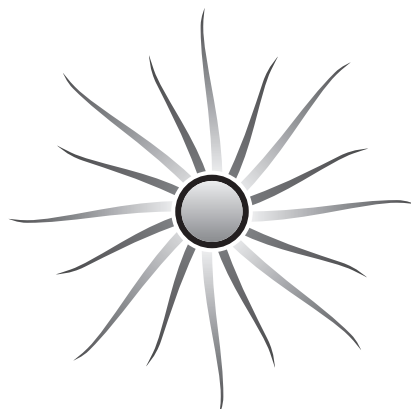




CHL LIMITED

**ANNUAL REPORT
2016 - 2017**



THE
SURYAA
— SERVICE SO MEMORABLE —

**38th Annual General Meeting**

Date	:	18th September, 2017
Day	:	Monday
Time	:	12.30 PM
Place	:	Hotel The Suryaa Community Centre New Friends Colony New Delhi-110 025

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BOARD OF DIRECTORS

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

G. Rai & Co.
 Chartered Accountants
 G6, Dhawan Deep Apartment
 6, Jantar Mantar
 New Delhi-110 001
 Email: graicomail@gmail.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, 3rd Floor,
 99, Madangir
 Behind Local Shopping Centre
 New Delhi - 110 062
 Phone : 91-11-29961281-83 Fax : 91-11-29961284
 E mail : beetalrta@gmail.com

Regd. Office

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

NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the Members of CHL Limited will be held on Monday the 18th day of September, 2017 at 12:30 P.M. at the Registered Office of the Company at Hotel The Suryaa, New Friends Colony, New Delhi 110 025 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt
 - (a) The Audited Standalone Financial Statements of the Company for the year ended 31st March, 2017 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, 2017 and the Reports of the Auditors thereon.
2. To appoint a Director in place of Mr. A. K. Malhotra, (DIN 00676603) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Ms. Kajal Malhotra, (DIN: 01319170) who retires by rotation and being eligible, offers herself for re-appointment.
4. Appointment of Statutory Auditors

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

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s G. Rai & Co., Chartered Accountants, New Delhi (Firm Registration No. 001479N) ceased to be Statutory Auditor of the Company as the Audit Firm completed the tenure as prescribed in the Companies Act, 2013.

RESOLVED FURTHER THAT pursuant to the provisions of Section 139 and other applicable provisions, if any of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s DGA & Co., Chartered Accountant, New Delhi (Firm Registration No. 003486N) be and are hereby appointed as Auditors of the company for a period of two years to hold office from the conclusion of 38th Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company subject to the ratification of the appointment at every Annual General Meeting and at such remuneration as may be determined by the Board of Directors of the Company.

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

SPECIAL BUSINESS

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

RESOLVED THAT subject to the provisions of Section 197, 198 and 203 and other applicable provisions of the Companies Act, 2013, and subject to schedule V of the Companies Act, 2013, Mr. Luv Malhotra, be and is hereby reappointed as Joint Managing Director of the Company for a period of three years commencing from 22.09.2016 to 21.09.2019 and the payment of his overall remuneration of Rs. 3,50,000 per month and other perquisites to him such as Provident Fund, Superannuation & Gratuity, Privilege Leave, Car and Telephone, Entertainment/Travelling for the business of the Company w.e.f. 22.09.2016 to 31.03.2017.

RESOLVED FURTHER THAT his overall remuneration be increased from Rs. 3,50,000 per month to Rs. 5,50,000 per month w.e.f. 01.04.2017 as follows:

Overall Remuneration:

Subject to the provisions of Section 197 and other applicable provisions 197, 198 and 203 of the Companies Act, 2013 and modification/ amendments thereof, if any, the remuneration payable to Managing Director, Joint Managing Director and Executive Director of the Company, in any Financial Year shall not exceed 10% (ten percent) of the net profit of the Company for all of them together. Subject to Schedule V of the Companies Act, 2013, in any Financial Year during the tenure of Mr. Luv Malhotra, Joint Managing Director, if the Company has no profit or its profits are inadequate, the remuneration payable to Mr. Luv Malhotra, Joint Managing Director, of the Company shall be as under w.e.f. 01.04.2017 till the end of his tenure i.e. 21.09.2019.



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

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

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

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

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

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

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

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

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

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

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

RESOLVED THAT subject to the provisions of Section 197 and other applicable provisions of the Companies Act, 2013, consent of the Members be and is hereby accorded for the payment of overall remuneration to Mr. Gagan Malhotra, Executive Director, is as follows:

Overall Remuneration:

Subject to the provisions of Section 197 and other applicable provisions 197,198 and 203 of the Companies Act, 2013 and modification/ amendments thereof, if any, the remuneration payable to Managing Director, Joint Managing Director and Executive Director of the Company, in any Financial Year shall not exceed 10% (ten percent) of the net profit of the Company for all of them together. Subject to Schedule V of the Companies Act, 2013, in any Financial Year during the tenure of Mr. Gagan Malhotra, Executive Director, if the Company has no profit or its profits are inadequate, the remuneration payable to Mr. Gagan Malhotra, Executive Director, of the Company shall be as under w.e.f. 01.04.2017 till the end of his tenure i.e. 31.03.2019.

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

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

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

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

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

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

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

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

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

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

By Order of the Board

Place : New Delhi
Date : 4th August, 2017

G.J. Varadarajan
Company Secretary

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the company. In order to be effective the Proxy Form must reach the Company's Registered Office at least 48 hours before the time fixed for the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 13th September 2017 to 18th September, 2017(both days inclusive).
3. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the Annual General Meeting is annexed hereto.
4. As per the provisions of Section 205A the Companies Act 1956, Dividends declared for the Financial Year 2009-10 (Final Dividend), 2010-11 (Interim and Final Dividend), 2011-12 (Interim and Final Dividend) and 2012-13 (Interim and Final Dividend) which remain unpaid or unclaimed for a period of 7 years in the Unpaid Dividend Account for the respective financial year of the Company need to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.

Members who have not encashed their Dividend Warrants pertaining to the aforesaid years may approach the Company Secretary of the Company at the Registered Office of the Company for revalidation of Dividend Warrants already dispatched/issue of Demand Draft in lieu of that.

5. Final Dividend pertaining to the financial Year 2009-10 will be transferred to Investors Education and Protection Fund in the month of October, 2017. As such it will not be possible to entertain dividend claim after September, 2017.
6. To promote green initiative, Members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the Registrar & Transfer Agent, giving reference of their Folio Number.
7. Members may also note that the Annual Report for Financial Year 2016-17 will also be available on the Company's website www.chl.co.in for their download.
8. Pursuant to the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirement) Regulation 2015, additional information on Directors seeking appointment/ reappointment at the Annual General Meeting is provided in the Annual Report.
9. Members wishing to seek further information on the Accounts or the Operations of the Company at the meeting are requested to send their queries at least a week in advance of the date of the meeting to the Company Secretary.
10. Shareholders may bring their copies of the Annual Report to the Meeting. Extra copies of the Annual Report will not be available at the meeting.
11. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
12. Members/Proxies should fill in the Attendance Slip for attending the meeting.
13. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Members are provided with the facility to the shareholders to cast their votes on resolutions through e-voting services provided by Central Depository Services (India) Limited ("CDSL") for all the items of business in the notice electronically. The members may cast votes using an electronic voting system from a place other than the venue of the meeting (remote e-voting).

The instructions for shareholders voting electronically are as under:-

- (i) The voting period begins on 15th day of September, 2017 at 10.00 AM and end on 17th day of September, 2017 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. 12th day of September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders

- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) 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 shareholders as well as physical shareholders):
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 1 then enter. RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the Depository or Company please enter the Member ID/Folio Number in the Dividend Bank Details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the "CHL LIMITED" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat Account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows Phone users can download the app from the app store and the Windows Phones Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non-Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Voting at AGM:

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

General Information

- (a) Every Client ID No./Folio No. shall have 1 (one) e-voting right irrespective of the joint-holders.
- (b) The Company has appointed Mr. Arvind Chadha, Practicing Company Secretary (CP No. 3732) to act as the scrutinizer to scrutinize the poll and remote e-voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of the shareholders meeting, submit his report after consolidation of poll/e-voting to the Chairman of the Company. The results of the voting will be declared on or after the date of the AGM i.e. 18th day of September 2017. The declared results will be available on the company's website www.chl.co.in and communicated to the Stock Exchange (BSE).
- (c) Pursuant to Section 114 of the Companies Act, 2013 the Ordinary Resolutions mentioned above shall be declared as passed on the date of the declaration of the result if the number of votes cast in favor of, is more than the votes cast against, the resolution by the members.
- (d) In case of shareholders who are entitled to vote have not been able to exercise their right to vote by electronic means, in the larger interest of the shareholders, they can vote through Ballot Paper available at the venue of Annual General Meeting.
- (e) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company. The whole process shall be conducted and scrutinizer report thereon will be prepared in accordance with Section 109 at the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.
- (f) All documents referred to in the Notice and the accompanying Explanatory Statement including the draft letter of appointment proposed to be issued to the "Independent Directors" and also the Register of Directors' and key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the registered office of the Company on all working days (except Sunday) between 11.00 A.M. to 1.00 P.M. upto to the date of the meeting.
- (g) The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission/transposition and deletion of name of deceased holder. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agents, M/s Beetal Financial Computer Services Pvt. Ltd. Accordingly, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall furnish a copy of the PAN card to M/s Beetal Financial & Computer Services Pvt. Ltd.
- (h) The route map showing directions to reach to the venue of the 38th AGM is given elsewhere in the Annual Report.

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

Item No. 5

In the 34th Annual General Meeting of the Company Mr. Luv Malhotra was re-appointed as Joint Managing Director for a period of Three Years w.e.f. 22.09.2013 to 21.09.2016 with a overall remuneration of Rs.3,50,000/- per month plus usual perquisites. In the Board Meeting held on 12.08.2016, subject to the approval of shareholders of the Company, he was reappointed as Joint Managing Director of the Company for a period of Three Years commencing from 22.09.2016 to 21.09.2019 with a total remuneration of Rs. 3,50,000/- per month plus other usual perquisites.

Mr. Luv Malhotra has an experience of 18 years in the hospitality industry. He oversees the day-to-day operations and strategic planning of the Company. It is desired that the remuneration of Mr. Luv Malhotra be increased from Rs. 3,50,000 /- per month to Rs. 5,50,000/- per month plus other usual perquisites w.e.f. 01.04.2017 till the end of his tenure i.e. 21.09.2019. His remuneration has been recommended by the Nomination and Remuneration Committee in the Committee Meeting held on 26.04.2017.

The Board recommends the resolution.

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

Item No. 6

In the 37th Annual General Meeting of the Company, Mr. Gagan Malhotra was re-appointed as Executive Director of the Company for a period of Three Years w.e.f. 01.04.2016 to 31.03.2019 with a total remuneration of Rs. 3,50,000 per month plus other usual perquisite.

Mr. Gagan Malhotra aged 49 years is a B.Sc. Degree holder from the University of Michigan, USA. He has a rich experience spanning more than two decades in the field of FMCG Distribution, Logistics, Agri Commodities, Construction as well as Project and Operational Management. He is involved in the business development and corporate strategy of the Company and under his able direction and guidance the Hotel Project at Dushanbe of CHL International, our subsidiary company has been successfully executed. Now it is in operation under the brand “Sheraton Dushanbe”.

It is desired that remuneration of Mr. Gagan Malhotra be increased from Rs. 3,50,000/- per month to Rs. 5,00,000/- per month plus other usual perquisites. His remuneration has been recommended by the Nomination and Remuneration Committee in the Committee Meeting held on 26.04.2017.

The Board recommends the resolution.

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

By Order of the Board

Place: New Delhi
Date : 4th August, 2017

G.J. Varadarajan
Company Secretary