of Property, Plant & Equipments	(116.30)	(463.95)
Disposal of Property, Plant & Equipments	0.31	29.36
Interest Received	30.67	55.42
Dividend Received	0.02	0.01
<b>Net Cash used in Investing Activities (B)</b>	<b>(85.30)</b>	<b>(379.16)</b>
<b>C) Cash Flow from Financing Activities</b>		
Proceeds from issue of Capital	-	-
Interest Paid	(267.96)	(436.24)
Increase (Decrease) in Security Deposit	3.55	-
Increase/(Decrease) in long term Borrowing	(946.90)	(743.37)
Increase/(Decrease) in Provisions	(24.70)	(86.92)
<b>Net Cash used in Financing Activities (C)</b>	<b>(1,236.01)</b>	<b>(1,266.53)</b>
<b>Net increase/ decrease in cash and cash equivalents (A+B+C)</b>	<b>(482.70)</b>	<b>325.64</b>
Cash & Cash Equivalent (Opening balance)	898.29	572.65
Cash & Cash Equivalent (Closing balance)	415.59	898.29

## 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              | 415.59        | 898.29        |
| Deposit with Bank with maturity less than 3 months | -             | -             |
| <b>Cash &amp; Cash Equivalent in Cash Flow</b>     | <b>415.59</b> | <b>898.29</b> |

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

Place: Melbourne, Australia  
Dated: 26.06.2020

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

Gurugram, Haryana  
Date: 26.06.2020

**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

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**

## 5. PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	Land (Leasehold)	Land (Freehold)	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	599.31	116.04	278.58	4,219.98	3,844.03	90.90	917.60	66.73	183.44	542.72		10,859.33
Additions			13.60	130.83	51.24		13.62		40.83	145.98		396.10
Transfer												-
Disposals				(30.59)	(45.15)	(90.90)	(0.22)		(0.86)	(95.03)		(262.75)
<b>As at March 31, 2019</b>	599.31	116.04	292.18	4,320.22	3,850.12	-	931.00	66.73	223.41	593.67	-	10,992.68
<b>Accumulated Depreciation</b>												
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>	-	-	-	1,065.40	2,772.96	-	787.94	61.27	157.11	263.00		5,107.68
<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>1,077.16</b>	<b>-</b>	<b>143.06</b>	<b>5.46</b>	<b>66.30</b>	<b>330.67</b>		<b>5,885.00</b>
<b>Cost</b>												
As on 1st April - 2019	599.31	116.04	292.18	4,320.22	3,850.12	-	931.00	66.73	223.41	593.66		10,992.67
Additions	-	-	6.82	45.97	111.58	13.69	3.06	-	3.03	-		184.15
Transfer												
Disposals	-	-	-		(970.32)			-		(6.01)		(976.33)
<b>As at March 31, 2020</b>	<b>599.31</b>	<b>116.04</b>	<b>299.00</b>	<b>4,366.19</b>	<b>2,991.38</b>	<b>13.69</b>	<b>934.06</b>	<b>66.73</b>	<b>226.44</b>	<b>587.65</b>	<b>-</b>	<b>10,200.49</b>
<b>Accumulated Depreciation</b>												
As on 1st April - 2019	-	-	-	1,065.40	2,772.96	-	787.94	61.27	157.11	263.00		5,107.68
Charged during the year			4.99	71.80	78.41	0.54	46.45	1.06	20.65	49.36		273.26
Eliminated on disposal					(970.26)					(5.71)		(975.97)
<b>As at March 31, 2020</b>	<b>-</b>	<b>-</b>	<b>4.99</b>	<b>1,137.20</b>	<b>1,881.11</b>	<b>0.54</b>	<b>834.39</b>	<b>62.33</b>	<b>177.76</b>	<b>306.65</b>	<b>-</b>	<b>4,404.97</b>
<b>Net carrying amount as on 31st March 2020</b>	<b>599.31</b>	<b>116.04</b>	<b>294.01</b>	<b>3,228.99</b>	<b>1,110.27</b>	<b>13.15</b>	<b>99.67</b>	<b>4.40</b>	<b>48.68</b>	<b>281.00</b>	<b>-</b>	<b>5,795.52</b>

**5. PROPERTY, PLANT AND EQUIPMENT**

PARTICULARS	GROSS		BLOCK		DEPRECIATION			NET		BLOCK
	As on 01.04.2019	Additions during the year	Sales/ Transfer	As on 31.03.2018	As on 01.04.2019	During the year	Adjustment/ Transfer	Upto 31.03.2020	As on 31.03.2020	As on 31.03.2019
Land (Leasehold)	599.31			599.31	-	-		-	599.31	599.31
Land (Freehold)	116.04			116.04	-			-	116.04	116.04
Building (Noida)	292.18	6.82		299.00	-	4.99	-	4.99	294.01	292.18
Building	4,320.22	45.97		4,366.19	1,065.40	71.80		1,137.20	3,228.99	3,254.82
Plant & Machinery	3,850.12	111.58	970.32	2,991.38	2,772.95	78.41	970.26	1,881.10	1,110.28	1,077.17
Plant & Machinery (Noida)	-	13.69		13.69	-	0.54		0.54	13.15	-
Furniture, Fixture and Fitting	931.00	3.06		934.06	787.94	46.45		834.39	99.67	143.06
Office & Other Equipments	66.73			66.73	61.27	1.06	-	62.33	4.40	5.46
Computers	223.41	3.03		226.44	157.11	20.65		177.76	48.68	66.30
Vehicles	593.66		6.02	587.64	263.00	49.36	5.71	306.65	280.99	330.66
TOTAL - Current Year	10,992.67	184.15	976.34	10,200.48	5,107.67	273.26	975.97	4,404.96	5,795.52	5,885.00
Previous Year Capital Work in Progress	10,859.34	396.10	262.76	10,992.68	4,986.42	228.03	106.77	5,107.68	5,885.00	67.85
									5,795.52	5,952.85

Notes to Financial Statements for the year ended 31st March, 2020

Lac INR

Particulars	As at 31st March 2020	As at 31st March 2019
<b>6. LONG TERM INVESTMENT</b>		
<b>In Equity Shares - (Quoted &amp; Fully Paid)</b>	<b>236.21</b>	<b>236.21</b>
Fair Market Value of Quoted Investment	15.32	41.06
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>7,055.21</b>	<b>7,080.95</b>
<b>7. Other Non-Current Assets*</b>		
<b>A Non Current Financial Assets</b>		
(Unsecured, considered good)		
(i) Security Deposit	37.00	37.00
(ii) Deposit with Bank Margin Money		31.13
(iii) Tax Refundable	658.29	659.51
	<b>695.29</b>	<b>727.64</b>
<b>B Non Current Assets - Others</b>		
(Unsecured, considered doubtful)		
(i) Long Term Trade Receivable	23.63	20.21
(ii) Capital Advances	34.96	58.89
(iii) Subsidiary	143.21	142.83
(iv) Other advances*	70.00	70.00
Total	<b>967.09</b>	<b>1,019.57</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/ year.		
<b>8. Inventories</b>		
(i) Chinaware, Glassware, Silverware ,Linen etc	118.09	124.08
(ii) Kitchen Accessories	129.08	129.13
(iii) Provision, Food, Beverages etc.	70.79	74.22
(iv) General Stores and Spares	40.19	54.46
Total	<b>358.15</b>	<b>381.89</b>
<b>9. Trade Receivables</b>		
(Unsecured, considered good)		
(i) Outstanding for over Six Months	18.70	18.18
(ii) Others	374.83	491.82
	<b>393.53</b>	<b>510.00</b>
Total	<b>393.53</b>	<b>510.00</b>
<b>10. Cash and cash equivalent</b>		
<b>A Balances with banks:</b>		
(i) Cash on Hand	23.96	14.54
(ii) Cheque in Hand	-	-
(iii) On current account	89.11	139.56
<b>Total Cash &amp; Bank Balance</b>	<b>113.07</b>	<b>154.10</b>
<b>B Other bank balances</b>		
(i) Short Term Deposit (Maturity Less Than 3 months)*	-	-
(ii) Fixed deposit accounts-others	301.36	740.09
(iii) Unpaid Dividend Bank Accounts	1.16	4.10
<b>Total Other bank balances</b>	<b>302.52</b>	<b>744.19</b>
<b>Total Cash &amp; Cash Equivalent</b>	<b>415.59</b>	<b>898.29</b>

\*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.



# CHL LIMITED

## Notes to Financial Statements for the year ended 31st March, 2020

Lac INR

Particulars	As at 31st March 2020	As at 31st March 2019
<b>11. Other Financial Assets</b>		
(i) Interest accrued on bank deposits	3.90	9.37
(ii) Other advances*	-	-
<b>Total</b>	<b>3.90</b>	<b>9.37</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.

<b>12. Other Current Assets*</b>		
(i) Advances to others	29.18	37.24
(ii) Excise duty	1.25	1.52
(iii) Prepaid Expenses	106.04	107.88
(iv) GST Credit Receivable	0.66	20.13
<b>Total</b>	<b>137.13</b>	<b>166.77</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 Lac INR

Particulars	As At 31st March 2020	As At 31st March 2019
<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	3,000.00 3,000.00
(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	1,096.37 1,096.37

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

Particulars	As At 31st March 2020		As At 31st March 2019	
	No of shares	Percentage	No of Shares	Percentage
<b>Equity Shares with face value of Rs 2 per share</b>				
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: NIL				

### 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 Lac INR

Particulars	As At 31st March 2020		As At 31st March 2019	
	No of shares	Percentage	No of Shares	Percentage
Equity Share				
Malbros Investment Inc	322.88	58.90%	322.88	58.90%
Mr. O.P.Bajaj	34.48	6.29%	34.48	6.29%
Mr. Navin Sabharwal	51.5	9.40%	-	-

### E Shares held by holding Company Lac INR

Particulars	As At 31st March 2020		As At 31st March 2019	
	No of shares	Percentage	No of Shares	Percentage
Equity Share				
Malbros Investments Inc	322.88	58.90%	322.88	58.90%



#### 14. 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"
As at April 1, 2019	1,096.37	0.94	2,996.49	110.00	7,313.97	-
Impact of Valuation of Investment Add/(Less) Prior period errors			(25.75)			(25.75)
Restated balance at the beginning of the reporting period	1,096.37	0.94	2,970.74	110.00	7,313.97	-
Profit for the year *					286.56	286.56
Other comprehensive income						
Total comprehensive income for the year	-	-	-	-	286.56	286.56
As at March 31, 2020	1,096.37	0.94	2,970.74	110.00	7,600.53	-
As At April 1 2018	1,096.37	0.94	3,047.41	110.00	6,327.13	9,485.48
Impact of Valuation of Investment Add/(Less)			(45.03)			(45.03)
Prior period errors			(5.89)			(5.89)
Restated balance at the beginning of the reporting period	1,096.37	0.94	2,996.49	110.00	6,327.13	-
Profit for the year *					986.84	986.84
Other comprehensive income						-
Total comprehensive income for the year	-	-	-	-	986.84	986.84
As at March. 31st 2019	1,096.37	0.94	2,996.49	110.00	7,313.97	-

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

**CHL LIMITED****Notes to Financial Statements for the year ended 31st March, 2020****Lac INR**

Particulars	As at 31st March 2020	As at 31st March 2019
<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>2,996.49</b>	3,047.41
Add/(less): Impact on valuation of Quoted investment	<b>(25.75)</b>	(45.03)
Add: Other Comprehensive income	<u>-</u>	<u>5.89</u>
	<b>2,970.74</b>	2,996.49
<b>D PROFIT &amp; LOSS ACCOUNT</b>		
As per last Balance Sheet	<b>7,313.97</b>	6,327.13
Add Transferred from Profit & Loss Account	<b>286.55</b>	986.84
	<u><b>7,600.52</b></u>	<u>7,313.97</u>
	<u><b>10,682.20</b></u>	<u>10,421.40</u>
<b>15. Non Current Financial liabilities</b>		
<b>(i) Long Term Borrowings</b>		
Andhra Bank Term Loan	<b>63.40</b>	253.01
BOB Dubai Term Loan		691.73
Loan Against Vehicle Hire Purchase	<b>98.12</b>	132.35
Financial Lease		31.33
	<u><b>161.52</b></u>	<u>1,108.42</u>
<b>(ii) Other Financial Liabilities</b>		
Security Deposits	<b>242.92</b>	239.37
	<u><b>242.92</b></u>	<u>239.37</u>
Total Non Current Financial Liabilities	<u><b>404.44</b></u>	<u>1,347.79</u>
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.		
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.		
<b>16. Provisions</b>		
<b>A Provision for employee benefits</b>		
(i) Gratuity	<b>29.58</b>	29.29
(ii) Leave Benefit	<b>92.53</b>	90.83
<b>B Income Tax Provision</b>		
(i) Provisions	<b>-</b>	(0.18)
(ii) Current Year	<b>0.61</b>	57.07
(iii) Service Tax Under Vishwas Scheme	<b>138.49</b>	
Total	<u><b>261.21</b></u>	<u>177.01</u>

## Notes to Financial Statements for the year ended 31st March, 2020

Lac INR

Particulars	As at 31st March 2020	As at 31st March 2019
<b>17. Deferred tax Liability (Net)</b>		
Deferred taxes liability (Net)	592.08	667.88
Current Year	79.61	(75.80)
	<u>671.69</u>	<u>592.08</u>
(a) The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:		
Deferred tax liabilities:		
Difference in carrying value of property, plant & equipments	592.08	620.70
Total deferred income tax liabilities	<u>592.08</u>	<u>620.70</u>
Deferred tax assets:		
Employee benefits	79.61	(28.62)
Total deferred tax assets	<u>79.61</u>	<u>(28.62)</u>
Deferred tax liabilities after set off	<u>671.69</u>	<u>592.08</u>
<b>18. Trade Payables</b>		
Outstanding dues of micro & medium enterprises	52.40	7.45
Outstanding dues of trade payables other than micro & medium enterprises	274.03	282.52
<b>Total</b>	<u>326.43</u>	<u>289.97</u>
<b>19. Other Financial Liabilities</b>		
<u>Current</u>		
Andhra Bank Term Loan	190.60	190.60
BOB DUBAI TERM LOAN	-	691.73
Interest Accrued but not payable	-	7.43
Overdraft from Banks against Fixed Deposit	281.62	552.35
<u>Payable</u>		
Expenses payable	5.23	9.16
Payable to employees	218.54	219.27
Advance from Customers	186.98	156.25
Unpaid Dividend	1.16	4.10
Other Payables	736.08	110.92
<b>Total</b>	<u>1,620.21</u>	<u>1,941.81</u>
<b>20. Other Current Liabilities</b>		
GST & VAT Payable	26.08	113.33
TDS payable	15.19	18.08
Payable to government authorities	22.30	21.85
<b>Total</b>	<u>63.57</u>	<u>153.26</u>



# CHL LIMITED

## Revenue From Operation

Lac INR

Particulars	Particulars Figures as at the end of current reporting period ending 31st March 2020		Figures as at the end of previous reporting period ending 31st March 2019	
<b>21. REVENUE FROM OPERATIONS</b>				
Sale of Product				
Wine & Liquor	288.08		358.09	
Food, Beverage & Smokes	1,675.58		2,077.00	
	1,963.66		2,435.09	
Less Excise Duty	-	1,963.66	0.01	2,435.08
Sale of Services				
Rooms	3,041.75		3,475.39	
Licence Fee	685.61		741.41	
Communications	40.98		13.56	
Other Operating Revenues	189.10		221.27	
Banquet Misc. Services	86.57	4,044.01	82.76	4,534.39
Sale of Packaging		17.45		
		6,025.12		6,969.47
<b>22. OTHER INCOME</b>				
Interest earned on Fixed Deposit		30.67		55.42
Dividend Income - Long Term Investments		0.02		0.01
Foreign Currency transaction gain/(loss)		12.08		18.87
Scrap Income		0.27		0.99
Excess Provision & Other Income		5.38		30.74
		48.42		106.03
<b>23. Consumption of Provision, Beverages and Smokes</b>				
<b>A. PROVISIONS, BEVERAGES &amp; SMOKES</b>				
Opening Stock	12.95		14.75	
Add: Purchases	424.34		425.00	
	437.29		439.75	
Less : Closing stock	16.92	420.37	12.95	426.80
<b>B. WINE &amp; LIQUOR</b>				
Opening Stock	61.27		65.26	
Add: Purchases	56.82		89.49	
	118.09		154.75	
Less:Closing Stock	53.87	64.22	61.27	93.48
<b>C. Packaging Material Consumption</b>		6.02		-
		490.61		520.28
<b>24. Employee Benefits Expense</b>				
Salaries, Wages & other benefits		1,788.34		1,753.87
Contribution to ESI and Provident fund		120.47		122.99
Gratuity		29.58		29.29
Compensated absences		20.80		17.22
Employees Welfare Expenses		94.35		74.70
Recruitment & Training Expenses		0.93		0.88
		2,054.47		1,998.95

**Notes to Financial Statements for the year ended 31st March, 2020**

**Lac INR**

Particulars	Particulars Figures as at the end of current reporting period ending 31st March 2020	Figures as at the end of current reporting period ending 31st March 2019
<b>25. Finance Cost</b>		
(i) Interest on Term Loan	184.54	354.34
(ii) Interest others	67.50	62.76
(iii) Bank & Financial Charges	15.92	19.14
	<u>267.96</u>	<u>436.24</u>
<b>26. Operational Expenses</b>		
Linen, Room Catering and other Supplies	158.55	172.10
Power & Fuel	697.27	786.97
Water Charges	29.58	34.38
Repairs:Machinery	89.50	76.61
Building	191.21	66.04
Others	212.06	143.72
Rent, Rates & Taxes	279.50	210.83
Hire Charges	213.43	195.47
Insurance	17.47	14.73
communication Expenses	20.65	21.03
Operational Expenses	57.11	38.67
Travelling & Conveyance	131.53	178.60
Legal & Professional Expenses	127.46	235.71
Advertisement & Publicity	2.74	7.85
Commission	179.62	212.29
Other Selling Expenses	76.75	42.16
	<u>2,484.43</u>	<u>2,437.16</u>
<b>27. Other Expenses</b>		
Directors Sitting Fee	10.20	11.20
Charity & Donation	7.50	4.00
CSR Responsible expenses	10.00	20.00
Loss on sale of Assets	-	97.17
Assets Written off	0.05	29.36
	<u>27.75</u>	<u>161.73</u>

**28. Contingent liabilities not provided for in respect of****Lac INR**

	<b>2019-2020</b>	<b>2018-2019</b>
(i) Demands / Claims not acknowledged as debt or which are under litigation	<b>10.00</b>	20.00
(ii) Bank Guarantees furnished	<b>NIL</b>	NIL
(iii) Disputed demands for taxes duties and other levies pending adjudication in appeal	<b>407.85</b>	975.89
(iv) Corporate Guarantee (million Dollar)**	<b>US\$32.50</b>	US\$32.50

\*\*Pursuant to the filing of case before the Economic Court of Tajikistan by the CJSC CHL International, our subsidiary Company, against the Export Import Bank of India (EXIM Bank) in respect of loan availed by it, the Economic Court partially accepted the claims of CJSC CHL International vide its Order dated 01.05.2018. Against this Order, EXIM Bank appealed to the Hon'ble Supreme Economic Court of Tajikistan, which was dismissed by the Supreme Economic Court, vide its Order dated 14.08.2018.

During the pendency of case in the Economic Court of Tajikistan, the EXIM Bank initiated proceedings under IBC Code 2016 in the National Company Law Tribunal (NCLT), New Delhi against CHL Limited invoking its Corporate Guarantee, which was dismissed vide its Order dated 11.01.2018. The EXIM Bank, against this Order, appealed to National Company Law Appellate Tribunal (NCLAT), New Delhi and the same was also dismissed vide its Order dated 16.01.2019. Subsequently, EXIM Bank has filed Civil Appeal before Hon'ble Supreme Court of India which is pending for adjudication.

Further, EXIM Bank filed an Original Application before the Debts Recovery Tribunal-I, Delhi invoking the personal Guarantee of Mr. Lalit Kumar Malhotra, Chairman of CHL Limited, which is also pending for 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 300.00 lacs (Rs. 738.98 lacs).

31. Depreciation has been provided on building, plant and machinery in NSEZ Noida as the same has been put to use wef 01-04-2019.

32. Lease rental on NSEZ Noida land has been paid and charged to revenue. 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.60.00 Lacs (previous year Rs. 112.00 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. 52.40 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:-

	<b>Current Period</b>	<b>Previous Period</b>
Type of Benefit	Privilege Leave	Privilege Leave
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Unfunded	Unfunded
Starting Period	01-Apr-19	01-Apr-18
Date of Reporting	31-Mar-20	31-Mar-19
Period of Reporting	12 Months	12 Months

#### Assumptions (Opening Period)

Expected Return on Plan Assets	N.A	N.A
Rate of Discounting	7.79%	7.78%
Rate of Salary Increase	5.00%	5.00%
Rate of Employee Turnover	1.00%	1.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Mortality Rate After Employment	N.A.	N.A.

#### Table showing change in the present value of Projected Benefit Obligation

Present Value of Benefit Obligation at the Beginning of the Period	9082994	8383649
Interest Cost	707565	652248
Current Service Cost	539462	567546
Past Service Cost - Non Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit In current During the Period	-	-
Liability Transferred In/Acquisitions	-	-
(Liability Transferred Out/Divestments)	-	-
(Gains)/Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-1910561	-1022939
(Benefit Paid From the Fund)	-	-
The Effect of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	589050	-6724
Actuarial (Gains)/Losses on Obligations - Due to Experience	244313	509214
Present Value of Benefit Obligation at the End of the Period	9252823	9082994

#### Table showing Change in the Fair use of Plan Assets

Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Cost	-	-
Contribution by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred in/Acquisitions	-	-
Assets Transferred Out/Divestments	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
(Expenses and Tax for managing the Benefit Obligations - paid from the fund)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes in Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-



**Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss for Current Period**

Actuarial (Gains)/Losses on Obligation for the Period	833363	502490
Return on Plan Assets, Excluding Interest Income	-	-
Sub Total	833363	502490
Actuarial (Gains)/Losses Recognized in the Statement of	-	-
Profit or Loss	833363	502490

**Actual Return on Plan Assets**

Interest Income	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Actual Return on Plan Assets	-	-

**Amount Recognized in the Balance Sheet**

(Present Value of Benefit Obligation at the end of the Period)	-9252823	-9082994
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus)/(Deficit)	-9252823	-9082994
Unrecognized Past Service Cost at the end of the Period	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	-9252823	-9082994

**Net Interest Cost for Current Period**

Present Value of Benefit Obligation at the Beginning of the Period	9082994	8383649
(Fair Value of Plan Assets at the Beginning of the Period)	-	-
Net Liability/(Asset) at the Beginning	9082994	8383649
Interest Cost	707565	652248
(Interest Income)	-	-
Net Interest Cost for Current Period	707565	652248

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

Current Service Cost	539462	567546
Net Interest Cost	707565	652248
Actuarial (Gains)/Losses	833363	502490
Past Service Cost- Non-Vested Benefit Recognized During the Period	-	-
Past Service Cost- Vested Benefit Recognized During the Period	-	-
(Expected Contributions by the Employees)	-	-
(Gains/Losses on Curtailments And Settlements)	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Changes in Asset Ceiling	-	-
Expenses Recognized in the Statement of Profit or Loss	2080390	1722284

**Balance Sheet Reconciliation**

Opening Net Liability	9082994	8383649
Expense Recognized in Statement of Profit or Loss	2080390	1722284
Net Liability/(Asset) Transfer In	-	-
Net Liability/(Asset) Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-1910561	-1022939
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	9252823	9082994

#### Category of Assets

Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-
Debt Instruments	-	-
Corporate Bonds	-	-
Cash And Cash Equivalents	-	-
Insurance Fund	-	-
Asset Backed Securities	-	-
Structured Debt	-	-
Other	-	-
Total	-	-

#### Other Details

No.of Active Members	416	418
Per Month Salary For Active Members	10679360	10484530
Projected Benefit Obligation (PBO)	9252823	9082994
Prescribed Contribution for Next Year (12 Months)	-	-

#### Experience Adjustment

Actuarial (Gains)/Losses on Obligations - Due to Experience	244313	509214
Return on Plan Assets, Excluding Interest Income	-	-

#### 38. Related party Disclosure and transactions

Subsidiary Company		CHL International			
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			
Sl. No	Name of Party	Nature of Transaction	Transaction value	Bal. as on 31.3.2020	Bal. as on 31.3.2019
(a)	Malbros Holdings Pvt Ltd	Asset Financing	--	NIL	31.33
(b)	Malbros Holdings Pvt Ltd	Intercompany Finance	600.00	600.00	--
(c)	CHL International	- Investment	--	7019.47	7019.47
		- Advances	--	142.83	142.83

39. Amount transferred to Investor Education and Protection Fund as required under section 124 and 125 of the Companies Act 2013 - Rs. 2.93 lacs (Previous Year Rs.2.70 lacs)

#### 40. 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 31.03.2020	As at 31.03.2019
Upto 6 months	<b>374.82</b>	491.82
More than 6 months	<b>18.70</b>	18.17
Total	<b>393.52</b>	509.99

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 31.03.2020			As at 31.03.2019		
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total
Non current financial liabilities – borrowings	--	<b>161.52</b>	<b>161.52</b>	--	1108.42	1108.42
Non current financial liabilities – others	<b>261.21</b>	<b>242.92</b>	<b>504.13</b>	177.01	239.37	416.38
Current financial liabilities–borrowings	<b>1620.21</b>	--	<b>1620.21</b>	1941.81	--	1941.81
Current financial liabilities – Trade Payables	<b>326.43</b>	--	<b>326.43</b>	289.97	--	289.97
Current financial liabilities – others	<b>63.57</b>	--	<b>63.57</b>	153.26	--	153.26
Total	<b>2271.42</b>	<b>404.44</b>	<b>2675.86</b>	2562.05	1347.79	3909.84

## 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	31.03.2020	31.03.2019
Total Debt	<b>2675.86</b>	3909.84
Equity	<b>11778.57</b>	11517.77
Capital & net debt	<b>14454.43</b>	15427.61
Gearing ratio	<b>18.51%</b>	25.34%

## 41. Impact of COVID-19 on Business Operations

The World Health Organization declared the COVID-19 outbreak as a pandemic on 11th March 2020, leading to series of measures by countries across the world to contain the spread of the virus. India responded by imposing a nationwide lockdown on 24th March 2020. The process of lifting of lockdown in various states has since started in phases, effective 1st June, 2020, guided by the decision of individual states. During a major part of this period, hotel and flight operations were mandated to remain nonoperational, which affected business at our hotels and other operations across India. Similar restrictions in other countries affected business at our hotels from various international markets. The Management's priority in dealing with the exceptional challenges posed by COVID-19 has been to ensure the safety of its guests and employees, support suppliers, keep the supply chain operational for essential supplies. The consequence of the COVID-19 outbreak on the Company's business for the financial year ended 31st March, 2020 is limited, as business was impacted only in the last week of March 2020. Several cost rationalisation measures have been initiated subsequent to the year end and are being monitored. The Management foresee stress on liquidity, as it has applied for short term loan from existing banks, which is under their consideration. In the meantime to meet statutory payments, the company has taken some borrowing from NBFC Companies. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Management has considered the impact from a prolonged

lockdown situation; travel restrictions being continued to be imposed by India and other countries even after lifting of the lockdown, guests postponing their discretionary spending, continued restrictions on the number of domestic and international flights, internal and external information available up to the date of approval of these financial statements including credit reports and economic forecasts. The Management has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, right of use assets, intangible assets, investment property, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company as on 31st March, 2020 and has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, expects to recover the carrying amounts of these assets. The impact of COVID-19 may be different from that estimated on the date of approval of these financial statements and the Management will continue to closely monitor any material changes to future economic conditions and taking suitable steps to remain in market.

**42. Segment Reporting:**

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

**43. Previous year's figures have been regrouped and rearranged wherever necessary to make it comparable with the Current Years figures. All figures have been rounded off to nearest lac rupee.**

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

Chartered Accountants  
Reg. No. 003486N

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

Partner  
Membership No. 080355

Place: Melbourne, Australia  
Dated: 26.06.2020

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

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

for & on behalf of the Board of Directors

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

Gurugram, Haryana  
Date: 26.06.2020

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

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of CHL LIMITED**

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

#### **Opinion**

We have audited the accompanying Consolidated Financial Statements of CHL LIMITED ("the company"), which comprise the consolidated Balance Sheet as at 31 March 2020, 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, 2020, and the consolidated 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.

#### **Emphasis of Matter**

We draw your attention to Note No. 41 to the financial statements, which explain the uncertainties and management's assessment of the financial impact due to disruptions arising from COVID-19 pandemic situation. The company has assessed potential impact of COVID-19 on the carrying value of trade receivable, and assets including (Non current and current) appearing in financial statements of the company. In developing assumptions and estimates relating to future uncertainties in the economic conditions because of this pandemic, the company as at the date of approval of these financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to future economic condition. Our opinion is not modified in respect of this matter.

The management performed year end physical verification of inventories prior to the year end. We were not able to physically observe the physical stock verification before the year end.

#### **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.

The boards 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, 2020 reflect total assets of Rs. 39,428.34 Lac and total deficit of Rs. 3,038.54 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**

##### **As required by section 143(3) of the Act, we report that:**

- 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.
- 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
- 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.
- 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;
- On the basis of written representations received from the directors as on 31 March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
- 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:
  - The Company has disclosed the impact of pending litigations as at 31st March, 2020, on its consolidated financial position of the entities – (Refer Note No.28 ) to the Consolidated Financial Statements;
  - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - 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**  
**UDIN:20080355AAAAAG1310**

Place: Melbourne, Australia  
Dated: 26.06.2020



# CHL LIMITED

## Consolidated Balance sheet as at 31st March, 2020

Lac INR

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	5	30,246.29	31,985.91
(b) Other non-current assets	6	36.04	61.70
(c) Financial assets	7	968.68	1,021.15
<b>Total Non current assets</b>		<b>31,251.01</b>	<b>33,068.76</b>
<b>(2) Current assets</b>			
(a) Inventory	8	815.23	779.52
(b) Financial assets			
(i) Trade receivables	9	450.19	593.09
(ii) Balances with banks	10	158.79	209.97
(iii) Other bank balances		302.52	744.19
(iv) Other financial assets	11	33.38	149.35
(c) Other current assets	12	887.49	859.20
<b>Total Current Assets</b>		<b>2,647.60</b>	<b>3,335.32</b>
<b>Total Assets</b>		<b>33,898.61</b>	<b>36,404.08</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	13	5,518.58	5,518.58
(b) Other Equity(Refer SOCE)	14	(2,954.18)	(176.44)
		<b>2,564.40</b>	<b>5,342.14</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities :-			
(i) Long Term Borrowings	15.1	21,325.23	22,272.13
(ii) Other Financial Liabilities	15.2	1,475.45	1,635.90
(b) Deferred Tax Liability (Net)	16	671.69	592.08
(c) Provisions	17	261.21	177.01
		<b>23,733.58</b>	<b>24,677.12</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	18	513.19	531.96
(ii) Other financial liabilities	19	7,023.87	5,699.60
(b) Other current liabilities	20	63.57	153.26
		<b>7,600.63</b>	<b>6,384.82</b>
<b>Total Equity and Liabilities</b>		<b>33,898.61</b>	<b>36,404.08</b>

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

Chartered Accountants  
Reg. No. 003486N

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

LUV MALHOTRA  
Managing Director  
DIN 00030477

N.K.GOEL  
Vice President  
Finance & CFO

Place: Melbourne, Australia  
Dated: 26.06.2020

for & on behalf of the Board of Directors

L.K.MALHOTRA  
Chairman  
DIN 00213086

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

Gurugram, Haryana  
Date: 26.06.2020



**Statement of Consolidated Profit & Loss for the year ended 31st March, 2020**
**Lac INR**

Particulars	Note No.	For the year ending 31st March 2020	For the year ending 31st March 2019
<b>I Revenue From Operations</b>	21	<b>8,628.57</b>	9,218.40
<b>II Other Income</b>	22	<b>53.23</b>	115.97
<b>III Total Income (I+II)</b>		<b>8,681.80</b>	9,334.37
<b>IV Expenses</b>			
Consumption of Provision, Beverages, Smokes and others	23	<b>735.01</b>	741.44
Employee benefit expense	24	<b>2,957.02</b>	2,874.70
Finance Cost	25	<b>1,770.84</b>	1,979.20
Operational Expenses	26	<b>3,899.11</b>	3,520.24
Depreciation and amortization expense		<b>1,855.55</b>	1,810.32
Other expenses	27	<b>27.75</b>	161.73
Total expenses (IV)		<b>11,245.28</b>	11,087.63
<b>V Profit Before extraordinary items (III-IV)</b>		<b>(2,563.48)</b>	(1,753.26)
<b>VI Exceptional items/Extraordinary Items</b>			310.94
<b>VII Profit before tax (V-VI)</b>		<b>(2,563.48)</b>	(1,442.32)
<b>VIII Tax expense :</b>			
(1) Current Tax	<b>136.58</b>		405.77
(2) Last Year Tax Provision adjustment	<b>(27.68)</b>		(17.81)
(3) Deferred Tax	<b>79.61</b>		(75.80)
		<b>188.51</b>	312.16
		<b>188.51</b>	312.16
<b>IX Profit for the year/period (VII-VIII)</b>		<b>(2,751.99)</b>	(1,754.48)
<b>X Other comprehensive income</b>			
(A) Items those will be reclassified to profit or loss in subsequent periods:			
(i) Net gain/(loss) on above		-	5.89
		-	5.89
(B) Items those will not be reclassified to profit or loss in subsequent periods:		-	-
<b>XI Total Comprehensive Income for the period</b>			
(Comprising Profit and Other Comprehensive Income for the period)		<b>(2,751.99)</b>	(1,748.59)
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

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

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

Place: Melbourne, Australia  
Dated: 26.06.2020

for & on behalf of the Board of Directors

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

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

Gurugram, Haryana  
Date: 26.06.2020



# CHL LIMITED

## Consolidated Cash Flow Statment for the year ended 31st March, 2020

Lac INR

Particulars	For the year ending 31st March 2020	For the year ending 31st March 2019
<b>A) Cash Flow From Operating Activities</b>		
Net Profit before Tax & Extraordinary Items	(2,563.48)	(1,442.31)
Adjustments for		
Extraordinary Items		(310.94)
Depreciation	1,855.55	1,810.32
Dividend Income	(0.02)	(0.01)
Exchange Reserve	(34.38)	27.77
Loss on Sale of Assets	-	97.17
Comprehensive income	-	5.89
Scrapped/Discarded Assets written off	0.05	29.36
Profit/(Loss) on Investment	-	(45.04)
Interest Expenditure	1,770.84	1,979.20
Interest Received	(35.48)	(65.36)
<b>Operating Profit before Working Capital Changes</b>	<b>993.08</b>	<b>2,086.05</b>
Adjustments for		
(Increase) Decrease in Inventories	(35.71)	(44.80)
(Increase) Decrease in Trade Receivables	142.90	17.18
(Increase) Decrease in Loans	(0.09)	29.56
(Increase) Decrease in Other Financial assets	174.54	(228.07)
Increase (Decrease) in Trade Payables	(18.77)	(341.80)
Increase (Decrease) in Other Financial liabilities	1,072.58	1,958.49
<b>Cash generated from Operations</b>	<b>2,328.53</b>	<b>3,476.61</b>
Income Tax (Paid)/Refund	-	(37.76)
<b>Net Cash from Operating Activities (A)</b>	<b>2,328.53</b>	<b>3,438.85</b>
<b>B) Cash Flow from Investing Activities</b>		
Purchase of Property, plant & Equipment	(116.30)	(463.95)
Disposal of Property, plant & Equipment	0.31	29.36
Interest Received	35.48	65.36
Dividend Received	0.02	0.03
<b>Net Cash used in Investing Activities(B)</b>	<b>(80.49)</b>	<b>(369.20)</b>
<b>C) Cash Flow from Financing Activities</b>		
Proceeds from issue of Capital		
Interest Paid	(1,770.84)	(1,979.20)
Increase (Decrease) in Security Deposit	3.55	
Increase/(Decrease) in long term Borrowing	(946.90)	(743.27)
Increase/(Decrease) in Provisions	(26.70)	(86.94)
<b>Net Cash used in Financing Activities (C)</b>	<b>(2,740.89)</b>	<b>(2,809.41)</b>
<b>Net increase/ decrease in cash and cash equivalents (A+B+C)</b>	<b>(492.85)</b>	<b>260.24</b>
Cash & Cash Equivalent (Opening balance)	954.16	694.02
Cash & Cash Equivalent (Closing balance)	461.31	954.26
<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	461.31	954.26
Deposit with Bank with maturity less than 3 months	-	-
Cash & Cash Equivalent in Cash Flow	461.31	954.26

As per our report of even date attached  
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

Place: Melbourne, Australia  
Dated: 26.06.2020

N.K.GOEL  
Vice President  
Finance & CFO

Gurugram, Haryana  
Date: 26.06.2020

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 Surya" in New Delhi.

### 2. BASIS OF PREPARATION

- 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.
- 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.
- 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.
- 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

- 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.
- 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.
- 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.
- 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

- 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).
- 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**

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

# 5. 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	LAC INR Grand Total
<b>Cost</b>												
As on 1st April - 2019	993.48	116.04	292.18	18,961.42	10,823.04	-	8,934.12	82.27	2,080.55	632.28	67.85	42,983.23
Additions			6.82	45.97	111.58	13.69	3.06		3.03			184.15
Transfer												-
Disposals					(970.32)					(6.02)	(67.85)	(1,044.19)
<b>As at March 31, 2020</b>	<b>993.48</b>	<b>116.04</b>	<b>299.00</b>	<b>19,007.39</b>	<b>9,964.30</b>	<b>13.69</b>	<b>8,937.18</b>	<b>82.27</b>	<b>2,083.58</b>	<b>626.26</b>	<b>-</b>	<b>42,123.19</b>
<b>Accumulated Depreciation</b>												
As on 1st April - 2019	20.94	-	-	1,843.49	3,659.01	-	3,968.99	72.17	1,146.23	286.49	-	10,997.32
Charged during the year	5.74		4.99	284.84	310.60	0.54	901.46	3.72	290.52	53.14		1,855.55
Eliminated on disposal					(970.26)					(5.71)		(975.97)
<b>As at March 31, 2020</b>	<b>26.68</b>	<b>-</b>	<b>4.99</b>	<b>2,128.33</b>	<b>2,999.35</b>	<b>0.54</b>	<b>4,870.45</b>	<b>75.89</b>	<b>1,436.75</b>	<b>333.92</b>	<b>-</b>	<b>11,876.90</b>
<b>Net carrying amount as on 31st March 2020</b>	<b>966.80</b>	<b>116.04</b>	<b>294.01</b>	<b>16,879.06</b>	<b>6,964.95</b>	<b>13.15</b>	<b>4,066.73</b>	<b>6.38</b>	<b>646.83</b>	<b>292.34</b>	<b>-</b>	<b>30,246.29</b>
<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)	(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)
As at March 31, 2019	21.74	-	-	1,843.49	3,659.01	-	3,968.99	72.17	1,146.23	286.49	-	10,998.12
<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>

5. PROPERTY, PLANT AND EQUIPMENT											Lac INR
PARTICULARS	GROSS			BLOCK		DEPRECIATION			NET		BLOCK
	As on 01.04.2019	Additions during the year	Sales/ Transfer	As on 31.03.2020	As on 01.04.2019	During the year	Adjustment/ Transfer	Upto 31.03.2020	As on 31.03.2020		
Land (Leasehold)	993.48			993.48	20.94	5.74		26.68	966.80	972.54	
Land (Freehold)	116.04			116.04	-			-	116.04	116.04	
Land & Building (Noida)	292.18	6.82		299.00	-	4.99		4.99	294.01	292.18	
Building	18,961.42	45.97		19,007.39	1,843.49	284.84		2,128.33	16,879.06	17,117.93	
Plant & Machinery	10,823.04	111.58	970.32	9,964.30	3,659.01	310.60	970.26	2,999.35	6,964.95	7,164.03	
Plant & Machinery (Noida)	-	13.69		13.69	-	0.54		0.54	13.15	-	
Furniture, Fixture and Fitting	8,934.12	3.06		8,937.18	3,968.99	901.46		4,870.45	4,066.73	4,965.13	
Office & Other Equipments	82.27			82.27	72.17	3.72		75.89	6.38	10.10	
Computers	2,080.55	3.03		2,083.58	1,146.23	290.52		1,436.75	646.83	934.32	
Vehicles	632.28		6.02	626.26	286.49	53.14	5.71	333.92	292.34	345.79	
Total-Current Year	42,915.38	184.15	976.34	42,123.19	10,997.32	1,855.55	975.97	11,876.90	30,246.29	31,918.06	
Previous Year	42,782.04	396.10	262.76	42,915.38	9,293.77	1,810.32	106.77	10,997.32	31,918.06	33,488.27	
Capital Work in Progress										67.85	
										31,985.91	

**Notes to Consolidated Financial Statements for the year ended 31st March, 2020**

**Lac INR**

Particulars	As at 31st March 2020	As at 31st March 2019
<b>6. LONG TERM INVESTMENT</b>		
In Equity Shares -(Quoted & Fully Paid)	236.21	236.21
Fair Market Value of Quoted Investment	15.32	41.06
<b>In Equity Shares - Unquoted &amp; Fully Paid)</b>	<b>10.42</b>	<b>10.42</b>
<b>In Mutual Funds (Unquoted, Fully Paid)</b>	<b>10.00</b>	<b>10.00</b>
Tajikistan Electricity Board	0.30	0.22
Total Investment at cost	256.63	256.63
<b>Total Investment at Fair Market Value</b>	<b>36.04</b>	<b>61.70</b>
<b>7. Other Non-Current Assets</b>		
<b>Non Current Financial Assets</b>		
(Unsecured, considered good)		
Security Deposit	37.00	37.00
Deposit with Bank Margin Money		31.13
Tax Refundable	659.88	661.09
<b>Non Current Assets - Others</b>		
(Unsecured, considered doubtful)		
Long Term Trade Receivable	23.63	20.21
Capital Advances	34.96	58.89
Subsidiary	143.21	142.83
Other advances*	70.00	70.00
<b>Total</b>	<b>968.68</b>	<b>1,021.15</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/ year.		
<b>8. Inventories</b>		
(i) Chinaware, Glassware, Silverware ,Linen etc	118.09	271.59
(ii) Kitchen Accessories	424.51	223.70
(iii) Provision, Food, Beverages etc.	70.79	74.22
(iv) General Stores and Spares	201.84	210.01
	815.23	779.52
Less: Provision for Slow Moving items	-	-
<b>Total</b>	<b>815.23</b>	<b>779.52</b>
<b>9. Trade Receivables</b>		
Unsecured, considered good		
(i) Outstanding for over Six Months	18.70	18.18
(ii) Others	431.49	574.91
<b>Total</b>	<b>450.19</b>	<b>593.09</b>



## Notes to Consolidated Financial Statements for the year ended 31st March, 2020

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	30.68	25.93
- Cheque in Hand	-	-
- On current account	128.11	184.04
<b>Total cash and cash equivalent as per Statement of Cash Flows</b>	<b>158.79</b>	<b>209.97</b>
Other bank balances		
Fixed deposit accounts (Maturity more than 3 months)	301.36	740.09
Unpaid Dividend Bank Accounts	1.16	4.10
Total Other bank balances	302.52	744.19
<b>Total</b>	<b>461.31</b>	<b>954.16</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.		
<b>11. Other Financial Assets</b>		
Interest accrued on bank deposits	3.90	9.37
Other advances	29.48	139.98
<b>Total</b>	<b>33.38</b>	<b>149.35</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.		
<b>12. Other Current Assets</b>		
Advances to others	54.97	37.24
Excise duty -	1.25	1.52
Cenvet Credit Recoverable	-	-
Prepaid expense	134.76	138.84
GST Receivable	0.66	20.13
Others	695.85	661.47
<b>Total</b>	<b>887.49</b>	<b>859.20</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 31st March, 2020

Lac INR

Particulars	As at 31st March 2020	As at 31st March 2019
<b>13. Equity Share Capital</b>		
Share capital		
<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

Lac INR

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of shares	Percentage	No of Shares	Percentage
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: NIL				

### (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, 2020		As at March 31, 2019	
	No of shares	Percentage	No of Shares	Percentage
<b>Equity Share</b>				
Malbros Investments Inc	<b>322.88</b>	<b>58.90%</b>	322.88	58.90%
Mr. O.P.Bajaj	<b>34.48</b>	<b>6.29%</b>	34.48	6.29%
Mr. Navin Sabharwal	<b>51.5</b>	<b>9.40%</b>	-	-

### (E) Shares held by holding Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of shares	Percentage	No of Shares	Percentage
<b>Equity Share</b>				
Malbros Investments Inc	<b>322.88</b>	<b>58.90%</b>	322.88	58.90%

STATEMENT OF EQUITY CHANGES		Lac INR				
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"
As at April 1, 2019	5,518.58	0.94	3,273.61	110.00	(3,560.99)	-
Changes in accounting policy						
Difference in exchange fluctuation			(25.75)			
Restated balance at the beginning of the reporting period	5,518.58	0.94	3,247.86	110.00	(3,560.99)	-
Profit for the year *					(2,751.99)	(2,751.99)
Other comprehensive income						-
Total comprehensive income for the year	-	-	-	-	(2,751.99)	(2,751.99)
As at March 31, 2020	5,518.58	0.94	3,247.86	110.00	(6,312.98)	(2,954.18)
As At April 1 2018	5,518.58	0.94	3,324.55	110.00	(1,812.41)	1,623.07
Changes in accounting policy			(45.03)			(45.03)
Exchange Fluctuation						
Prior period errors						
Restated balance at the beginning of the reporting period	5,518.58	0.94	3,279.52	110.00	(1,812.41)	1,578.04
Profit for the year *					(1,748.59)	(1,748.59)
Other comprehensive income			(5.89)			(5.89)
Total comprehensive income for the year	-	-	(5.89)	-	(1,748.59)	(1,754.48)
As at March. 31st 2019	5,518.58	0.94	3,273.63	110.00	(3,561.00)	(176.44)

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

## Notes to Consolidated Financial Statements for the year ended 31st March, 2020

Lac INR

Particulars	As at 31st March 2020	As at 31st March 2019
<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	3,273.61	3,324.54
Add/(less): Impact on valuation of Quoted investment	(25.75)	(45.03)
Add: Transferred from Profit & Loss Account		5.88
	<u>3,247.86</u>	<u>3,273.63</u>
<b>(D) PROFIT &amp; LOSS ACCOUNT</b>		
As per last Balance Sheet	(3,560.99)	(1,812.42)
Add Transferred from Profit & Loss Account	(2,751.99)	(1,748.59)
	<u>(6,312.98)</u>	<u>(3,561.01)</u>
	<u>(2,954.18)</u>	<u>(176.44)</u>
<b>15. Non Current Financial liabilities</b>		
<b>(i) Long Term Borrowings</b>		
Andhra Bank Term Loan	63.40	253.01
BOB DUBAI TERM LOAN	-	691.73
Export Import Bank of India	21,163.71	21,163.71
Loan Against Vehicle Hire Purchase	98.12	132.35
Financial Lease	-	31.33
	<u>21,325.23</u>	<u>22,272.13</u>
<b>(ii) Other Financial Liabilities</b>		
Security Deposits	242.92	239.37
Unsecured Loan	1,232.53	1,396.53
	<u>1,475.45</u>	<u>1,635.90</u>
<b>Total</b>	<u>22,800.68</u>	<u>23,908.03</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 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 & Managing Director of the holding company. Refer Note No

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.

## 16. Deferred tax Liability (Net)

Deferred taxes liability (Net)	592.08	667.88
Current Year	79.61	(75.80)
	<u>671.69</u>	<u>592.08</u>

The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

Deferred tax liabilities:

Difference in carrying value of property, plant & equipments	592.08	620.70
Total deferred income tax liabilities	<u>592.08</u>	<u>620.70</u>



# CHL LIMITED

## Notes to Consolidated Financial Statements for the year ended 31st March, 2020

Lac INR

Particulars	As at 31st March 2020	As at 31st March 2019
Deferred tax assets:		
Employee benefits	79.61	(28.62)
Total deferred tax assets	79.61	(28.62)
Deferred tax assets after set off		
Deferred tax liabilities after set off	671.69	592.08
<b>17. Provisions</b>		
Provision for employee benefits		
- Gratuity	29.58	29.29
- Leave Benefit	92.53	90.83
- Provisions	-	(0.18)
- Current Year	0.61	57.07
- Service Tax Under Vishwas Scheme	138.49	
<b>Total</b>	<b>261.21</b>	<b>177.01</b>
<b>18. Trade Payables</b>		
Outstanding dues of micro & medium enterprises		7.45
Outstanding dues of trade payables other than micro & medium enterprises	513.19	524.51
<b>Total</b>	<b>513.19</b>	<b>531.96</b>
<b>19. Other Financial Liabilities</b>		
Current		
Andhra Bank Term Loan	190.60	190.60
BOB DUBAI TERM LOAN	-	691.73
Interest Accrued but not payable	-	7.43
Overdraft from Banks against Fixed Deposit	281.62	552.35
Payable		
Expenses payable	5.23	9.16
Payable to employees	305.26	356.01
Advance from Customers	193.59	158.27
Unpaid Dividend	1.16	4.10
Other Payables	6,046.41	3,729.95
<b>Total</b>	<b>7,023.87</b>	<b>5,699.60</b>
<b>20. Other Current Liabilities</b>		
GST & VAT Payable	26.08	113.33
TDS payable	15.19	18.08
Payable to government authorities	22.30	21.85
<b>Total</b>	<b>63.57</b>	<b>153.26</b>

Notes to Consolidated Financial Statements for the year ended 31st March, 2020

Lac INR

Particulars	For the year ending 31st March 2020	For the year ending 31st March 2019
<b>21. REVENUE FROM OPERATIONS</b>		
<b>Sale of Product</b>		
Wine & Liquor	288.08	358.09
Food, Beverage & Smokes	2,573.39	2,898.68
	<u>2,861.47</u>	<u>3,256.77</u>
Less Excise Duty	-	0.01
	<u>2,861.47</u>	<u>3,256.76</u>
Sale of Services		
Rooms	4,587.43	4,794.85
Licence Fee	743.91	778.75
Communications	40.98	13.56
Other Operating Revenues	308.21	291.72
Banquet Misc. Services	86.57	82.76
	<u>5,767.10</u>	<u>5,961.64</u>
	<u>8,628.57</u>	<u>9,218.40</u>
<b>22. OTHER INCOME</b>		
Interest earned on Fixed Deposit	35.48	55.42
Dividend Income - Long Term Investments	0.02	0.01
Foreign Currency transaction gain/(loss)	12.08	28.81
Scrap Income	0.27	0.99
Excess Provision & Other Income	5.38	30.74
	<u>53.23</u>	<u>115.97</u>
<b>23. Consumption of Provision, Beverages and Smokes</b>		
Provisions, Beverages, Liquor & Smokes	735.01	741.44
	<u>735.01</u>	<u>741.44</u>
<b>24. Employee Benefits Expense</b>		
Salaries, Wages & other benefits	2,494.89	2,484.53
Contribution to ESI and Provident fund	316.47	265.61
Gratuity	29.58	29.30
Compensated absences	20.80	17.22
Employees Welfare Expenses	94.35	77.16
Recruitment & Training Expenses	0.93	0.88
	<u>2,957.02</u>	<u>2,874.70</u>
<b>25. Finance Cost</b>		
(i) Interest on Term Loan	1,653.08	1,824.16
(ii) Interest others	67.50	62.76
(iv) Bank & Financial Charges	50.26	92.28
	<u>1,770.84</u>	<u>1,979.20</u>
<b>26. Operational Expenses</b>		
Linen, Room Catering and other Supplies	158.55	259.84
Power & Fuel	849.84	991.44
Repairs: Machinery	89.50	88.54
Building	222.61	101.06
Others	212.06	143.72
Rent, Rates & Taxes	413.03	440.59
Hire Charges	213.43	195.47
Insurance	17.47	14.73
Communication Expenses	75.35	101.21
Operational Expenses	1,127.08	430.44
Travelling & Conveyance	132.87	180.35
Legal & Professional Expenses	128.21	236.00
Advertisement & Publicity	2.74	55.99
Commission	179.62	212.29
Other Selling Expenses	76.75	68.57
	<u>3,899.11</u>	<u>3,520.24</u>
<b>27. OTHER EXPENSES</b>		
Directors Sitting Fee	10.20	11.20
Charity & Donation	7.50	4.00
CSR Responsible expenses	10.00	20.00
Loss on sale of Assets		97.17
Doubtful Debts		
Assets Written Off	0.05	29.36
	<u>27.75</u>	<u>161.73</u>

**28. Contingent liabilities not provided for in respect of****Lac INR**

	2019-2020	2018-2019
(i) Demands/Claims not acknowledged as debt or which are under litigation	10.00	20.00
(ii) Bank Guarantees furnished	NIL	NIL
(iii) Disputed demands for taxes duties and other levies pending adjudication in appeal	407.85	975.89
(iv) Corporate Guarantee (million Dollar)**	US\$32.50	US\$32.50

\*\*Pursuant to the filing of case before the Economic Court of Tajikistan by the CJSC CHL International, our subsidiary Company, against the Export Import Bank of India (EXIM Bank) in respect of loan availed by it, the Economic Court partially accepted the claims of CJSC CHL International vide its Order dated 01.05.2018. Against this Order, EXIM Bank appealed to the Hon'ble Supreme Economic Court of Tajikistan, which was dismissed by the Supreme Economic Court, vide its Order dated 14.08.2018.

During the pendency of case in the Economic Court of Tajikistan, the EXIM Bank initiated proceedings under IBC Code 2016 in the National Company Law Tribunal (NCLT), New Delhi against CHL Limited invoking its Corporate Guarantee, which was dismissed vide its Order dated 11.01.2018. The EXIM Bank, against this Order, appealed to National Company Law Appellate Tribunal (NCLAT), New Delhi and the same was also dismissed vide its Order dated 16.01.2019. Subsequently, EXIM Bank has filed Civil Appeal before Hon'ble Supreme Court of India which is pending for adjudication.

Further, EXIM Bank filed an Original Application before the Debts Recovery Tribunal – I, Delhi invoking the personal Guarantee of Mr. Lalit Kumar Malhotra, Chairman of CHL Limited, which is also pending for 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 300.00 lacs (Rs. 738.98 lacs).

**31. Depreciation has been provided on building, plant and machinery in NSEZ Noida as the same has been put to use wef 01-04-2019.****32. Lease rental on NSEZ Noida land has been paid and charged to revenue. 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.60.00 Lacs (previous year Rs. 112.00 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. 52.40 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:-

	Current Period	Previous Period
Type of Benefit	Privilege Leave	Privilege Leave
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Unfunded	Unfunded
Starting Period	01-Apr-19	01-Apr-18
Date of Reporting	31-Mar-20	31-Mar-19
Period of Reporting	12 Months	12 Months

### Assumptions (Opening Period)

Expected Return on Plan Assets	N.A	N.A
Rate of Discounting	7.79%	7.78%
Rate of Salary Increase	5.00%	5.00%
Rate of Employee Turnover	1.00%	1.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Mortality Rate After Employment	N.A.	N.A.

### Table showing change in the present value of Projected Benefit Obligation

Present Value of Benefit Obligation at the Beginning of the Period	9082994	8383649
Interest Cost	707565	652248
Current Service Cost	539462	567546
Past Service Cost - Non Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit In current During the Period	-	-
Liability Transferred In/Acquisitions	-	-
(Liability Transferred Out/Divestments)	-	-
(Gains)/Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-1910561	-1022939
(Benefit Paid From the Fund)	-	-
The Effect of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in	-	-
Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in	-	-
Financial Assumptions	589050	-6724
Actuarial (Gains)/Losses on Obligations - Due to Experience	244313	509214
Present Value of Benefit Obligation at the End of the Period	9252823	9082994

### Table showing Change in the Fair use of Plan Assets

Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Cost	-	-
Contribution by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred in/Acquisitions	-	-
Assets Transferred Out/Divestments	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
(Expenses and Tax for managing the Benefit Obligations-paid from the fund)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes in Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-

**Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss for Current Period**

Actuarial (Gains)/Losses on Obligation for the Period	833363	502490
Return on Plan Assets, Excluding Interest Income	-	-
Sub Total	833363	502490
Actuarial (Gains)/Losses Recognized in the Statement of		
Profit or Loss	833363	502490

**Actual Return on Plan Assets**

Interest Income	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Actual Return on Plan Assets	-	-

**Amount Recognized in the Balance Sheet**

(Present Value of Benefit Obligation at the end of the Period)	-9252823	-9082994
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/(Deficit))	-9252823	-9082994
Unrecognized Past Service Cost at the end of the Period	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	-9252823	-9082994

**Net Interest Cost for Current Period**

Present Value of Benefit Obligation at the Beginning of the Period	9082994	8383649
(Fair Value of Plan Assets at the Beginning of the Period)	-	-
Net Liability/(Asset) at the Beginning	9082994	8383649
Interest Cost	707565	652248
(Interest Income)	-	-
Net Interest Cost for Current Period	707565	652248

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

Current Service Cost	539462	567546
Net Interest Cost	707565	652248
Actuarial (Gains)/Losses	833363	502490
Past Service Cost- Non-Vested Benefit Recognized During the Period	-	-
Past Service Cost- Vested Benefit Recognized During the Period	-	-
(Expected Contributions by the Employees)	-	-
(Gains/Losses on Curtailments And Settlements)	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Changes in Asset Ceiling	-	-
Expenses Recognized in the Statement of Profit or Loss	2080390	1722284

**Balance Sheet Reconciliation**

Opening Net Liability	9082994	8383649
Expense Recognized in Statement of Profit or Loss	2080390	1722284
Net Liability/(Asset) Transfer In	-	-
Net Liability/(Asset) Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-1910561	-1022939
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	9252823	9082994



#### Category of Assets

Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-
Debt Instruments	-	-
Corporate Bonds	-	-
Cash And Cash Equivalents	-	-
Insurance Fund	-	-
Asset Backed Securities	-	-
Structured Debt	-	-
Other	-	-
Total	-	-

#### Other Details

No.of Active Members	416	418
Per Month Salary For Active Members	10679360	10484530
Projected Benefit Obligation (PBO)	9252823	9082994
Prescribed Contribution for Next Year (12 Months)	-	-

#### Experience Adjustment

Actuarial (Gains)/Losses on Obligations - Due to Experience	244313	509214
Return on Plan Assets, Excluding Interest Income	-	-

#### 38. Related party Disclosure and transactions

Subsidiary Company		CHL International			
Key Management Personnel		Dr. L.K.Malhotra		Chairman	
		Mr. Luv Malhotra		Managing Director	
		Mr. Gagan Malhotra		Executive Director	
		Mr. N.K.Goel		Vice President Finance & CFO	
		Mr. G.J.Varadarajan		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 31.3.2020	Bal. as on 31.3.2019
(a)	Malbros Holdings Pvt Ltd	Asset Financing	--	NIL	31.33
(b)	Malbros Holdings Pvt Ltd	Intercompany Finance	600.00	600.00	--
(c)	CHL International	-Investment	--	7019.47	7019.47
		-Advances	--	142.83	142.83

39. Amount transferred to Investor Education and Protection Fund as required under section 124 and 125 of the Companies Act 2013 - Rs. 2.93 lacs (Previous Year Rs.2.70 lacs)

#### 40. 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 31.03.2020	As at 31.03.2019
Upto 6 months	431.49	574.91
More than 6 months	18.70	18.18
Total	450.19	593.09

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	31.03.2020			31.03.2019		
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total
Non-current financial liabilities–borrowings	--	21325.23	21325.23	--	22272.13	22272.13
Non-current financial liabilities–others	261.21	1475.45	1736.66	177.01	1635.90	1812.91
Current financial liabilities–borrowings	7025.87	--	7025.87	5699.60	--	5699.90
Current financial liabilities–Trade Payables	513.19	--	513.19	531.96	--	531.96
Current financial liabilities–others	63.57	--	63.57	153.26	--	153.26
Total	7863.84	22800.68	30662.52	6561.83	23908.03	30469.86

## 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	31-03-2020	31-03-2019
Total Debt	30662.52	30469.86
Equity	2564.40	5342.14
Capital & net debt	333226.92	35812.00
Gearing ratio	92.28%	85.08%

## 41. Impact of COVID-19 on Business Operations

The World Health Organization declared the COVID-19 outbreak as a pandemic on 11th March 2020, leading to series of measures by countries across the world to contain the spread of the virus. India responded by imposing a nationwide lockdown on 24th March 2020. The process of lifting of lockdown in various states has since started in phases, effective 1st June, 2020, guided by the decision of individual states. During a major part of this period, hotel and flight operations were mandated to remain nonoperational, which affected business at our hotels and other operations across India. Similar restrictions in other countries affected business at our hotels from various international markets.

The Management's priority in dealing with the exceptional challenges posed by COVID-19 has been to ensure the safety of its guests and employees, support suppliers, keep the supply chain operational for essential supplies. The consequence of the COVID-19 outbreak on the Company's business for the financial year ended 31st March, 2020 is limited, as business was impacted only in the last week of March 2020. Several cost rationalisation measures have been initiated subsequent to the year end and are being monitored. The Management foresee stress on liquidity, as it has applied for short term loan from existing banks, which is under their consideration. In the meantime to meet statutory payments, the company has taken some borrowing from NBFC Companies. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Management has considered the impact from a prolonged lock-down situation; travel restrictions being continued to be imposed by India and other countries even after lifting of the lockdown, guests postponing their discretionary spending, continued restrictions on the number of domestic and international flights, internal and external information available up to the date of approval of these financial statements including credit reports and economic forecasts. The Management has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, right of use assets, intangible assets, investment property, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company as on 31st March, 2020 and has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, expects to recover the carrying amounts of these assets. The impact of COVID-19 may be different from that estimated on the date of approval of these financial statements and the Management will continue to closely monitor any material changes to future economic conditions and taking suitable steps to remain in market.

#### 42. Segment Reporting:

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

#### 43. Previous year's figures have been regrouped and rearranged wherever necessary to make it comparable with the Current Years figures. All figures have been rounded off to nearest lac rupee.

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

Chartered Accountants  
Reg. No. 003486N

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

Place: Melbourne, Australia  
Dated: 26.06.2020

**LUV MALHOTRA**  
Managing Director  
DIN 00030477

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

for & on behalf of the Board of Directors

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

Gurugram, Haryana  
Date: 26.06.2020

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



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**CHL LIMITED**

HOTEL THE SURYAA

NEW FRIENDS COLONY

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