



Champion

38th Annual Report 2019-2020

Champion Commercial Co. Ltd.



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CHAMPION COMMERCIAL CO. LTD.*Annual Report 2019-2020*

Executive Chairman	Mr. Sushil Kumar Singhania (DIN: 00379991)
Managing Director & Chief Executive Officer	Mr. Gaurav Singhania (DIN: 01186568)
Directors of the Company	Mr. Girdharilal Khemani (DIN: 00660797) – Independent Director
	Mr. Naresh Kumar Bhojnagarwala (DIN: 00660265) – Independent Director
	Mrs. Debjani Ganguly (DIN: 01178490) – Independent Director
Chief Financial Officer	Mr. Nilesh Kumar Jain (PAN No.: ADJPA1631R)
Company Secretary and Compliance Officer	Mr. Lucky Patel (PAN No.: CPGPP8597A)
Statutory Auditor	For M.L. Bhuwania and Co. LLP Chartered Accountants Firm Registration No. 101484W /W100197
Secretarial Auditor	M/s. Jaya Sharma and Associates, Practicing Company Secretaries, Mumbai
Internal Auditor	Ms. Sima Lahiri
Bankers	ICICI Bank Ltd. Lamington Road Branch, 396/410, Shamilha Terrace Opera House, Mumbai – 400 004.
Registrar and Share Transfer Agent	Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri (E) Mumbai – 400 059 Tel: 022 62638200 Fax : 022 62638299 Email ID: vinod.y@bigshareonline.com
Registered office	P - 15 New, C.I.T Road, Kolkata, West Bengal – 700073.
Corporate office, if any with contact no.	305, Embassy Centre, Nariman Point, Mumbai- 400 021. Tel: 022-40394100
Website	www.championcommercial.in
Email ID	mumbai@singhaniagroup.com
Contact No. of registered office	033-22372190

Company Overview

Champion Commercial Company Limited is in the business of Marketing and Distribution of Specialty Chemicals. Today we are one the most reputed Specialty Chemical Distributors in India. We are associated with 15 Global Leaders as Principals. Our primary focus industries are:

- Plastics
- Paints & Coatings and Adhesives
- Pharmaceuticals

Several of our Principals are Fortune 500 companies. We place great emphasis on maintaining long term associations and our oldest Principal relationship dates back to 1955. We have a strong financial background and have an Investment grade financial credit rating from ICRA (a Moody's co.) since 2011.

Our Principals

We are committed to being market driven and constantly strive to source innovative, better quality and competitively priced products. We work towards being an active business partner, looking after and promoting the interests of our principals. We have had a presence in China for 30 years and have long-term relationship with several large quality conscious manufacturers.

Mission

To be the link between producers and consumers of specialty chemical products, utilizing the excellence of the best distribution and marketing system; and ensuring maximum effectiveness and value creation.

Vision

To be the leading and most efficient sales and supply chain organization in specialty chemical distribution in India; To be the preferred sales & marketing partner for our principals and a cost-effective solution provider for our customers.

Market Survey & Development

We undertake market survey projects for our principals in order to map the market for new product introduction. We have long-term relationships with our customers. We understand the trends in the market and can suitably promote the most appropriate solutions to our customers.

Technical Expertise

Our sales and marketing team is skilled to assist our principals with technical and regulatory know-how. Our team goes through extensive training at our principal's factory and laboratories to understand the product specifications and application. We provide after-sales service to ensure the products are appropriately formulated and provide the desired value addition.

CHAIRMAN'S SPEECH

Dear fellow Shareholders,

I am pleased to share with you that the Financial Year ("F.Y.") 2019-20 was a remarkable year for Champion Commercial Company Limited (CCCL).

The year 2019-20 was a challenging year for the global economy with rising trade barriers, geopolitical tensions and weakened economic activities. Just when several measures were being introduced to revive the growth, the world was hit by the global COVID-19 pandemic. This led to worldwide lockdowns and complete discontinuation of inter-geography commercial activities.

In a rapidly changing domestic and world economy, Champion Commercial Company Limited (CCCL) has achieved remarkable growth in terms of revenue and profit. Champion Commercial Company Limited is associated with 15 Global Leaders as Principals are globally in the Top 3 for their product range Plastic, Paints & Coatings and Adhesive. The growth of our company has remained unaffected from the influences on industries in select sectors. This is primarily attributed to our multipronged approach towards diversifying our customer base across multiple industrial sectors and in establishing a Replacement Market successfully. During the year, we have significantly enhanced our customer base by strengthening our product portfolio.

Our service and client base development initiatives have enabled us to capitalize on this opportunity and enhance our business impressively. With our extensive experience in strategic planning and responsive mechanisms, we are well positioned to address current and future challenges.

Champion Commercial Company Limited achieved a turnover of 116.65 Crore in the F.Y. 2019-20 as compared by Previous year decrease by 10.69% Year-on-Year. Earnings after tax stood at 4.76 Crore, decrease by 20.61% Year-on-Year. The company has also approached the existing customer base with an objective of enhancing the service element and creating an aftermarket value proposition. There has been a renewed effort, channeled at finding innovative end-user applications for our portfolio of Champion products. In all our efforts, our people were the key motivators.

A greatly affirmative outcome in terms of Growth and Development is expected in the foreseeable future. I sincerely believe that the Company will achieve greater heights in the years to come. A Strong team, Years of experience and a Strong Will to achieve drives our Company. We strive to improve ourselves at every step in our journey. Last but not the least; I would like to thank all our Stakeholders and our esteemed Board members for their guidance and support.

I am grateful to our Customers, Vendors, Business Associates and Banks, who have reposed their immense faith in us. I would also like to extend my appreciation to our Employees for their unparalleled energy and commitment.

Yours Sincerely,

Sushil Kumar Singhania
Executive Chairman

CHAMPION COMMERCIAL CO. LIMITED

Registered Office: P-15, New C.I.T. Road, Kolkata, West Bengal – 700 073.

Corporate Office: 305, Embassy Centre, Nariman Point, Mumbai – 400 021.

CIN: L51909WB1982PLC034891

Tel: 033-22372190

Fax: 033-22379226

Email ID: mumbai@singhaniagroup.com

Website: www.championcommercial.in

NOTICE

Notice is hereby given that the **38th Annual General Meeting** of members of '**Champion Commercial Co. Limited**' will be held on **Friday, September 04, 2020 at 12.30 p.m.** through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Gaurav Singhania (DIN: 01186568), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and approve the re-appointment of Auditors and fix their remuneration and in this regard 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, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), **M/s. M. L. Bhuwania and Co. LLP (Firm Registration No.: 101484W / W100197) Chartered Accountants, as Statutory Auditor of the Company,** be and is hereby appointed as Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Forty Two Annual General Meeting of the Company to be held in the year 2024, on such remuneration as may be decided by the Board of Directors after taking into consideration the volume of work involved.”

“RESOLVED FURTHER THAT any Director of the Company be and is hereby authorised to do all such acts, deeds, things including but not limited to filing of e-forms with the Registrar of Companies and to do such other acts as may be necessary and incidental to give effect to the above resolution.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 185 read with Section 186 and other applicable provisions, if any of the Companies Act, 2013 (the 'Act') read with and

the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the members to be accorded to advance loans including loans represented by book debt which shall not exceed Rs. 5,00,00,000/- (Rupees Five Crore Only) in any manner during the financial year 2020-21 to any of the Directors and/ or to any person in whom the directors is interested or to give any guarantee or provide any security in connection with any loan taken by him or such other person on such Terms and Conditions to be approved by the members.”

TERMS AND CONDITIONS

1.	Name of the Party	Champion Advanced Materials Private Limited
2.	Name of the Director or Key managerial personnel who are interested	Sushil Kumar Singhania (DIN: 0037991) Gaurav Singhania (DIN: 01186568)
3.	Monetary Value	Up to Rs. 5,00,00,000/-
4.	Nature, Particulars of the transaction or contract or arrangement	Loan / Guarantee / Securities given to Company in which Sushil Kumar Singhania & Gaurav Singhania are Common and Interested Directors.
5.	Purpose of use	Only use for Principal business activities and not prejudicial to any of the parties as well as fair and reasonable to the business needs of the company.
6.	Any other information relevant or important for members to make a decision for proposed transaction or contract or arrangement	Rate of Interest 1% more than the rate of prevailing yield of one year, three years, five years or ten years Government Security. Repayment of Loan as per mutual consent with

“RESOLVED FUTHER THAT the board shall ensure that transactions are in the use of principal business activity and not prejudicial to any of the parties as well as fair and reasonable to the business needs of the company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters, and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of Directors to be in the interest of the Company and authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in the above and to settle all matters arising out of and incidental thereto and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving to this resolution.”

5. To re-appoint Mrs. Debjani Ganguly (DIN: 01178490) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded for appointment of Mrs. Debjani Ganguly (DIN: 01178490), as the Independent Director of the Company, who was on the recommendation of Nomination and Remuneration Committee appointed as the Independent Director by the Board of Directors in their Meeting held on August 12, 2020 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company and not liable to retire by rotation and to hold office for the period of 05 (five) consecutive years commencing from July 22, 2021.

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and rules made there under [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mrs. Debjani Ganguly (DIN: 01178490), be paid such fees and commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time”.

“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things including but not limited to filing of e-forms with the Registrar of Companies and to do such other acts as may be deemed proper and expedient to give effect to this Resolution”.

**By the order of the Board
For Champion Commercial Co. Limited**

**Registered Office:
P-15, New C.I.T. Road,
Kolkata, West Bengal – 700073**

**Gaurav Singhania
Managing Director
DIN: 01186568**

**Place: Mumbai
Date: August 12, 2020**

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide it’s circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the “AGM” through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2. The 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 will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or CDSL / NSDL ("Depositories"). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.championcommercial.in, websites of the Stock Exchanges i.e. Metropolitan Stock Exchange of India Limited at www.msei.in
4. Members whose email address are not registered can register the same in the following manner:
 - a. Members holding share(s) in physical mode can register their e-mail ID on the Company's mail id at investor.relations@singhaniagroup.com by providing the requisite details of their holdings and documents for registering their e-mail address; and
 - b. Members holding share(s) in electronic mode are requested to register / update their e-mail address with their respective Depository Participants "DPs" for receiving all communications from the Company electronically.
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
7. Relevant documents referred to in the accompanying Notice calling the AGM are available on the website of the Company for inspection by the Member.
8. Members are advised to refer to the section titled 'Investor Information' provided in this Annual Report.
9. As mandated by SEBI, effective from April 1, 2019, that securities of listed companies shall be transferred only in dematerialised form. In order to facilitate transfer of share(s) view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise share(s) held by them in physical form.
10. Mr Parveen Rastogi, Practising Company Secretaries (ICSI Membership No. FCS-4764, COP-2883) has been appointed as the scrutinizer to scrutinize the polling process in a fair and transparent manner. The Scrutinizer shall report on the votes cast in favour or against, if any, and submit its report to the Chairman. The results declared along with the Scrutinizer's report shall be placed on the website of the Metropolitan Stock Exchange immediately after the result is declared by the Chairman.
11. Shareholders desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.

12. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
14. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. The Register of Members and the Share Transfer Books of the Company will remain closed from August 29, 2020 to September 06, 2020 (both days inclusive).
16. Members wishing to seek further information or clarification on the Annual Accounts or 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 addressed to the website "www.championcommercial.in"
17. Members holding shares in dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name etc. to their depository participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the members.
18. Members holding shares in physical form are requested to intimate changes with respect to their bank account (viz.name and address of the branch of the bank, MICR code of branch, type of account and account number), mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. immediately to the Company.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.
20. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company.
21. Members can inspect the register of director and key managerial personnel and their shareholding, required maintained under section 170 of the Companies Act 2013 and register of contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act 2013 during the course of the meeting at the venue.
22. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such a representative to attend and vote on their behalf at the meeting.

**By the order of the Board
For Champion Commercial Co. Limited**

**Registered Office:
P-15, New C.I.T. Road,
Kolkata, West Bengal – 700073**

**Gaurav Singhania
Managing Director
DIN: 01186568**

**Place: Mumbai
Date: August 12, 2020**

EXPLANATORY STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

ITEM NO. 4

Pursuant to the provisions of Section 185 read with Section 186 and other applicable provisions, if any of the Companies Act, 2013 (the 'Act') read with and the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the members to be accorded to advance loans including loans represented by book debt which shall not exceed Rs.5,00,00,000/- (Rupees Five Crore Only) in any manner during the financial year 2020 -21 to any of the Directors and/ or to any person in whom the directors is interested or to give any guarantee or provide any security in connection with any loan taken by him or such other person. The particulars of Terms and Conditions, which are required to be stated in the Explanatory Statement as per Section 185 of the Companies Act, 2013 ('the Act') read with and the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

TERMS AND CONDITIONS

1.	Name of the Party	Champion Advanced Materials Private Limited
2.	Name of the Director or Key managerial personnel who are interested	Sushil Kumar Singhania (DIN: 0037991) Gaurav Singhania (DIN: 01186568)
3.	Nature, Particulars of the transaction or contract or arrangement	Loan / Guarantee / Securities given to Company in which Sushil Kumar Singhania & Gaurav Singhania are Common and Interested Directors.
4.	Monetary Value	Up to Rs. 5,00,00,000/-
5.	Purpose of use	Only use for Principal business activities and not prejudicial to any of the parties as well as fair and reasonable to the business needs of the company.
6.	Any other information relevant or important for members to make a decision for proposed transaction or contract or arrangement	Rate of Interest 1% more than the rate of prevailing yield of one year, three years, five years or ten years Government Security. Repayment of Loan as per mutual consent.

The Board of Directors Recommend the Resolution set out at item no. 4 as a Special Resolution.

All the Directors/ Key Managerial Personnel or their relatives who are members of the Company, may deemed to be concerned or interested in the item no.4 of the accompanying notice to the extent of their respective shareholding in the Company to the same extent as that of every member of the Company.

ITEM NO. 05:

The Board in its meeting held on August 12, 2020 and pursuant of provision of Section 149, 152 Schedule IV and other applicable provision of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has proposed reappointment of Mrs. Debjani Ganguly (DIN: 01178490), as an Independent Director at this Annual General Meeting of the Company for second term of 5 years with effect from July 22,2021.

Mrs. Debjani Ganguly, aged 65 years is a Graduate Degree in Commerce (B.Com) and an acknowledged expert in Marketing and her guidance and support has helped the company in developing a Marketing strategy aimed at penetration of new markets and placement of new products besides ensuring dominant position or growth of existing products and markets.

Mrs. Debjani Ganguly is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declarations from Mrs. Debjani Ganguly that he meets with criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act.

The Board considered that her continued association would be of immense benefit to the Company and it is desirable to continue to avail his services.

The Resolution seeks the approval of Members for re-appointment of Mrs. Debjani Ganguly (DIN: 01178490), as an Independent Director of the Company for a period of 05 (five) years commencing from July 22,2021.

None of the Directors/ Key Managerial Personnel of the company/ their relatives is/are in any way, interested or concerned, financially or otherwise, in the resolution set out at item no. 05 of the Notice.

The Board recommends the Ordinary Resolution set at Item no. 05 of the Notice for approval of the Members.

**By the order of the Board
For Champion Commercial Co. Limited**

**Registered Office:
P-15, New C.I.T. Road,
Kolkata, West Bengal – 700073**

**Gaurav Singhania
Managing Director
DIN: 01186568**

**Place: Mumbai
Date: August 12, 2020**

ANNEXURE I

DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS AS REQUIRED UNDER REGULATION 36 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Brief resume of the Director	Mrs. Debjani Ganguly has over all 25 years and more experience in Marketing and sales.
Board Membership of other listed Companies	Nil
Chairmanships/Memberships of the Committees of other public limited companies	Nil
Nature of Expertise in specific functional area	Wide managerial experience, Technology, Sales and Operations
Background details, Recognition or awards and Experience & Expertise	NIL
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	NA
Terms of Appointment	To be Re-appointed as Independent Director for a term of 5(five) years commencing from July 22, 2021.
Remuneration, sitting fees, professional fees etc.	Rs. 3,000/- Per Board Meeting attended

CHAMPION COMMERCIAL CO. LIMITED

Registered Office: P-15, New C.I.T. Road, Kolkata, West Bengal – 700 073.

Corporate Office: 305, Embassy Centre, Nariman Point, Mumbai – 400 021.

CIN: L51909WB1982PLC034891

Tel: 033-22372190

Fax: 033-22379226

Email ID: mumbai@singhaniagroup.com

Website: www.championcommercial.in

BOARD'S REPORT

**To,
The Members,
Champion Commercial Co. Limited.**

Your Directors are pleased to present the **38th Annual Report** of your Company together with the Audited Financial Statement of Accounts for the financial year ended March 31, 2020 and reports of Auditors thereon.

FINANCIAL RESULTS:

The summarized financial results for the year ended March 31, 2020 are as under:

(In Rupees)

PARTICULARS	F.Y. 2019-2020	F.Y. 2018-2019
Revenue from operations	1,16,65,95,689	1,30,62,63,630
Other Income	56,11,948	23,39,829
Total Revenue	1,17,22,07,637	1,30,86,03,460
Profit before Finance Cost, Depreciation, Amortization & Tax	8,64,30,777	10,78,11,749
Less: Finance Cost	1,18,77,606	1,63,09,577
Less: Depreciation & Amortization	1,13,57,512	91,10,522
Profit/Loss before Tax & Exceptional Item	631,95,660	8,23,91,650
Less: Tax	155,65,230	2,23,99,656
Profit / Loss After Tax	4,76,30,430	5,99,91,993
Other Comprehensive Income	(4,69,84,440)	(1,88,74,536)
Balance brought forward from Previous year	41,10,15,081	36,98,97,624
Balance carried to the Balance Sheet	6,45,990	41,10,15,081

OPERATIONAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS:

During the year under review, the Company has achieved total turnover of Rs. 1,17,22,07,637/- (Rupees One Hundred Seventeen Crore Twenty Two Lakhs Seven Thousand Six Hundred Thirty Seven Only) as compared to previous year for which the total turnover stood at 1,30,86,03,460/- (Rupees One Hundred Thirty Crore Sixty Eighty Six Lakhs Three Thousand Four Hundred Sixty Only). The total turnover has been decreased by 10.69% due to Decrease demand of chemicals in the financial year 2019-2020.

The net profit after tax stood at Rs. 4,76,30,430/- (Rupees Four Crore Seventy Six Lakhs Thirty Thousand Four Hundred Thirty Only) as compared to Rs.5,99,91,993/- (Rupees Five Crore Ninety Nine Lakhs Ninety One Thousand Nine Hundred Ninety Three Only) in the previous year. The net profit after tax has been decreased in the current financial year as compared to previous year due to decrease in turnover.

However, considering the new positive developments in the marketing and distribution of specialty chemicals and allied activities, the outlook for the future growth of the Company remains quite positive and encouraging.

TRANSFER TO RESERVES IN TERMS OF SECTION 134(3)(J) OF THE COMPANIES ACT, 2013:

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the financial year ended March 31, 2020 under review.

DIVIDEND:

With a view to conserve resources, your Directors have thought it prudent not to recommend any dividend for the financial year ended on March 31, 2020.

CHANGE IN NATURE OF BUSINESS:

During the financial year under review, there were no changes in the business activity of the company. The Company mainly engaged in Chemicals trading business.

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

CHANGES IN SHARE CAPITAL:

There was no change in the Capital Structure of the Company during the financial year under review.

CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Changes in Directors and Key Managerial Personnel are as follows:

Sr. No.	Name of the Director	Particulars	Date of Appointment/ Resignation
1.	Naresh Kumar Bhojnagarwala	Appointment as an Additional Independent Director	16/05/2019
2.	Naresh Kumar Bhojnagarwala	Regularization as an Independent Director	04/09/2019
3.	Girdhari Lal Khemani	Re-appointment as an Independent Director	04/09/2019
4.	Vikas Kumar Kataruka	Resignation as an Independent Director	16/05/2019

INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY:

The Company does not have any Subsidiary / Joint Venture / Associate Company during the financial year ended March 31, 2020.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there was no unpaid/unclaimed dividend out of the dividend declared and paid in previous years, the provisions of Section 125 of the Companies Act, 2013 do not apply.

PARTICULARS PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES OF THE COMPANIES ACT, 2013:

In terms of the provisions of section 197(12) of the of the Companies Act, 2013 read with the rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the names and other particulars of employees are set out herein below:

- a) The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

Name of Director& Ratio of remuneration:

1. Mr. Sushil Kumar Singhania	(Executive Chairman)	9.79 : 1
2. Mr. Gaurav Singhania	(Managing Director)	9.79 : 1

For this purpose, Sitting fees paid to the Directors have not been considered as remuneration.

1. Mrs Debjani Ganguly	(Independent Director)	Rs 18,000/-
2. Mr Girdhari Lal Khemani	(Independent Director)	Rs 18,000/-
3. Mr. Naresh Kumar Bhojnagarwala	(Independent Director)	Rs. 12,000/-

- b) The percentage increase / (decrease) in remuneration of Managing Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Mr. Gaurav Singhania (Managing Director)	48.00%
Mr. Nilesh Kumar Jain (Chief Financial Officer)	2.00%

- c) The percentage Increase in the median remuneration of employees in the financial year: 25.23%

- d) The number of permanent employees on the rolls of company: 55

- e) The explanation on the relationship between average increase in remuneration and company performance:

Based on the positive developments of the Company, the decrease in the average remuneration of the employees is 11.80% for the financial year 2019-2020 whereas, the Company's PAT has decreased from Rs. 5,99,91,993/- to Rs. 4,76,30,430/-.

- f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

Name	Designation	CTC* in Rs.	% Increase In CTC	PAT Rs. in Cr	%decrease in PAT
Sushil Kumar Singhania	Executive Chairman	72,39,600	45.30	4,76,30,430	20.60 %
Gaurav Singhania	Managing Director	84,44,600	53.10		

*It consists of Salary/Allowance & Benefits.

As per the Compensation Policy, the compensation of the key managerial personnel is based on various parameters including Internal Benchmarks, External Benchmarks, and Financial Performance of the Company.

- g) Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer: NA
- h) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

Average increase / (decrease) in remuneration is (3.98) % for Employees other than Managerial Personnel.

- i) If remuneration is as per the remuneration policy of the company: **Yes**

The details of top ten employees of the company as per section 196 rule 5(2) of the companies (Appointment and Remuneration of Managerial Personnel) rules, 2014 are as per below :

Sr .N o.	Nam e of Empl oyee	Design ation of Empl oyees	Nature of Empl oyment whethe r contra ctual or otherwi se	Qualifi cation and experi ence of empl oyee	Date of the Commen cement of Empl oyment	Age of Empl oyee	Last emplo yment held by such empl oyee before joining the Comp any	Nature of relation ship if any with the directo r / manag er of the Compa ny	Perce ntage of Equity shares held by empl oyee	Remu neratio n
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DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Composition of Board:- As on the date of report, the Board comprises of following personnel which are summarized below:

Sr.No.	Particulars	Designations
1.	Mr. Sushil Kumar Singhania (DIN: 00379991)	Executive Chairman
2.	Mr. Gaurav Singhania (DIN: 01186568)	Managing Director & CEO
3.	Mr. Naresh Kumar Bhojnagarwalal(DIN: 00660265)	Independent Director
4.	Mr. Girdharilal Khemani (DIN: 00660797)	Independent Director
5.	Mrs. Debjani Ganguly (DIN: 01178490)	Independent Director
6.	Mr. Nilesh Kumar Jain (PAN No.: ADJPA1631R)	Chief Financial Officer [CFO]
7.	Mr. Lucky Patel (PAN: CPGPP8597A)	Company Secretary

MEETINGS OF THE BOARD OF DIRECTORS:

During the Financial Year under review, the **Six (06) meetings** of the Board of Directors were held in compliance with Section 173 of Companies Act, 2013. The provisions of Companies Act, 2013 and the rules made thereunder were adhered to while considering the time gap between the two meetings. Details of which are summarized below:

Sr. No.	Dates of Meetings	Attended by Mr. Sushil Kumar Singhania	Attended by Mr. Girdharilal Khemani	Attended by Mr. Gaurav Singhania	Attended by Mrs. Debjani Ganguly	Attended by Mr. Naresh Bhojnagarwala
1.	April 30, 2019	Yes	Yes	Yes	Yes	NA
2.	May 16, 2019	Yes	Yes	Yes	Yes	Invitee
3.	August 12, 2019	Yes	Yes	Yes	Yes	Yes
4.	November 14, 2019	Yes	Yes	Yes	Yes	Yes
5.	January 04, 2020	Yes	Yes	Yes	Yes	Yes
6.	February 06, 2020	Yes	Yes	Yes	Yes	Yes
Number of meetings held						
Number of meetings attended		Six (06)	Six (06)	Six (06)	Six (06)	Four (04)

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received

regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

DETAILS OF MEMBERS AND COMMITTEE MEETINGS

A. INTERNAL COMPLAINTS COMMITTEE (ICC):

Sr. No.	Date of the Meeting held	Name of the members present	Name of the members absent	Total number of members
1.	February 06, 2020	Mrs. Sunita Singhania – Presiding Officer; Mrs. Sima Lahiri – Member; Mrs. Neha Kedia – Member; Mr. Rajiv Ruia – Member	NIL	04

The following is a summary of sexual harassment complaints received and disposed off during the year 2019-2020;

No of complaints received: **NIL**

No of complaints disposed off: **NIL**

B. AUDIT COMMITTEE:

The Company has constituted an Audit Committee pursuant to the provisions of section 177 of the Companies Act, 2013 read with the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Board has been reviewing the working of the Committee from time to time to bring about greater effectiveness and transparency in order to comply with the various requirements under the Companies Act, 2013, the Listing Agreement.

During the financial year 2019-2020, the Audit Committee has met Four (04) times:

- April 30, 2019;
- August 12, 2019;
- November 14, 2019;
- February 06, 2020.

Composition of the Audit Committee and attendance record of members for 2019-2020 are as follows:

Sr. No.	Name of the Director	Category	Meetings Attended / Held
1.	Mr. Girdharilal Khemani	Member	04/04
2.	Mr. Gaurav Singhania	Member	04/04
3.	Mrs. Debjani Ganguly	Chairman	04/04

The meetings were scheduled well in advance. In addition to the members of the Audit Committee, these meetings were also attended by the heads of finance, internal auditor and the statutory auditor of the Company and other financial team executives who were considered necessary for providing inputs to the Committee.

Terms of Reference of the Audit Committee

The functions of the Audit Committee are broadly as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial Information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by them;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;

a. Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;

b. The vigil mechanism under sub-section (9) of section 177 of the Companies Act, 2013 read with rules shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases;

c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses; and

e. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee;

21. The Audit Committee shall have powers, which should include the following:

a. To investigate any activity within its terms of reference. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) of section 177 of the Companies Act, 2013 read with rules or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company;

b. To seek information from any employee;

c. To obtain outside legal or other professional advice;

d. To secure attendance of outsiders with relevant expertise, if it considers necessary;

22. All Related Party Transactions shall require prior approval of the Audit Committee.

Approval or any subsequent modification of transactions of the company with related parties;

23. When money is raised through an issue (public issues, rights issues, preferential issues etc.), the Company shall disclose the uses / applications of funds by major category (capital expenditure, sales and marketing, working capital, etc.), on a quarterly basis as a part of their quarterly declaration of financial results to the Audit Committee.

Further, on an annual basis, the Company shall prepare a statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and place it before the audit committee. Such disclosure shall be made only till such time that the full money raised through the issue has been fully spent. This statement shall be certified by the statutory auditors of the Company. Furthermore, where the Company has appointed a monitoring agency to monitor the utilization of proceeds of a public or rights issue, it shall place before the Audit Committee the monitoring report of such agency, upon receipt, without any delay. The audit committee shall make appropriate recommendations to the Board to take up steps in this matter.

C. VIGIL MECHANISM COMMITTEE:

The Company has set up a Vigil Mechanism Committee which has been established and reviewed by Audit Committee pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 to enable directors and employees to report genuine concerns about

unethical behavior, actual or suspected fraud. The Company has framed and adopted Vigil Mechanism Framework and the objective of this mechanism is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal controls or fraudulent reporting of financial information.

The directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee.

During the financial year 2019-2020, the Vigil Mechanism Committee has met Four (04) times:

- April 30, 2019;
- August 12, 2019;
- November 14, 2019;
- February 06, 2020.

Composition of the Vigil Mechanism Committee and attendance record of members for 2019-2020 are as follows:

Sr. No.	Name of the Director	Category	Meetings Attended / Held
1.	Mr. Girdharilal Khemani	Member	04/04
2.	Mr. Gaurav Singhania	Member	04/04
3.	Mrs. Debjani Ganguly	Chairman	04/04

D. NOMINATION AND REMUNERATION COMMITTEE:

The Board has also constituted a Nomination and Remuneration Committee (NRC) pursuant to the provisions of section 178 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration and evaluation criteria for performance of Independent Directors.

During the financial year 2019-2020, the Nomination and Remuneration Committee has met Two (02) times on:

- August 12, 2019;
- February 06, 2020.

Composition of the Nomination and Remuneration Committee and attendance record of members for 2019-2020 are as follows:

Sr. No.	Name of the Director	Category	Meetings Attended / Held
1.	Mr. Girdharilal Khemani	Member	02/02
2.	Mr. Naresh Kumar Bhojnagwala	Member	02/02
3.	Mrs. Debjani Ganguly	Chairman,	02/02

REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT

I. Remuneration for the Non-Executive Directors:

The Non-executive Directors may be paid sitting fees for each meeting of the Board attended by them, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and reimbursement of expenses for participation in the Board Meetings.

II. Remuneration for the Executive Director:

At the time of appointment or re-appointment, the Executive Director shall be paid such remuneration as may be mutually agreed between the Companies (which includes the Nomination & Remuneration Committee and the Board of Directors) and the Executive Director within the overall limits approved by the shareholders. The remuneration of Executive Directors shall be subject to the approval of the Members of the Company in General Meeting. The remuneration of the Executive Director comprises of fixed and variable component as per the provisions of Companies Act, 2013. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

III. Remuneration for KMPs and Senior Management Employees:

The key components of remuneration package of the KMPs and Senior Management Employees includes basic salary and all allowances according to respective designation. In determining the remuneration of the KMPs and Senior Management Employees the Nomination & Remuneration Committee will ensure that the relationship of remuneration and performance benchmark is clear and involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The Executive Director will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors whilst recommending the annual increment and performance incentive to the Nomination & Remuneration Committee for its review and approval.

J. RISK MANAGEMENT COMMITTEE:

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for Risk management with the following objectives:

- Provide an overview of the principles of risk management;
- Explain approach adopted by the Company for risk management;
- Define the organizational structure for effective risk management;
- Develop a “risk” culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions;
- Identify access and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company’s human, physical and financial assets.

As per the provisions of Companies Act, 2013 read with Listing Agreement, the Board of Directors of the Company had constituted a Risk Management Committee consisting of senior executives. During the financial year 2019-2020, the Risk Management Committee met Two (02) times on:

- August 12, 2019;
- February 06, 2020.

Composition of the Risk Management Committee and attendance record of members for 2019-2020 are as follows:

Sr. No.	Name of the Director	Category	Meetings Attended / Held
1.	Mrs. Debjani Ganguly	Member	02/02
2.	Mr. Sushil Kumar Singhania	Chairman	02/02
3.	Mr. Gaurav Singhania	Member	02/02

K. Stakeholders Relationship Committee/ Shareholders Grievance Committee:

The Committee has the mandate to review, redress shareholders' grievances and to approve all share transfers / transmissions.

The Company has re-constituted committee on Board Meeting held on August 12, 2019 and the composition of the Stakeholders Relationship Committee / Shareholders Grievance Committee as on 31st March, 2020 is as under:-

Sr. No.	Name of Director	Designation
1.	Mrs. Debjani Ganguly	Chairman
2.	Mr. Sushil Kumar Singhania	Member
3.	Mr. Gaurav Singhania	Member

The functions of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee include the following:-

1. Transfer /Transmission of shares;
2. Issue of duplicate share certificates;
3. Review of shares dematerialized and all other related matters;
4. Monitors expeditious redressal of investors' grievances;
5. Non receipt of Annual Report and declared dividend;
6. All other matters related to shares.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had 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 and loss of the company for that period;

- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors have prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS AND REPORT THEREON:

The Auditors, M/s. M.L. Bhuwania & Co. LLP (Firm Registration No.: 101484W), were appointed as Statutory Auditors at the 37th Annual General Meeting to hold the office till the conclusion of 42nd Annual General Meeting of the Company to be held in the year 2024. They are eligible to continue as Statutory Auditors for the financial year 2023-2024. Board recommends ratification of their appointment as the Statutory Auditors of the Company at the ensuing Annual General Meeting.

Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification / explanation. The Notes on financial statements are self-explanatory, and need no further explanation.

EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information in **ANNEXURE I**.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Jaya Sharma and Associates, Practicing Company Secretaries (COP: 8154 / FCS No. 7557) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith attached **ANNEXURE II**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDAR):

Management Discussion and Analysis Report for the year under review as stipulated under the Listing obligation Disclosure Requirement (LODR) with the Stock Exchanges are annexed herewith as **ANNEXURE III**.

INDEPENDENT DIRECTORS AND DECLARATION:

The independent directors have submitted the Declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6) – **ANNEXURE IV.**

LOANS, GUARANTEES AND INVESTMENTS:

The Company has made investments, given any loans and guarantee or provided any security in connection to a loan as referred to under Section 186 of the Companies Act, 2013 during the financial year under review within Limit.

RELATED PARTY TRANSACTIONS:

The Company has entered into various Related Parties Transactions as defined under Section 188 of the Companies Act, 2013 with related parties as defined under Section 2 (76) of the said Act. Further all the necessary details of transaction entered with the related parties are attached herewith in form no. AOC-2 for your kind perusal and information as **Annexure: V.**

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has designed and implemented a process driven framework for Internal Financial Controls (“IFC”) within the meaning of the explanation to Section 134(5) (e) of the Companies Act, 2013. For the year ended March 31, 2020, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weakness exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company’s operations.

CORPORATE SOCIAL RESPONSIBILITY:

The Board in compliance with the provisions of Section 135(1) of the Companies Act, 2013 and rules made thereunder has a Committee to be known as CSR Committee constituted by Mrs. Debjani Ganguly, Independent Non-executive Director, Mr. Sushil Kumar Singhania, Executive Director and Mr. Gaurav Singhania, Executive director of the Company as its members. The CSR policy has been placed on the Website of the Company. During the financial year 2019-20 the Company was required to spend a sum of Nine lakhs forty Thousand approx towards CSR expenditure pursuant to Company’s CSR Policy.

The Company’s key objective is to make a difference to the lives of the underprivileged and help bring them to a self-sustaining level. There is a deep commitment to CSR engagement.

The Company has chosen couple of projects on CSR such as setting up Orphanage at large scale involving a large amount of outlay and same are under active consideration of the management and CSR committee, once the Committee completes the evaluation process which requires a diligence process hence, thereafter the Company will start with the CSR project. The CSR Committee has been continuously focused on providing social benefits to the society in its true sense and the shortfall will be added to the CSR expenditure for the current financial year.

The Annual Report on CSR activities in terms of Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith and marked as **Annexure VI** forming part of this report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(i) Conservation of energy & Technology absorption:

In the opinion of the Board, the information pertaining to conservation of energy & Technology Absorption as required under section 134(3)(m) of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rule 2014 is not applicable.

(ii) Foreign exchange earnings and Outgo:

Disclosure of foreign exchange earnings and outgo as required under rule 8(3)(c) is given below:

Foreign Exchange Earnings : **Rs.2,00,13,147/-**

Foreign Exchange outgo : **Rs.44,25,80,020/-**

RBI GUIDELINES:

The Company continues to comply with all the requirements prescribed by the Reserve Bank of India, from time to time as applicable to it.

DEPOSITS:

During the year under review, your Company neither accepted nor renewed any fixed public deposits falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

ANNUAL EVALUATION:

Pursuant to the provisions of Section 134 (3) (p) of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Compliance Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There were no instances during the year attracting the provisions of Rule 8 (5) (vii) of the Companies (Accounts) Rules, 2014.

DETAILS OF FRAUD REPORT BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

During the year under review, there were no instances of fraud reported by the Auditors.

ACKNOWLEDGMENTS:

Your Company has maintained healthy, cordial and harmonious business relations at all levels. The enthusiasm and hard work of the employees have enabled your Company to remain at the forefront in the business. The Board of Directors places on record their sincere appreciation for the significant contribution made by the employees through their dedication, hard work and commitment towards the success and growth of the Company.

Your Directors wish to express their grateful appreciation to the continued co-operation and assistance extended to us by various Government Departments in the state of West Bengal and Maharashtra, Financial Institutions, Bankers, Auditors, vendors, Customers and the shareholders of the Company.

**For and on behalf of the Board of Directors
Champion Commercial Co. Limited**

Place: Mumbai

Date: August 12, 2020

**Mr. Sushil Kumar Singhania
Executive Chairman
DIN: 00379991**

**Mr. Gaurav Singhania
Managing Director
DIN: 01186568**

ANNEXURE - 1

FORM NO. MGT-9

**The Companies Act, 2013
Rule 12(1) of the Companies
(Management and Administration)
Rules, 2014
[See Section 92(3)]**

**EXTRACT OF ANNUAL RETURN
OF
CHAMPION COMMERCIAL CO. LIMITED**

as on the Financial Year ended on 31st March, 2020

I. REGISTRATION & OTHER DETAILS:

i)	CIN	L51909WB1982PLC034891
ii)	Registration Date	MAY 17, 1982
iii)	Name of the Company	CHAMPION COMMERCIAL CO. LTD
iv)	Category/ Sub-category of the Company	COMPANY LIMITED BY SHARES / INDIAN NON GOVERNMENT
v)	Address of the Registered office and contact details	P - 15 NEW, C.I.T ROAD, KOLKATA, WEST BENGAL - 700073 Tel: 033 22372190
vi)	Whether listed company (Yes/ No)	LISTED
vii)	Name , Address and contact details of Registrar & Transfer Agent, if any	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol Andheri (East) Mumbai - 400 059. Tel: 022 62638200

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 Product/ service	% to total turnover of the company
1	Wholesale Trade of industrial chemicals	46691	100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/ GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
	N.A.	N.A.	N.A.	N.A.	N.A.

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	123,450	-	123,450	61.73	123,650	-	123,650	61.83	0.1
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	5400	-	5,400	2.70	5400	-	5,400	2.70	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any other (Trust)	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	128,850	-	128,850	64.43	129,050	-	129,050	64.53	0.1
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	128,850	-	128,850	64.43	129,050	-	129,050	64.53	0.1
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB-TOTAL (B)(1):	-	-	-	-	-	-	-	-	-
2. Non Institutions									
a) Bodies corporates									
i) Indian	-	5,300	5,300	2.65	-	5,300	5,300	2.65	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	200	65,850	65,850	32.93	-	65,650	65,650	32.83	-0.1
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	200	70,950	71,150	35.58	-	70,950	70,950	35.48	-0.1
Total Public Shareholding (B)= (B)(1)+(B)(2)	200	70,950	71,150	35.58	-	70,950	70,950	35.48	-0.1
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	123450	70,950	200,000	100	129050	70,950	200,000	100	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	SUNITA SINGHANIA	49,300.00	24.65	-	49,500.00	24.75	-	0.10
2	SUSHIL KUMAR SINGHANIA	55,250.00	27.63	-	55,250.00	27.63	-	-
3	SUSHIL KUMAR SINGHANIA (HUF)	9,000.00	4.50	-	9,000.00	4.50	-	-
4	GAURAV SINGHANIA (HUF)	9,900.00	4.95	-	9,900.00	4.95	-	-
5	ARNOLD BUILDERS PRIVATE LIMITED	5,400.00	2.70	-	5,400.00	2.70	-	-
	Total	128,850.00	64.43	-	129,050.00	64.53	-	0.10

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1				NO CHANGE			
	At the beginning of the year						
	Changes during the year						
	At the end of the year						

(iv) Shareholding pattern of top ten Shareholders

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

Sr. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	MAYURAKSHI ENGG. LTD						
	At the beginning of the year			5300	2.65%	5300	2.65%
	Changes during the year			0	0	0	0
	At the end of the year			5300	2.65%	5300	2.65%
2	ASHOK KUMAR MOGRA						
	At the beginning of the year			2400	1.20%	2400	1.20%
	Changes during the year			0	0	0	0
	At the end of the year			2400	1.20%	2400	1.20%
3	NANKI DEVI SONTALIA						
	At the beginning of the year			2000	1.00%	2000	1.00%
	Changes during the year			0	0	0	0
	At the end of the year			2000	1.00%	2000	1.00%
4	SURESH KUMAR AGARWAL						
	At the beginning of the year			1000	0.50%	1000	0.50%
	Changes during the year			0	0	0	0
	At the end of the year			1000	0.50%	1000	0.50%
5	ASHOK KUMAR AGARWAL						
	At the beginning of the year			1000	0.50%	1000	0.50%
	Changes during the year			0	0	0	0
	At the end of the year			1000	0.50%	1000	0.50%
6	MAHESH KUMAR AGARWAL						
	At the beginning of the year			1000	0.50%	1000	0.50%
	Changes during the year			0	0	0	0
	At the end of the year			1000	0.50%	1000	0.50%
7	ASHA KUMAR AGARWAL						
	At the beginning of the year			500	0.25%	500	0.25%
	Changes during the year			0	0	0	0
	At the end of the year			500	0.25%	500	0.25%
8	DEWKI PRASAD AGARWAL						
	At the beginning of the year			500	0.25%	500	0.25%
	Changes during the year			0	0	0	0
	At the end of the year			500	0.25%	500	0.25%
9	KALA AGARWAL						
	At the beginning of the year			500	0.25%	500	0.25%
	Changes during the year			0	0	0	0
	At the end of the year			500	0.25%	500	0.25%
10	GOVIND PRASAD KHEMANI						
	At the beginning of the year			500	0.25%	500	0.25%
	Changes during the year			0	0	0	0
	At the end of the year			500	0.25%	500	0.25%
11	KHEMANI KUMAR PRASANNA						
	At the beginning of the year			500	0.25%	500	0.25%
	Changes during the year			0	0	0	0
	At the end of the year			500	0.25%	500	0.25%
12	MANJU AGARWAL						
	At the beginning of the year			500	0.25%	500	0.25%
	Changes during the year			0	0	0	0
	At the end of the year			500	0.25%	500	0.25%
13	MURARI LAL JHUNJHUNWALA						
	At the beginning of the year			500	0.25%	500	0.25%
	Changes during the year			0	0	0	0
	At the end of the year			500	0.25%	500	0.25%
14	MURARI LAL SHAH						
	At the beginning of the year			500	0.25%	500	0.25%
	Changes during the year			0	0	0	0
	At the end of the year			500	0.25%	500	0.25%

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For Each of the Directors & KMP	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
1	Mr. Sushil Kumar Singhania				
	At the beginning of the year	55250	27.625	55250	27.625
	Date wise increase/ decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	55250	27.625	55250	27.625
2	Mr. Girdharilal Khemani				
	At the beginning of the year	600	0.30%	600	0.30%
	Date wise increase/ decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	600	0.30%	600	0.30%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	178,218,152	-	-	178,218,152
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	141,364	-	-	141,364
				-
Total (i+ii+iii)	178,359,517	-	-	178,359,517
				-
Change in Indebtedness during the financial year				-
Additions	-	-	-	-
Reduction	119,446,039	-	-	119,446,039
Net Change	(119,446,039)	-	-	(119,446,039)
Indebtedness at the end of the financial year				-
i) Principal Amount	58,826,520	-	-	58,826,520
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	86,958	-	-	86,958
				-
Total (i+ii+iii)	58,913,478	-	-	58,913,478

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr.No.	Particulars of Remuneration	Name of the MD/WT/Manager		Total Amount
1		Mr Sushil Kumar Singhania	Mr Gaurav Singhania	
		Executive Chairman	Managing Director & CEO	
	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961	7,200,000	7,200,000	14,400,000
	(b) Total Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of Profit	-	-	-
	others (specify)	-	-	-
5	Others (Contribution to Provident Fund)	-	-	-
	Total (A)	7,200,000	7,200,000	14,400,000
	Ceiling as per the Act			

B. Remuneration to other directors

Sr.No.	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	Mrs. Debjani Ganguly	Mr. Girdhari Lal Khemani	Mr. Naresh Kr Bhojnagarwala	
	(a) Fee for attending board/ committee meetings	18000	18000	12000	48000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	18000	18000	12000	48000
2	Other Non Executive Directors				
	(a) Fee for attending board/ committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	18000	18000	12000	48000
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
1	Gross Salary	CEO	Company Secretary	CFO	
			Mr. Lucky Patel	Mr. Nilesh Jain	
	(a) Salary as per provisions contained in section 17(1) & 17 (2) of the Income Tax Act, 1961	-	712,474	1,788,835	2,501,309
	(b) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	712,474	1,788,835	2,501,309

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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
CHAMPION COMMERCIAL CO. LIMITED**

MR. GAURAV SINGHANIA
Managing Director
DIN: 01186568

PLACE: MUMBAI
DATE : AUGUST 12, 2020

JAYA SHARMA & ASSOCIATES

Practising Company Secretaries

101, Parn-Kutir, 1st Floor, Opp. Old Sanjeevani Hospital, Rani Sati Marg, Malad (East), Mumbai – 400 097.

Tel: 022-28818135

Website: www.jsa-cs.com; Email ID: jaya@jsa-cs.com

ANNEXURE II. TO THE BOARD'S REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Champion Commercial Co. Ltd.
CIN: L51909WB1982PLC034891,
P-15, New C.I.T. Road, Kolkata,
West Bengal – 700 073.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Champion Commercial Co. Ltd.** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, the explanations and clarifications given to me and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31 March 2020, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

The COVID-19 outbreak was declared as a global pandemic by the World Health Organization. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended across the country to contain the spread of the virus. Due to COVID-19 pandemic impact, the compliance documents were obtained through electronic mode and verified with requirements

I herewith report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. My responsibility is to verify the content of the documents produced before me, make objective evaluation of the content in respect of compliance and report thereon. I have examined on test check basis, the books, papers, minute books, forms and returns filed and other records maintained by the

JAYA SHARMA & ASSOCIATES

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Website: www.jsa-cs.com; Email ID: jaya@jsa-cs.com

Company and produced before me through electronic means for the financial year ended March 31, 2020, as per the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules read with amendments 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. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(To the extent applicable to the Company during the audit period);**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the audit period);**
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the audit period);**
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period);**
 - g) 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; **(Not applicable as the Company is not registered as Registrar to issue and Share Transfer Agent during the audit period);**

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- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period);** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the audit period);**
- vi. Rules, Regulations and Guidelines issued by the Reserve Bank of India as are applicable to Non-Deposit taking NBFC which are specifically applicable to the Company;
- vii. Management has identified and confirmed the following laws as being specifically applicable to the company during the audit period:
 - a) Companies Act, 2013;
 - b) Securities Laws;
 - c) Secretarial Standard 1 2 & 3 issued by the Institute of the Company Secretaries of India;
 - d) Labour Laws;
 - e) Environmental laws;
 - f) Competition Act, 2002 (General provisions of law is applicable – Company does not have any combination);
 - g) SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015;
 - h) Tax Laws;

I have also examined compliance with the applicable clauses of the following which have been generally complied:

- 1) Secretarial Standards issued by the Institute of Company Secretaries of India with respect to the Board & General Meetings;
- 2) The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited, Kolkata, West Bengal and Metropolitan Stock Exchange, Mumbai Maharashtra.

Based on my opinion and information and explanation provided by the Officers and Employees of the Company, I report that during the audit period, the Company has complied with the provisions of the Act/s, Rules, Regulations, Guidelines, Standards, etc. as mentioned above. Save and except below, I have not found material observation / instances of any material non Compliance in respect of the same:

I further report that:

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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 audit period were carried out

in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent within the prescribed time, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. Further, there were no dissenting member's views and hence the same was not required to be captured and recorded as part of the minutes.

Based on representation made by the Company and its Officers, I report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

I further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs.

For Jaya Sharma & Associates
Practising Company Secretaries
ICSI Unique Code: I2009MH641300
Peer Review Code: 819/2020

Jaya Sharma-Singhania
(Proprietor)
FCS No.: 7557 | CP No.: 8154
ICSI UDIN: F007557B000560120

Place: Mumbai
Date: August 7, 2020
Time: 04.00 PM

This report is to be read with my letter of even date which is annexed as '**Appendix 1**' and forms an integral part of this report.

JAYA SHARMA & ASSOCIATES

Practising Company Secretaries

101, Parn-Kutir, 1st Floor, Opp. Old Sanjeevani Hospital, Rani Sati Marg, Malad (East), Mumbai – 400 097.

Tel: 022-28818135

Website: www.jsa-cs.com; Email ID: jaya@jsa-cs.com

‘Appendix 1’

**To,
The Members,
Champion Commercial Co. Ltd. (the “Company”),
CIN: L51909WB1982PLC034891,
P-15, New C.I.T. Road, Kolkata,
West Bengal – 700 073.**

My report of even date is to be read along with this letter:

- 1) The Compliance of provision of all laws, rules, regulations, standards applicable to the Company is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report;
- 2) It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively;
- 3) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion;
- 4) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
- 5) Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and major events during the audit period;
- 6) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis;
- 7) The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company;

JAYA SHARMA & ASSOCIATES

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Website: www.jsa-cs.com; Email ID: jaya@jsa-cs.com

- 8) Any liability on me arising from this certificate shall not increase due to a contractual or other limitation on liability of another party. My liability shall be limited to the extent of fees charged by it in respect of this assignment.

For Jaya Sharma & Associates
Practicing Company Secretaries
ICSI Unique Code: I2009MH641300
Peer Review Code:819/2020

Jaya Sharma-Singhania
(Proprietor)
FCS No.: 7557 | CP No.: 8154
ICSI UDIN: F007557B000560120

Place: Mumbai
Date: August 7, 2020
Time: 04.00 PM

MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR CHAMPION COMMERCIAL CO. LTD. FOR F.Y. 2019-20

ECONOMIC OUTLOOK:

India is steadily moving up the ranks as a global economic power and a business magnet for investment. Key drivers for success in the chemical sector include proximity to strong growth markets, greater ease in doing business, and the continued development of petroleum, chemicals and petrochemical investment regions (PCPIRs). Backed by one of the strongest GDP growth rates in the world, the future looks bright for the Indian chemical industry.

Domestic rating agency CRISIL has cut its projections for India's economic growth rate to 1.8 per cent, from 3.5 per cent it had earlier predicted for 2020-21. Among the major economies, India and China are the only exception to the declining economic activities in 2020-21.

FORWARD LOOKING STATEMENTS

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include determination of tariff and such other charges and levies by the regulatory authority, changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the "Act") and comply with the Accounting Standards notified under Section 133 of the Act. The management of Champion Commercial Co. Ltd ("CCCL" or "the Company") has used estimates and judgments relating to the financial statement on a prudent and reasonable basis, in order that the financial statement reflect in a true and fair manner, the state of affairs and profit for the year.

The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statement and the notes to these statements included in the Annual Report.

Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "CCCL" are to Champion Commercial Co. Ltd.

GOVERNMENT INITIATIVES:

In 2019, India became a \$ 2.7 trillion economy, having added one trillion US dollars in the last five years. The Economic Survey of the government outlined the blueprint to achieve the vision of making Indian a USD 5 trillion economy by 2024-25. Following the path, India's rank in the World Bank's Ease of Doing Business 2020 survey has consistently improved

over last three years and stands at 63, among 190 countries, making it the one of world's top 10 most improved countries for the third consecutive time. Further, the Government has set a target to invest worth ₹ 111 trillion over 2020-2026 under National Infrastructure Pipeline (NIP). NIP is likely to help provide quality and adequate infrastructure across the nation and boost economic growth.

According to the World Bank, the global economy decelerated to an estimated 2.4 percent in 2019, the slowest pace since the global financial crisis. The Indian Economy was not immune to the slowdown. The Indian economy was affected across all four key growth engines of our economy faltered to stimulate any growth. We note that three of the four growth engines—private consumption, private investment, and exports—have slowed down significantly led by variety of reasons. Consumption, the biggest contributor of growth was subdued, pointing to fragile consumer sentiment and purchasing ability. Similarly, private investments and exports have remained muted owing to soft demand, global uncertainties around trade and investments and geopolitical tensions. The fourth engine, government consumption and investment, has been moderated because of the limited elbow room the government has for counter-cyclical spending as the budget deficit remains under pressure. Further, an unexpected COVID-19 outbreak engulfed India too and resulted in nationwide lockdown starting 25th March 2020 has dashed hope of any early recovery on economy, which will have wider ramification in current fiscal.

As per the Central Statistics Organization (CSO) second advance estimates, the GDP growth was retained at 5 per cent in 2019-20 and however final numbers are likely to be worse than expectations due to sharp contraction in economic activities in March due to COVID-19. As per Moody's (a global rating company), India's GDP growth rate for 2020-21 is expected to be at Zero mainly led by steep deterioration in business activities and sharp contraction in consumption trend due to disruption led by COVID-19. However, on a positive note, it has forecasted India's GDP growth rate to bounce back to 6.6 per cent in 2021-22.

OPPORTUNITIES:

Indian chemical industry has an established base and today the industry stands at the cusp of high growth. The optimistic start set the tone for the session indicating that Indian chemical industry has significant potential which could be realized by leveraging the strength and addressing the challenges in focused manner as per the current scenario of the industry directors are expected to increase in sales volume.

RISK MANAGEMENT:

The Risk associated with the chemical industry is commensurate with their rapid growth and development. Company has adopted risk management & emergency planning and quantitative risk assessment for selected scenarios of major credible events. Company also takes recommendation for risk control measures wherever applicable.

SERVICE QUALITY INITIATIVES:

Your Company has taken various steps to improve the effectiveness of its service delivery and drive consistency of customer experience across its delivery channels. To ensure prompt redressal of customer grievances, the Company has put in place a grievance redressal process.

All these initiatives have helped in consistent reduction in the total number of customer complaints. Your Company has established a very strong and dispassionate review mechanism for complaint resolution in this year.

INTERNAL CONTROL SYSTEMS:

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. The Internal Auditors monitor the efficiency and efficacy of the internal control systems in the Company, compliance with operating systems/accounting procedures and policies of the Company. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

INTERNAL AUDIT AND COMPLIANCE:

The Company conducts its internal audit and compliance functions within the parameters of regulatory framework which is well commensurate with the size, scale and complexity of operations. The internal controls and compliance functions are installed, evolved, reviewed, and upgraded periodically.

The Company has appointed Seema Lahiri, to conduct internal audit covering all areas of operations including branches. The reports are placed before the Audit Committee of the Board.

The Audit Committee reviews the performance of the audit and compliance functions, the effectiveness of controls and compliance with regulatory guidelines and gives such directions to the Management as necessary / considered appropriate. The Company has framed a compliance policy to effectively monitor and supervise the compliance function in accordance with the statutory requirements.

HEALTH SAFETY AND PANDEMIC RISK:

In addition to serious implications for people's health and the healthcare services, coronavirus (COVID-19) is having a significant impact on the world-wide economy including India in terms of business growth and business models. The disruption has pushed the financial sector to adopt digital model for sustenance and growth. The company has been proactive enough to switch over to fully digital mode since the Covid-19 ensuring employees the best health safety measures and uninterrupted service to the stakeholders. However, the performance of the company and its subsidiaries may be impacted in future because of the lasting effect of this disruption on the economy.

CAUTIONARY NOTE:

Certain statements in this Report may be forward-looking and are stated as may be required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Your Company does not undertake to update these statements.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR, INCLUDING:

- (i)Debtors Turnover: 4.05
- (ii)Inventory Turnover: 17.92
- (iii)Interest Coverage Ratio: 6.66
- (iv)Current Ratio: 1.63

- (v)Debt Equity Ratio: 0.13
(vi)Operating Profit Margin (%): 4.46%
(vii)Net Profit Margin (%): 5.42%

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

Net worth of Company for the FY 2019-20 Rs. 41,16,61,071/- as compare to (Previous year) FY 2018-19 Rs. 41,10,15,081/-Decrease net worth due to earring of FY 2019-20.

ACKNOWLEDGEMENT:

Your directors take this opportunity to place on record their appreciation to all employees for their hard work, spirited efforts, dedication and loyalty to the Company which has helped the Company maintain its growth. The Directors also wish to place on record their appreciation for the support extended by the Reserve Bank of India, other regulatory and government bodies, Company's auditors, customers, bankers, promoters and shareholders.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**GAURAV SINGHANIA
MANAGING DIRECTOR
(DIN: 01186568)**

DECLARATION OF INDEPENDENCE

To,
The Board of Directors
Champion Commercial Co. Limited
P-15, New C.I.T. Road, Kolkata, West Bengal – 700 073

Sub: Declaration of Independence under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 149 (6) of the Companies Act, 2013.

1. I Debjani Ganguly being a Non-executive Independent Director of your company do hereby declare that :

I possess relevant expertise and experience to be an independent director in the Company;

I am/was not a promoter of the company or its holding, subsidiary or associate company;

I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;

2. Apart from receiving director sitting fees, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;

3. none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

4. Neither me nor any of my relatives:

a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;

b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;

a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

- b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; or
 - d) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- 5. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- 6. I am not less than 21 years of age.

Undertaking

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

Mrs. Debjani Ganguly
DIN: 01178490

**B-303, Redwood, Evershine Greens,
New Link Road, Oshiwara,
Andheri West Mumbai - 400053**

DECLARATION OF INDEPENDENCE

TO,
THE BOARD OF DIRECTORS
CHAMPION COMMERCIAL CO. LIMITED
P-15, NEW C.I.T. ROAD, KOLKATA, WEST BENGAL – 700073

Sub: Declaration of independence under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 149 (6) of the Companies Act, 2013.

1. I Girdhari Lal Khemani being a Non-executive Independent Director of your company do hereby declare that :

I possess relevant expertise and experience to be an independent director in the Company;

I am/was not a promoter of the company or its holding, subsidiary or associate company;

I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;

2. Apart from receiving director sitting fees, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
3. none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
4. Neither me nor any of my relatives:
- a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

- b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; or
 - d) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- 5. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- 6. I am not less than 21 years of age.

Undertaking

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

GIRDHARI LAL KHEMANI
DIN: 00660797

93/4, KARAYA ROAD,
KOLKATA – 700 019

DECLARATION OF INDEPENDENCE

ANNEXURE 4

TO,
THE BOARD OF DIRECTORS,
CHAMPION COMMERCIAL CO. LIMITED,
P-15, NEW C.I.T. ROAD, KOLKATA, WEST BENGAL – 700073.

Sub: Declaration of independence under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 149 (6) of the Companies Act, 2013.

1. I **Naresh Kumar Bhojnagarwala** being a Non-executive Independent Director of your company do hereby declare that :

I possess relevant expertise and experience to be an independent director in the Company;

I am/was not a promoter of the company or its holding, subsidiary or associate company;

I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;

2. Apart from receiving director sitting fees, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
3. none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
4. Neither me nor any of my relatives:
- a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

- b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; or
 - d) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- 5. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- 6. I am not less than 21 years of age.

Undertaking

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

Naresh Kumar Bhojnagarwala
DIN: 00660265

5B, Old Ballygunge
Second Line Kolkata 700 019

ANNEXURE-V**Particulars of Contracts or Arrangements with Related Parties****Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1) Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No.	Particulars	Remarks
a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts / arrangements / transactions	Nil
c)	Duration of the contracts / arrangements / transactions	01.04.2019 to 31.03.2020
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date(s) of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	Nil

2) Details of material contracts or arrangement or transactions at arm's length basis:

Sr.No.	Particulars	Remarks
a)	Name(s) of the related party and nature of relationship	Ganpati Holdings and Trading Pvt Ltd., Company having common Directorship/ Sister Concern – Group Companies
b)	Nature of contracts / arrangements / transactions	Rent paid
c)	Duration of the contracts / arrangements / transactions	01.04.2019 to 31.03.2020
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Office Rent Received at the rate of Rs.12,60,000/- on Arm's Length basis.
e)	Date(s) of approval by the Board, if any	May 30, 2018
f)	Amount paid as advances, if any	NIL

Sr. No.	Particulars	Remarks
a)	Name(s) of the related party and nature of relationship	Champion Advanced Materials Pvt Ltd., Company having common Directorship/ Sister Concern – Group Companies
b)	Nature of contracts / arrangements / transactions	Sale and Purchase of Goods
c)	Duration of the contracts / arrangements / transactions	01.04.2019 to 31.03.2020
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Sales Rs. 3,79,78,520/- Purchase Rs. 4,29,19,576/-
e)	Date(s) of approval by the Board, if any	May 30, 2018
f)	Amount paid as advances, if any	NIL

For CHAMPION COMMERCIAL CO. LTD

Mr. Gaurav Singhania
Managing Director
DIN: 01186568

Place: Mumbai
Date: August 12, 2020

Annexure VI

CSR Activities of Director's Report

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

Champion Commercial Company Limited ('CCCL' or 'the Company') has been an early adopter of Corporate Social Responsibility ('CSR') initiatives. The main objective of Corporate Social Responsibility (CSR) policy is to make CSR a key business process for sustainable development of the society.

The Company will act as a good corporate citizen and aim at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy.

The CSR policy shall be read in line with section 135 of the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars and notifications as may be applicable and as amended from time to time.

Corporate Social Responsibility Committee:

The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of three or more Directors.

- Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013
- Recommend the amount of expenditure to be incurred on the activities; and
- monitor and review the CSR Policy of the Company from time to time

The Board of the Company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the Company and disclose contents of such Policy in its report and also place it on the Company's website and ensure that the activities as are included in the CSR Policy of the Company are undertaken by the Company.

Constitution of the CSR Committee:

The CSR initiatives / activities of the Company will be identified and initiated by the CSR Committee comprising 3 (three) Members of the Board. Subject to the requirements of the Act, the Board may increase or decrease the size of the CSR Committee by passing a Board Resolution.

The members of the CSR Committee shall elect one of them as the Chairman of the Committee. The CSR Committee shall recommend to the Board the amount of expenditure to be incurred by the Company on CSR activities and the Board will ensure that the activities as are included in the CSR Policy are undertaken by the Company subject to and in accordance with the provisions of section 135 of the Companies Act, 2013.

The current members of the CSR Committee shall be the following:

1. Mrs. Debjani Ganguly -Chairman
2. Mr. Sushil Kumar Singhania - Member
3. Mr. Gaurav Singhania - Member

The CSR Committee may, at its discretion, invite employees of the Company from time to time to participate in the meetings of the CSR Committee and assist the CSR Committee in the implementation of the CSR Policy. Invitees to the CSR Committee meetings shall be entitled to participate in the deliberations of the CSR Committee but will not be entitled to vote at the meetings of the CSR Committee.

Budget:

A specific budget will be allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy, computed under provisions of section 198 of the Companies Act, 2013.

Further, any surplus arising out of the CSR Projects or Programs or Activities shall not form part of the business profits of the Company.

CSR Activities:

The following is the list of CSR projects or programs which the Company may undertake pursuant to Schedule VII of the Companies Act, 2013:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water
- 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
- Measures for the benefit of armed forces veteran, war widows and their dependents
- Training to promote rural sports nationally recognized sports and Olympic sports
- 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
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- Rural Development projects

Monitoring & Reporting Mechanism:

In compliance with the Act and to ensure whether funds spent on CSR projects / programs are creating the desired impact on the ground, a comprehensive Monitoring and Reporting framework is being put in place. The monitoring and reporting mechanism is as follows:

- The CSR policy is implemented as per the Act and the Rules
- The CSR policy is implemented ensuring that all projects / programs as budgeted are duly carried out
- CSR spends will be audited in an accountable and transparent manner
- Reporting and review by the CSR committee twice in a year and by annual reviews by the Board
- CSR Committee will be authorized to decide whether it will be internal, external or third party evaluation
- The Company shall publish its annual report on CSR Activities in its Director's Report in the manner prescribed under the Companies Act, 2013 and the CSR Rules.
-

Financial Details:

Particulars	Amount
Average Net Profit of the Company for the last three financial years	4,68,30,834
Prescribed CSR Expenditure (2% of the average net profits)	9,36,617
Amount spent	9,96,940

Manner in which the amount spent during the financial year is detailed below:

<u>Organisation</u>	<u>Amount</u>	<u>Work</u>
Shah Market	18,980	Grain Kit/Rice/ Oil/Pulses
Jhagadia Industries Association	25,000	Covid 19
Shah Market	18,980	Grain Kit/Rice Oil
Shah Market	18,980	Grain Kit/Rice Oil
Talodra Gram Panchayat	20,000	for needy people
Janki Mahal Trust	50,000	Donation - 80 G- 50 %
Sushil Purshottamlal Singhanian Trust	30,000	Donation - 80 G- 50 %
Sushil Purshottamlal Singhanian Trust	25,000	Donation - 80 G- 50 %
Sushil Purshottamlal Singhanian Trust	25,000	Donation - 80 G- 50 %
Army Central Welfare Fund	100,000	Financial assistance to widows of our Soldiers and needy Ex- Servicemen as a welfare measure.
Juvenile Diabetes Foundation	40,000	Provide moral support to diabetic children and youth apart from catering to the physical, emotional, psychological, and medical needs of its members
Multiple Development Organization	25,000	Help to hunger and poor people
PM Cares Fund	100,000	COVID-19
The Anglo Scottish Education Society	500,000	Education for underprivileged slum children in Mumbai, Cathedral School
	996,940	

Responsibility Statement:

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR committee monitors the implementation of the projects and activities in compliance with our CSR objectivities.

**For and on behalf of the Board of Directors
Champion Commercial Co. Limited**

Place: Mumbai

Date: August 12, 2020

**Mrs. Debjani Ganguly
CSR Committee Chairman
DIN: 01178490**

**Mr. Gaurav Singhanian
Managing Director
DIN: 01186568**

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2019-20

Pursuant to Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations") a Report on Corporate Governance is given below:

Company Philosophy on Corporate Governance:

Corporate Governance is an essential element of Champion Commercial Co. Limited's business practices and value system. The major facets of company's corporate governance codes and policy are:

1. Highest level of transparency and accountability.
2. All operations and actions should serve the goal of enhancing shareholder value.
3. Commitment to highest level of customer's satisfaction.
4. Total compliance towards statutory aspects including environmental standards.
5. Continuous activities towards sustained developments of the company.

The Company strongly believes that good corporate governance ultimately leads to growth and competitive strength and the corporate governance norms are the foundations of all procedures at the Board and operational levels.

Board of Directors

Composition & Category of Directors

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors as on 31st March, 2020 in terms of Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company had Five Directors as on 31st March, 2020 comprising of Two Executive Directors holding offices of Executive Chairman, Managing Director cum Chief Executive Officer respectively and Three Non-Executive Independent Director. Since, the Company has an Executive Chairman; the Company has to have at least half of its Board comprising of independent directors in terms of Regulation 17 (1) (b) of the Listing Regulations.

The category and designation of the Directors is as follows:

Name of Director	Designation	Category
Sushil Kumar Singhania (DIN: 00379991)	Executive Chairman	Executive
Gaurav Singhania (DIN: 01186568)	MD & CEO	Executive
Girdhari Lal Khemani (DIN: 00660797)	Director	Non-Executive Independent
Debjani Ganguly (DIN: 01178490)	Director	Non-Executive Independent
Naresh Kumar Bhojnagarwala (DIN: 00660265)	Director	Non-Executive Independent

RELATIONSHIP BETWEEN THE DIRECTORS INTER-SE:

Mr. Sushil Kumar Singhania, the Chairman and Executive Director of the Company is father of Mr. Gaurav Singhania, the Managing Director and CEO of the Company.

None of the Directors other than the above mentioned Directors are related to each other.

NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:

600 Equity Shares of the Company are held by Mr. Girdhari Lal Khemani, Non-Executive Independent Director of the Company.

None of the Non – Executive Directors other than the above mentioned Director hold any shares or any convertible instruments in the Company.

THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:

The Board of Directors of the Company has the following skills/expertise and competencies in the context of the businesses in which it operates:

- Knowledge of the Chemical sector and the related value chains.
- Expertise in technical management.
- Knowledge of finance, accounting, financial reporting.
- Specialist knowledge and experience in law, corporate governance & compliance.
- Knowledge and experience in Marketing.

CONFIRMATION ON INDEPENDENCY OF INDEPENDENT DIRECTORS

Pursuant to PART C(2)(i) of Schedule V of Securities and Exchange Board of India (Listing Regulations & Disclosure Requirements) Regulations, 2015 (“the Regulations”) The Board hereby confirms that in the opinion of the board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management of the Company.

CEO & CFO

Mr. Gaurav Singhania Managing Director is designated as Chief Executive Officer (CEO) of the Company. Mr. Nilesh Kumar Jain is designated as Chief Finance Officer (CFO) of the Company as on 31st March, 2020.

Independent Directors

Mr Naresh Kumar Bhojnagarwala, is appointed as Independent Director. Formal Letter of Appointment to Independent Directors On appointment, the concerned Independent Director is issued a letter of Appointment setting out the terms & conditions of appointment in detail. Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of Independence as provided under the Companies Act, 2013.

Following are the Independent Directors during the Financial Year 2019-20:

1. Mrs. Debjani Ganguly
2. Mr. Girdhari Lal Khemani
3. Mr. Naresh Kumar Bhojnagarwala (Appointed on 16th May 2019)

4. Mr. Vikas Kumar Kataruka (Resigned on 16th May 2019)

Performance Evaluation of Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 and 19 read with part D of Schedule II of the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its committees.

The performance Evaluation of the Independent Directors of the Company based on the evaluation criteria laid down by the Nomination and Remuneration Committee was completed in the Board meeting held on 06th February, 2020.

Separate Meeting of the Independent Directors

As per the code of Independent Directors under Schedule IV of the Companies Act, 2013 and the Regulation 25(3) of the Listing Regulations, a separate meeting of Independent Directors was held on 14th November 2019 during the year.

Familiarization Programme for Independent Directors

Every quarter presentation is given to Independent Directors about the business scenario, the information of the Industries and progress of the different products of the Company along with the photograph and other details. Warehouse visits are also conducted by the Company as and when required.

A Familiarization program is conducted, if required, for Independent Directors to familiarize them with the Company, their roles, rights responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company so that they can contribute in a meaningful

Way to the Company. Familiarization Program for Independent Directors has been uploaded on the Company website at <https://www.championcommercial.in>

Non-Executive Directors' Compensation and Disclosures

The remuneration of Non-Executive Directors (NEDs) for attending Board and its Committees meetings of the Company has been decided by the Board of Directors of the Company which is within the limits prescribed under the Companies Act, 2013. The Company has not granted stock options to Directors during the year.

Meeting of the Board of Directors

During the Financial Year 2019-2020 the Board of Directors met 6 times on 30th April 2019, 16th May 2019, 12th August 2019, 14th November 2019, 04th January 2020 and 6th February 2020.

Date of Board Meeting	Place
30 April 2019	Mumbai
16 May 2019	Mumbai
12 August 2019	Mumbai
14 November 2019	Mumbai
04 January 2020	Mumbai
06 February 2020	Mumbai

The gap between two board meetings did not exceed 120 days.

Attendance of Directors at the Board Meetings, last Annual General Meetings and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in various Companies

Director Name	No of Meeting Held		Last AGM Attended
	Held	Attended	
Mr. Sushil Kumar Singhania	6	6	Yes
Mr. Gaurav Singhania	6	6	Yes
Mr. Girdhari Lal Khemani	6	6	Yes
Mrs. Debjani Ganguly	6	6	No
Mr. Naresh Bhojnagarwala*	4	4	No

*Mr. Naresh Kumar Bhojnagarwala has appointed Additional Independent Director dated 16th May 2019.

Regulations, Membership/Chairmanship of only the Audit Committee and Stakeholders Relationship Committee of all Public Limited companies (Including Champion Commercial Co. Ltd), has been considered.

None of the Directors is a Director in more than 10 Public Limited Companies or serves as an Independent Director in more than 7 Listed Companies. Further, none of the Director acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he is a Director.

Name of Directors*	No of Directorship in listed entities	Number of memberships in Audit / Stakeholder Committee	No of post of Chairperson in Audit /Stakeholder Committee
Mr. Sushil Kr Singhania	1	4	1
Mr. Gaurav Singhania	1	3	0
Mr. Girdhari Lal Khemani	1	2	0
Mrs. Debjani Ganguly	1	5	4
Mr. Naresh Bhojnagarwala	1	1	0

*No Director is Director in any other listed Company or its committee member.

Procedures at the Board Meetings

The Board of Directors meet at least once in every quarter to review performance of the company along with the financial results. The functions of the Board are effectively and efficiently discharged by briefing each Board member of developments that have taken place.

Apart from the quarterly meetings additional meetings are also convened, if required, for the specific needs of the Company, by giving appropriate notice. The Board may also approve urgent matters by passing resolutions by circulations, if permitted by law.

Board has ensured review of compliance reports of all laws applicable to the Company and reviewed quarterly compliance reports. There were no instances of non-compliance noticed in such reviews.

The Board notes different risk factors involved in the business and analyses of the same. The different risks involved are mitigated by analysing existing controls and facilities. The presentation is given to the Board, covering Finance and also Budget for quarter and for the year, Sales and Marketing & Operations of the Company, before taking the quarterly results of the Company on record.

The minimum information as specified in Part A of Schedule II read with Regulation 17 (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly made available to the Board, whenever applicable, for discussion and consideration.

Recording minutes of proceedings at Board and Committee Meetings

The minutes of the proceedings of each Board and Committee Meetings are recorded by the Company Secretary. Draft Minutes are circulated to all the members of the Board/Committee for their comments. The minutes of the proceedings of the meetings are completed within 30 days from the date of the conclusion of meeting

Board Committees

i. Audit Committee

Composition and Meeting of the Audit Committee

During the Financial Year 2019-2020 the Audit Committee met 4 times on 30th April, 2019, 12th August, 2019, 14th November, 2019 and 6th February, 2020. Composition of the Audit Committee and attendance of each Member at the Audit Committee meetings held during the year:

Name of Members	Position	No. of Meeting held	Meetings Attended
Mrs. Debjani Ganguly	Chairman	4	4
Mr. Girdhari Lal Khemani	Member	4	4
Mr. Sushil Kumar Singhania	Member	4	4

The audit committee shall have minimum three directors as members as on 31st March, 2020 in terms of Regulation 18(1)(a) of the Listing Regulations.

The Company Secretary acted as the Secretary to the Committee.

Mr Gaurav Singhania Managing Director & CEO, Mr Nilesh Kumar Jain CFO, Statutory Auditors, and Internal Auditors were invited to attend all the Audit Committee Meetings. All members of the Audit Committee are capable of understanding financial statements and one member possesses financial management expertise in accordance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013, as applicable, besides other terms as referred by the Board of Directors.

Powers of Audit Committee

The audit committee has following powers:

To investigate any activity within its terms of reference;

To seek information from any employee;

To obtain outside legal or other professional advice;

To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

The role of the audit committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements, and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Review and monitor the auditor's independence and performance and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of any material nature and reporting the matter to the board;
16. Discussion with the statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e. whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualification, experience and background etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

- The Audit Committee mandatorily reviews the following information's:
- Management discussion and analysis of financial condition and results of operations.

- Statement of significant related party transactions (as defined by the Audit Committee) submitted by Management.
- Internal audit reports relating to internal control weakness.
- Management letters / letters of internal control weaknesses issued by the statutory auditors; and
- The appointment, removal and terms of remuneration of Internal Auditors is subject to review by the Audit Committee.
- Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

ii. Stakeholders Relationship Committee

Composition and Meeting of the Stakeholders Relationship Committee

During the Financial Year 2019-2020 the Stakeholders Relationship Committee met 2 times on 12th August 2019. Composition of Stakeholders Relationship Committee and attendance of each Member at the Stakeholders Relationship Committee meetings held during the year:

Ms. Debjani Ganguly, Non-executive Independent Director is the Chairperson of the Committee and Mr. Lucky Patel, Company Secretary acts as the Compliance officer under this. During the year the Company has not received any complaint and Pending complaints as on 31st March, 2020, is Nil.

Company had received confirmation from MSEI & CSE informing that no investor complaints pending as on 31st March, 2020 at their end.

Terms of Reference of the Committee:

The Stakeholders Relationship Committee meets to review and to take note of the Compliance Reports submitted to the Stock Exchanges and grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends.

iii. Nomination and Remuneration Committee (NRC)

Nomination and Remuneration Committee (NRC) has been constituted to recommend the increase / modifications in the Remunerations of the Managing Director, Whole-time / Executive Directors based on their performance and defined assessment criteria. NRC also approves the appointments of KMPs and Senior Management Personnel as required.

Nomination and Remuneration Committee met 2 times on 16th May, 2019, and 06th February, 2020, during the financial year 2019 – 2020.

Name of Members	Position	No. of Meeting held	Meetings Attended
Mrs. Debjani Ganguly	Chairman	2	2
Mr. Girdhari Lal Khemani	Member	2	2
Mr. Naresh Bhojnagarwala	Member	2	2

Composition of Nomination and Remuneration Committee and attendance of each Member at the Nomination and Remuneration Committee meeting held during the year:

The salient features of Remuneration policy

As per Regulation of 19 SEBI (LODR) Regulations 2015, there should be at least three Directors as members of N R Committee. The Committee formulates the criteria for determining qualifications and identifies persons who are qualified to become Independent Directors, Director and persons who may be appointed in Key Managerial Personnel (KMP) and Senior Management positions. The Committee also recommends appointment and removal of Director, KMP and Senior Management Personnel.

As per policy the Company Executive Chairman, Managing Director or Executive Director is appointed for a term not exceeding five years at a time. An Independent Director shall hold office for a term up to five consecutive years and will be eligible for re-appointment on passing of a special resolution by the Company. No Independent Director shall hold office for more than two consecutive terms. The committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management personnel subject to the provisions and compliance of the said Act, rules and regulations.

The remuneration, compensation, commission and increments in existing remuneration etc. of the Whole-time Director, KMP and Senior Management Personnel is determined by the Committee and recommended to the Board for approval. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions by the shareholders by passing special resolution.

The Company shall not waive recovery of excess remuneration paid to whole time Directors unless permitted by the shareholders by passing special resolution.

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the slabs and conditions mentioned in as may be prescribed by the Companies Act, 2013.

Terms of Reference of the Committee

Laying down criteria, to identify persons who are qualified to become directors & who can be appointed in senior management;

Recommending to the Board, appointment & removal of directors & senior management;

Carrying out evaluation of every director's performance;

Formulating criteria for determining qualifications, positive attributes & independence of directors;

Recommending to Board, a policy relating to remuneration of directors, KMP & other employees;

The aggregate value of salary and perquisites paid to whole time directors for the financial year 2019-20 are as follows:

Name of Director	Remuneration (INR)
Mr Sushil Kumar Singhania	Rs. 72,00,000
Mr Gaurav Singhania	Rs. 72,00,000

During the year the Company has not granted any fresh stock options to any of the Directors.

Directors Sitting Fees:

The Company has paid sitting fees for attending Board Meetings at 3,000, per meeting to all the Non- Executive Directors. The details of sitting fees paid during financial year 2019-20 are mentioned below.

Name of Director	Remuneration (INR)
Mr Girdhari Lal Khemani	Rs 18,000
Mr Naresh Kumar Bhojnagarwala	Rs. 12,000
Mrs. Debjani Ganguly	Rs. 18,000

Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013

As stated in the Directors report forming part of the Annual Report.

VI. Risk Management Committee

The Committee has been constituted to assess the risks and its minimisation as per The Companies Act, 2013.

Composition of Risk Management Committee and attendance of each Member at the Risk Management Committee meeting held during the year

Name of Members	Position	No. of Meeting held	Meetings Attended
Mrs. Debjani Ganguly	Member	2	2
Mr. Gaurav Singhania	Member	2	2
Mr. Sushil Kumar Singhania	Chairman	2	2

The Company Secretary acted as the Secretary to the Committee. The Company takes all necessary steps to identify, monitor and mitigate various risks. The Company has developed and implemented a Risk Management Policy to identify elements of risks and to take precautionary and corrective measures. Major risks identified are systematically addressed through mitigating actions on a regular basis. The Board supervises the overall process of risk management in the organisation.

CEO/CFO Certification

The Managing Director & CEO and the Chief Financial Officer of the Company has issued a certificate pursuant to the provisions of Regulation 17(8) in terms of Schedule II Part B of the Listing Regulations and the same was taken on record by the Board at its meeting held on 12th August 2019. As annexed in **Annexure I**.

Prevention of Insider Trading

The Company ensures that the Code of Conduct for prevention of Insider Trading adopted in terms of the SEBI [Prohibition of Insider Trading] Regulations is strictly adhered to.

Code of Business Conduct and Ethics for Board of Directors, Senior Management and Employees

The Company has formulated and implemented a Code of Conduct (the 'Code') for the Board of Directors, Senior Management and Employees of the Company. Annual affirmation of compliance with the Code has been made by the Board of Directors, Senior Management and employees of the Company. The said Code is posted on the Company's website <https://www.championcommercial.co.in>. The necessary declaration by the Chief Executive Officer of the Company regarding compliance of the above mentioned Code by Directors, Senior Management and the employees forms part of the Corporate Governance Report. The code of conduct was modified from time to time as and when required as per the guidelines.

Management Discussion and Analysis

A Management Discussion and Analysis Report containing discussion on the matters specified in Schedule V of the Listing Regulations forms part of the annual report.

Annual General Meetings

Date	Place	Time
04 th September 2019	P-15, New C.I.T. Road, Kolkata, West Bengal – 700 073	03:00 PM
10 th September 2018	P-15, New C.I.T. Road, Kolkata, West Bengal – 700 073	03:00 PM
18 th August 2017	P-15, New C.I.T. Road, Kolkata, West Bengal – 700 073	03:00 PM

Related Party Transactions

The details of all transactions with related parties are placed before the Audit Committee periodically, with justification wherever required. During the Financial year 2019-20 no material transaction has been entered into by the Company with related parties that may have a potential conflict with interest of the Company. The details of related party transactions have been given in the Notes to the Financial Statements. The Company has formulated a policy on dealing with related party transactions and has been uploaded on the website of the Company at <https://www.championcommercial.co.in>.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM:

The Company has laid down a Whistle Blower Policy providing a platform to all the Directors/Employees to report about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The said Policy is posted on the website (www.championcommercial.co.in) of the Company.

The Company has set up a Vigil Mechanism Committee which has been established and reviewed by Audit Committee pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 to enable directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud. The Company has framed and adopted Vigil Mechanism Framework and the objective of this mechanism is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal controls or fraudulent reporting of financial information.

The directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee.

During the financial year 2019-20, the Vigil Mechanism Committee has met Four (04) times:

- April 30, 2019;
- August 12, 2019;
- November 14, 2019;
- February 06, 2020.

Composition of the Vigil Mechanism Committee and attendance record of members for 2019-2020 are as follows:

Sr. No.	Name of the Director	Category	Meetings Attended / Held
1.	Mr. Girdharilal Khemani	Member	04/04
2.	Mr. Sushil Kumar Singhania	Member	04/04
3.	Mrs. Debjani Ganguly	Chairman	04/04

Non-compliance / Strictures / Penalties imposed

There has been no instance of non-compliance by the Company on any matter related to capital market during the last 3 years and hence no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority.

Reconciliation of Share Capital and Secretarial Audit

In compliance with the circular received from Stock Exchange mandating all listed companies are required to get Secretarial Audit done at quarterly intervals for purposes of reconciliation of the total admitted capital with both the depositories and the total issued and listed capital. The Company has confirmed that there exist no discrepancies with regard to its admitted capital. A certified report to this effect issued by practising Company Secretary Mr. Parveen Rastogi (CP.No.2883) proprietor of M/s Parveen Rastogi & Co has been submitted at close of each quarter to the Stock Exchanges. Secretarial Audit as prescribed under Companies Act 2013 for the FY 2019-20 was carried out and the report is forming part of Annual Report.

Means of Communication

The quarterly and half yearly unaudited and annual audited financial results were published in English and in local language in Financial Express and Duranto Barta. Half-yearly results in addition to being published in newspapers were available to the shareholders on their request. Results and Official News of the Company are displayed on the Company's Website: www.championcommercial.co.in. The Ministry of Corporate Affairs (MCA) has through Circular No.17/2011 pronounced a Green Initiative in Corporate Governance that allows Companies to send notices / documents to shareholders electronically. Accordingly the Company has sent notice and annual report by way of electronic mode to the shareholders whose email address was registered with the Company. The Annual Report is posted individually to all members, whose email address is not registered with the Company and is also available on the Company's website. The shareholders, who have not registered email address with the company, are requested to register the email address with company. The presentations to the institutional investors and to the analysts are made as and when required. The Management Discussion and Analysis Report are incorporated within the Directors' Report forming a part of the Annual Report.

General Information for Shareholders Annual General Meeting

Day, Date & Time	Friday, September 04, 2020 at 12.30 PM
Venue	Video Conferencing (VC) / Other Audio Visual Means (OAVM)
Financial Calendar [Tentative]	
Results for the quarter ended June, 2019	On or before 14 th August 2020
Results for the quarter ended September, 2019	On or before 14 th November 2020
Results for the quarter ended December, 2019	On or before 14 th February 2021
Results for the quarter ended March, 2020 End	On or before 30 th May 2021
Annual General Meeting	On or before 30 September 2021

Dividend

Board of Directors has not recommended dividend for the year 2019-2020.

Date of Book Closure: August 29, 2020 to September 06, 2020 (both days inclusive).

Unclaimed Dividend

The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not en cashed/ claimed by the shareholders for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandates the companies to transfer the shares of shareholders whose dividends remain unpaid/ unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to en cash/ claim their respective dividend during the prescribed period.

Listing of Equity Shares

The shares of the Company are listed on Metropolitan Stock Exchange Ltd & The Calcutta Stock Exchange Ltd.

Registrar & Transfer Agents

Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Makwana Road, Marol, Andheri (E) Mumbai – 400 059
T: +91 22 62638200 Email ID: vinod.y@bigshareonline.com

Share Transfer System

The Registrars and Transfer Agents process, inter-alia, the share transfer requests received in physical and electronic mode and confirm dematerialisation requests and extinguishment of shares and other share registry work.

The transfers are normally processed within 15 days from the date of receipt if the documents are complete in all respects.

Dematerialisation of Shares: As on 31st March, 2020.

Mode of Holding	No of shares held	Percentage to Total Capital
NSDL	1,29,050	64.53%
CDSL	0	0.0%
Total Demat Holding	1,29,050	64.53%
Physical Holding	70,950	35.47%
Total Shareholding	2,00,000	100.00%

Distribution of Shareholding: As on 31st March, 2020.

Shareholding of Shares	No of Share holders	Number of Shares held	Percentage to Total Capital
1 to 500	267	57850	28.925%
501 to 1000	4	3600	1.80%
1001 to 2000	1	2000	1.00%
2001 to 3000	1	2400	1.20%
5001 to 10000	4	29600	14.80%
10001 to 100000	3	104550	52.275%
Total	280	2,00,000	100.00%

Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31st March, 2020

Category	Total Shareholder	% of Shareholders	Total Share	Percentage
Corporate Bodies	1	0.36	5,300	2.65
Group Companies	1	0.36	5,400	2.70
Promoters	5	1.79	1,23,650	61.83
Public	273	97.7	65,650	32.83
Total	280	100.00	2,00,000	100.00

DEMAT ISIN Number in NSDL & CDSL	INE477E01014
Share Code on MSEI	CHAMPION
Share Code on CSE	13133

Trading in Equity Shares of the Company is permitted only in Dematerialised Form. Index of Share Prices [High & Low] of the Company during the Year on the MSEI & CSE

Month	MSEI		CSE	
	High	Low	High	Low
April 2019	10.00	10.00	10.00	10.00
May 2019	10.00	10.00	10.00	10.00
June 2019	10.00	10.00	10.00	10.00
July 2019	10.00	10.00	10.00	10.00
August 2019	10.00	10.00	10.00	10.00
September 2019	10.00	10.00	10.00	10.00
October 2019	10.00	10.00	10.00	10.00
November 2019	10.00	10.00	10.00	10.00
December 2019	10.00	10.00	10.00	10.00
January 2020	10.00	10.00	10.00	10.00
February 2020	10.00	10.00	10.00	10.00
March 2020	10.00	10.00	10.00	10.00

Stock performance:

The average daily turnover of the equity shares of the company during the financial year 2019-2020 is as follows:

MSEI: NIL

CSE: NIL

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Board of Directors of the Company had formulated Risk Management Plan. The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures, which is subject to review by the Management and is required to be placed before the Board on an annual basis. In line with the requirements of the Regulation 17(9) of the Listing Regulations, the Audit Committee and the Board of Directors reviewed the Management perception of the risks faced by the Company and measures taken to minimize the same. The details of Hedged and Un-hedged Foreign Currency exposure as on 31st March, 2020 are disclosed in Financial Statements.

Corporate Office Address:

305, Embassy Centre, Nariman Point,
Mumbai – 400 021

Tel: +91 22 40024100

Fax: +91 22 22853725

E-mail Address for Investor Grievance & Correspondence:

investor.relations@singhaniagroup.com

Website: www.championcommercial.co.in

Compliance with mandatory requirements:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub- regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except as disclosed above.

TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART:

Particulars	FY 2019-20
<u>As auditor :</u>	
Audit Fee (Including Limited Review)	4,85,000
Tax Audit Fee	25,000
Vat/GST Audit Fee	1,60,000
Goods and Service Tax/Service Tax	1,14,300
<u>In other capacity :</u>	
Income Tax Matter	22,500
Certification	27,000
Other Services	1,65,000
Goods and Service Tax/Service Tax	30,510
	10,29,310

DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress

complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

DETAILS OF MEMBERS AND COMMITTEE MEETINGS

A. INTERNAL COMPLAINTS COMMITTEE (ICC):

Sr. No.	Date of the Meeting held	Name of the members present	Name of the members absent	Total number of members
1.	February 06, 2020	Mrs. Sunita Singhania – Presiding Officer; Mrs. Sima Lahiri – Member; Mrs. Neha Kedia – Member; Mr. Rajiv Ruia – Member	NIL	04

- a. number of complaints filed during the financial year : Nil
- b. number of complaints disposed of during the financial year : Nil
- c. number of complaints pending as on end of the financial year: Nil.

CERTIFICATION ON CORPORATE GOVERNANCE COMPLIANCES:

As required under the Regulations of SEBI (Listings Obligations and Disclosure Requirements) Regulations, 2015, certificate of compliances of Corporate Governance issued by M/s. Jaya Sharma & Associates, Practicing Company Secretaries annexed here as **Annexure II**

A CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE THAT NONE OF THE DIRECTORS ON THE BOARD OF THE COMPANY HAVE BEEN DEBARRED OR DISQUALIFIED FROM BEING APPOINTED OR CONTINUING AS DIRECTORS OF COMPANIES BY THE BOARD/MINISTRY OF CORPORATE AFFAIRS OR ANY SUCH STATUTORY AUTHORITY.

Certificate from M/s. Jaya Sharma & Associates, Practicing Company Secretaries on non-disqualification of directors is annexed herewith as **Annexure- III**

DISCRETIONARY REQUIREMENTS- PART E OF SCHEDULE II

1. The Board

The Company has an Executive Chairman whose office is maintained by the Company at its expenses. The travelling and other expenses of the Chairman for office purposes are paid / reimbursed by the Company.

2. Shareholders' Rights

The quarterly and half yearly financial performance results are published in the newspapers and are also posted on the website (www.championcommercial.co.in) of the Company and hence, it is not being sent to the shareholders separately.

3. Audit qualifications

The Company's Standalone Financial Statement for the year ended 31st March, 2020 contains audit qualifications for details refer to standalone audit report.

4. Separate posts of Chairman and CEO

The Company has an Executive Chairman whose position is separate from that of the Managing Director & CEO of the Company.

5. Reporting of Internal Auditor

The Internal Auditor presents his report to the Audit Committee on yearly basis. Compliance Certificate from the Auditors of the Company regarding compliance of condition of corporate governance for the year ended on 31st March, 2020, as stipulated in Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with the Directors' report. Declaration on Compliance with the Company's code of conduct I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company, for the financial year ended 31st March, 2020.

**For and on behalf of the Board of Directors
Champion Commercial Co. Limited**

Place: Mumbai

Date: August 12, 2020

**Mr. Sushil Kumar Singhania
Executive Chairman
DIN: 00379991**

**Mr. Gaurav Singhania
Managing Director
DIN: 01186568**

**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)
CERTIFICATION**

We, Gaurav Singhania, CEO & Managing Director and Nilesh Kumar Jain, CFO of **Champion Commercial Co. Ltd.**, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit committee:
1. Significant changes, if any, in internal control over financial reporting during the year;
 2. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully,

Gaurav Singhania
Managing Director & CEO

Nilesh Kumar Jain
Chief Financial Officer

Place: Mumbai

Date: August 12, 2020

JAYA SHARMA & ASSOCIATES

Practising Company Secretaries

101, Parn-Kutir, 1st Floor, Opp. Old Sanjeevani Hospital, Rani Sati Marg, Malad (East), Mumbai – 400 097.

Tel: 022-28818135

Website: www.jsa-cs.com; Email ID: jaya@jsa-cs.com

ANNEXURE II TO CORPORATE GOVERNANCE REPORT PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

**To
The Members of
Champion Commercial Co. Ltd.
CIN: L51909WB1982PLC034891
P-15, New C.I.T. Road, Kolkata,
West Bengal – 700 073.**

I have examined the compliance of conditions of Corporate Governance by Champion Commercial Co. Ltd (hereinafter referred to as the "Company") for the year ended on March 31, 2020, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2020. Save and except below, I have not found material observation / instances of any material non-compliance in respect of the same.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purpose of complying with Regulations 17-27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations for the period 1 April 2019 to 31 March 2020 and may not be suitable for any other purpose. Accordingly, I do not accept or assume any liability or any duty of care for any

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other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Jaya Sharma & Associates
Practicing Company Secretaries
ICSI Unique Code: I2009MH641300
Peer Review Code: 819/2020**

**Jaya Sharma-Singhania
(Proprietor)
FCS No.: 7557 | CP No.: 8154
ICSI UDIN:F007557B000560175**

**Place: Mumbai
Date: August 7, 2020
Time: 03.45pm**

JAYA SHARMA & ASSOCIATES

Practising Company Secretaries

101, Parn-Kutir, 1st Floor, Opp. Old Sanjeevani Hospital, Rani Sati Marg, Malad (East), Mumbai – 400 097.

Tel: 022-28818135

Website: www.jsa-cs.com; Email ID: jaya@jsa-cs.com

ANNEXURE III TO CORPORATE GOVERNANCE REPORT CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Champion Commercial Co. Ltd.,
CIN: L51909WB1982PLC034891,
P-15, New C.I.T. Road, Kolkata,
West Bengal – 700 073.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Champion Commercial Co. Ltd** (hereafter referred to as the “Company”) having **CIN: L51909WB1982PLC034891** and having registered office at P-15, New C.I.T. Road, Kolkata, West Bengal – 700 073, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Regulations”).

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with, the provisions of the Act.

Ensuring the eligibility for appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal **www.mca.gov.in**) as considered necessary and explanations furnished to me by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

JAYA SHARMA & ASSOCIATES

Practising Company Secretaries

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Tel: 022-28818135

Website: www.jsa-cs.com; Email ID: jaya@jsa-cs.com

Sr. No.	Name of Director	Director Identification Number	Date of appointment in Company*
1	Mr.Sushil Kumar Singhania	00379991	26/11/1990
2	Mr. Gaurav Singhania	01186568	10/07/2012
3	Mr. Girdhari Lal Khemani	00660797	17/05/1982
4	Ms. Debjani Ganguly	01178490	22/07/2016
5	Mr. Naresh Kumar Bhojnagarwala	00660265	16/05/2019

*the date of appointment is as per the MCA portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the financial year ended 31st March, 2020.

For Jaya Sharma & Associates
Practising Company Secretaries
ICSI Unique Code: I2009MH641300
Peer Review Code: 819/2020

Jaya Sharma-Singhania
(Proprietor)
FCS No.: 7557 | CP No.: 8154
ICSI UDIN:F007557B000560153
Place: Mumbai
Date: August 7, 2020
Time: 04.00 PM

INDEPENDENT AUDITOR'S REPORT

To,
The Members of **CHAMPION COMMERCIAL CO. LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **CHAMPION COMMERCIAL CO. LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, the profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, 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 audit opinion on the financial statements.

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit matter	
A. Allowance for trade receivables	Auditor's Response
<p>The Company's has trade receivables amounting to Rs. 2664.86 lakhs which is material amounts in total assets of the company. The management is making provisions for such allowances which involve assumptions / estimate by the management. Further the realisation of trade receivables is also impacted by other factors such as intent or ability to pay the amount due. Considering the complexity, size and other factors, amount realised later by the Company may be different. Due to the same we considered this as key audit matter.</p>	<p>Our procedures included discussion with the management. Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • We reviewed management's analysis for all cases with potential exposure. This analysis of management includes background information of the customer, existing contractual relationships, balance outstanding, delays in collection and past data. • We reviewed the ageing of accounts receivables for certain customers on sample basis and also reviewed subsequent collection from the parties. <p>We reviewed the internal process of making provision for expected credit loss and the adequacy of provision considering the bad debts written off in earlier years</p>

Key Audit matter	
B. Existence and condition of inventory of Stock-in-trade [Refer to Note 11 to the financial statements]	Auditor's Response
<p>The Company has its inventory located at its Warehouse.</p> <p>The Company's management conducts physical verification of inventories during the year at reasonable intervals in the warehouse however, on account of the COVID-19 related lockdown restrictions, management was unable to perform year end physical verification of inventories and verification was carried out subsequently for the warehouse.</p> <p>Management has carried out other procedures to validate the existence and</p>	<p>Our procedures included the following alternate audit procedures to audit the existence and condition of inventories as per the guidance provided in SA 501 "Audit Evidence – Specific Considerations for Selected Items", as at the year-end, since we were not able to physically observe the physical stock verification:</p> <ul style="list-style-type: none"> • Understood and evaluated the management's internal controls process to establish the existence and condition of inventories, such as, the process of periodic physical verification carried out by the Management, the scope and coverage of the periodic

<p>conditions of its inventory as at the year end, such as roll back procedures for inventories which were physically verified subsequent to year end and carrying out Purchase/Sales analysis to determine the quantities of the inventory at the balance sheet date.</p> <p>Further due to COVID-19 related lockdown we could not participate in the physical verification of inventory that was carried out by the management subsequent to the year end.</p> <p>In view of the foregoing, obtaining sufficient appropriate audit evidence regarding existence and condition of inventories as at the balance sheet date is identified as a key audit matter.</p>	<p>verification programme, the results of such verification including analysis of discrepancies, if any.</p> <ul style="list-style-type: none"> • Verified the analytical reviews performed by the Company such as Purchase/Sales analysis • Verified physical verification report of inventories carried out by the Management at the warehouse subsequent to year-end, to verify the compliance with the standard operating procedures issued by the Management for physical verification of inventory to determine existence and condition of inventory. On a sample basis, we performed roll back procedures (by inspecting documentation relating to subsequent sales supported by acknowledged lorry receipts, purchases, stock transfers, production records, as applicable) from the inventory quantities physically verified by the Management subsequent to the year end to arrive at the quantities at the balance sheet date. Compared such quantities at the balance sheet date based on such roll back with the quantities as per the inventory records and obtained explanations for differences, if any. • We have performed alternate procedures to audit the existence and condition of inventory, which includes inspection of supporting documentation relating to purchases and sale records and results of cyclical count performed by the Management through the year.
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Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report,

but does not include the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act ("Ind AS"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 adequate 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 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 and Board of Directors are 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 management and Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 relating to preparation of the aforesaid financial statements have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, March, 2020.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For M L BHUWANIA AND CO LLP
Chartered Accountants
FRN: 101484W/W100197

Vijay Kumar Jain
Partner
Membership No. 108374
UDIN: 20108374AAAABZ2347

Place: Mumbai
Date: June 26, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 of '**Report on other Legal and Regulatory Requirements**' in our Report of even date on the accounts of **CHAMPION COMMERCIAL CO. LIMITED** for the year ended March 31, 2020

- i. (a) The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets are physically verified by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. Pursuant to the program, certain fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in property, plant and equipment, are held in the name of the Company. In respect of immovable properties, taken on lease and disclosed as right-of-use-assets in the financial statements, the lease agreements are in the name of the Company.
- ii. During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records have been properly dealt with in the books of accounts.
- iii. According to the information and explanations provided 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 maintained under Section 189 of the Act. Hence sub clauses (a) to (c) of clause 3(iii) of the order are not applicable to the Company.
- iv. In our opinion and according to information and explanations provided to us the Company has complied with provisions of sections 186 of the Companies Act, 2013 in respect of investments made and loans given. Section 185 of the Companies Act, 2013 is not applicable as there were no loans, securities and guarantees given during the year.
- v. According to the information and explanations provided to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause 3(v) is not applicable.
- vi. The Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, for any of the products of the company. Accordingly, clause 3 (vi) of the Order is not applicable to the Company.
- vii. (a) According to the information and explanations provided to us and on the basis of our examination of the records, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Customs Duty, Value

Added Tax, Cess, Goods and Services Tax (GST) and other statutory dues applicable to it except Municipal Tax outstanding to the extent of Rs. 5,18,813/-. Further no undisputed amounts were outstanding as on March, 31 2020 for a period of more than six months from the date they became payable except municipal tax amounting to Rs. 4,82,971/-

- (b) According to the information and explanations given to us and on the basis of our examination of the records, there are no dues of Income Tax, Service Tax, Customs Duty, Cess, Goods and Service Tax (GST) and Excise Duty Tax which have not been deposited on account of any dispute.

The disputed amounts that have not been deposited in respect of Sales Tax/Value Added Tax are as under:

Name of Statute	Nature of Dues	Financial Year	Amount (Rs.)	Forum where dispute is pending
The West Bengal Value Added tax Act, 2003.	Dues of Value Added Tax	2006-2007	67,505	Commissioner of Sales Tax, West Bengal
Central Sales Tax Act, 1956	CST Dues	2006-2007	4,70,261	Commissioner of Sales Tax, West Bengal
	CST Dues	2007-2008	19,304	Revision Board of Kolkata
	CST Dues	2008-2009	13,27,598	Jt. Commissioner of Sales Tax (Appeal)

- viii. In our opinion and according to information and explanations provided to us, the Company has not defaulted in repayment of dues to banks during the year. The company has not taken any loan or borrowing from government, financial institution, and has not issued debentures during the year.
- ix. In our opinion and according to information and explanations provided to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and through term loans during the year. Accordingly, clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act, 2013.

- xii. In our opinion and according to the information and explanations given to us, the nature of the activities of the company does not attract any special statute applicable to Nidhi Company. Accordingly, clause 3(xii) of the order is not applicable to the company.
- xiii. According to the information and explanation given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and 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 provided to us, and based on our examination 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. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
- xvi. The company is a Non Banking Financial Company and the company is registered as Non Banking Financial Company under the Reserve Bank of India Act, 1934.

For M L BHUWANIA AND CO LLP
Chartered Accountants
FRN: 101484W/W100197

Vijay Kumar Jain
Partner
Membership No. 108374
UDIN: 20108374AAAABZ2347

Place: Mumbai
Date: June 26, 2020

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Referred to in paragraph 2(f) of '**Report on Other Legal and Regulatory Requirements**' in the Independent Auditor's Report on the financial statements of the company for the year ended March 31, 2020.

Opinion

We have audited the internal financial controls over financial reporting of **CHAMPION COMMERCIAL CO. LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our knowledge and according to the information and explanations provided 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 March 31, 2020, based on the criteria for internal financial control over financial reporting 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.

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are 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 of the Company 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 Act, to the extent applicable to an audit of internal financial controls, and both issued by the ICAI. 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.

For M L BHUWANIA AND CO LLP
Chartered Accountants
FRN: 101484W/W100197

Vijay Kumar Jain
Partner
Membership No. 108374
UDIN: 20108374AAAABZ2347

Place: Mumbai
Date: June 26, 2020

CHAMPION COMMERCIAL CO. LTD.

BALANCE SHEET AS AT 31st March 2020

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
I ASSETS			
(1) Non - Current Assets			
(a) Property, plant and equipment	3	112,171,818	119,240,172
(b) Right of use Assets	4	3,059,984	-
(c) Other intangible assets	5	156,487	233,763
(d) Financial Assets			
(i) Non current investments	6	143,425,576	160,250,664
(ii) Other non- current financial assets	7	1,017,851	892,700
(e) Other tax assets (net)	8	794,670	794,670
(f) Deferred tax assets (net)	9	7,742,504	3,961,076
(g) Other non - current assets	10	25,664,077	25,700,397
Total Non- Current Assets	(A)	294,032,967	311,073,443
(2) Current Assets			
(a) Inventories	11	65,104,055	154,194,207
(b) Financial assets			
(i) Current investments	12	172,584	711,525
(ii) Trade receivables	13	266,486,415	309,156,984
(iii) Cash and cash equivalents	14	1,860,604	1,361,946
(iv) Bank balances other than (iii) above	15	1,385,620	6,209,769
(v) Loans	16	2,000,000	-
(vi) Other current financial assets	17	3,498,569	2,110,707
(c) Current tax assets (Net)	18	1,069,850	1,069,850
(d) Other current assets	19	4,939,909	18,026,959
Total Current Assets	(B)	346,517,606	492,841,948
TOTAL ASSETS	(A+B)	640,550,572	803,915,390
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	20	2,000,000	2,000,000
(b) Other equity	21	411,661,071	411,015,081
Total Equity	(A)	413,661,071	413,015,081
LIABILITIES			
(1) Non - Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	8,971,301	21,621,668
(ii) Lease Liabilities	23	1,530,457	-
(b) Provisions	24	4,299,119	3,397,970
Total Non- Current Liabilities		14,800,877	25,019,638
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	45,474,420	151,558,586
(ii) Trade payables	26		
- Dues of Micro and Small Enterprises		-	-
- Dues other than of Micro and Small Enterprises		152,528,012	203,837,224
(iii) Lease Liabilities	27	1,600,439	-
(iv) Other financial liabilities	28	4,467,757	5,179,263
(b) Other current liabilities	29	6,169,532	3,046,679
(c) Provisions	30	833,835	1,044,471
(d) Current tax liabilities (Net)	31	1,014,628	1,214,447
Total Current Liabilities		212,088,624	365,880,670
Total Liabilities	(B)	226,889,501	390,900,308
TOTAL EQUITY AND LIABILITIES	(A+B)	640,550,572	803,915,390
Contingent Liabilities	32		
Company profile	1		
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached
FOR M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS
 Firm's Registration Number : 101484W/W100197

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

VIJAY KUMAR JAIN
 PARTNER
 MEMBERSHIP NO. 108374

SUSHIL KUMAR SINGHANIA
 CHAIRMAN
 DIN - 00379991

GAURAV SINGHANIA
 MANAGING DIRECTOR
 DIN - 01186568

PLACE : MUMBAI
 DATE: 26 JUNE 2020

NILESH KUMAR JAIN
 CHIEF FINANCIAL OFFICER

LUCKY PATEL
 COMPANY SECRETARY

CHAMPION COMMERCIAL CO. LTD.

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st March,2020

Particulars	Note No.	March 31, 2020	March 31, 2019
Income:			
Revenue from operations	33	1,166,595,689	1,306,263,630
Other income	34	5,611,948	2,339,829
Total Income		1,172,207,637	1,308,603,460
Expenses:			
Purchases of stock - in - trade	35	904,371,822	1,161,069,167
Changes in inventories of stock-in-trade	36	89,090,152	(44,934,625)
Employee benefit expenses	37	53,647,577	38,819,545
Finance costs	38	11,877,606	16,309,577
Depreciation & amortization expenses	39	11,357,512	9,110,522
Other expenses	40	38,667,309	45,837,624
Total Expenses		1,109,011,977	1,226,211,810
Profit before exceptional items and tax		63,195,660	82,391,650
Add (Less) : Exceptional items		-	-
Profit/(Loss) before tax		63,195,660	82,391,650
Less: Tax expenses			
(1) Current tax			
- Of Current Year		17,546,000	24,297,300
- Of Earlier Years		(1,148,707)	730,222
(2) Deferred tax		(832,063)	(2,627,866)
Total Tax Expenses		15,565,230	22,399,657
Profit after tax	(A)	47,630,430	59,991,993
Other Comprehensive Income (Net of Tax)			
(i) Items that will not be reclassified to profit or loss		(49,933,803)	(19,458,211)
(ii) Income tax relating to items that will not be reclassified to profit or loss		2,949,363	583,674
Total Other Comprehensive Income for the year	(B)	(46,984,440)	(18,874,536)
Total Comprehensive Income for the year	(A+B)	645,990	41,117,457
Earning per equity share (Face Value of Rs. 10/- each)	41		
(1) Basic		238.15	299.95
(2) Diluted		238.15	299.95
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

FOR M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS

Firm's Registration Number : 101484W/W100197

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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MEMBERSHIP NO. 108374

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MANAGING DIRECTOR
DIN - 01186568

PLACE : MUMBAI
DATE: 26 JUNE 2020

NILESH KUMAR JAIN
CHIEF FINANCIAL OFFICER

LUCKY PATEL
COMPANY SECRETARY

CHAMPION COMMERCIAL CO.LTD.
Cash Flow Statement for the year ended 31st March 2020
2019-20

2018-19 }

A) CASH FLOW FROM OPERATING ACTIVITIES

Net Profit before tax & Extraordinary Items		63,397,699		82,611,464
Adjustment for :				
Dividend Received	(1,527,988)		(937,666)	
Depreciation and Amortisation	9,978,831		9,110,522	
Profit on sale of Fixed Assets	(90,776)		(6,800)	
Reclassification of remeasurement of employee benefits	214,558		(2,490,235)	
Interest income	(288,045)		(1,314,687)	
Unwinding of interest (net)	(23,156)		(432)	
Lease Rent Ind AS 116 effect	152,272		-	
Interest expense	10,971,938		15,311,982	
Net gain on sale of investments	(26,802)		(41,314)	
Loss on financial assets measured at FVTPL	2,881		1,932	
Fixed Assets Written off	172,116		-	
Sundry balance written off/(written back)	52,540		8,055	
Bad debts written off	50,994		977,945	
Allowance for obsolete Inventories	204,380		-	
Provision for expected credit losses on trade receivables (Net)	-		572,039	
Excess provision for expected credit losses on trade receivables (Net)	(267,210)		-	
Exchange Rate Fluctuation (Net)	889,601	20,466,134	-2,679,845	18,511,497
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		83,863,833		101,122,960
ADJUSTMENTS FOR WORKING CAPITAL CHANGES IN :				
Other non - current assets	36,319		(77,627)	
Inventories	88,885,772		(44,934,625)	
Trade Receivable	43,140,921		(74,140,890)	
Other Bank Balances	4,824,149		(1,410,411)	
Other Non Current financial assets	(140,910)		(204,904)	
Other financial assets	(1,303,700)		(1,051,939)	
Other current assets	13,044,607		(9,149,923)	
Trade payables	(52,505,489)		22,585,535	
Other financial liabilities	(46,846)		-	
Other current liabilities	3,122,854		454,503	
Provisions	690,513	99,748,189	434,860	(107,495,421)
Cash Generated from Operations		183,612,022		(6,372,461)
Direct Taxes paid		16,799,151		19,215,590
NET CASH FROM OPERATING ACTIVITIES		166,812,871		(25,588,051)

B) CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Fixed Assets	(3,083,372)		(28,590,494)	
Sale of Fixed Assets	168,832		8,000	
Inter Corporate Deposit	(2,000,000)		-	
Purchase of Investments	(65,504,973)		(27,784,679)	
Sale of Investments	32,744,562		25,994,027	
Interest Received	203,883		1,335,876	
Dividend Received	1,527,988	(35,943,080)	937,666	(28,099,604)
NET CASH USED IN INVESTING ACTIVITIES		(35,943,080)		(28,099,604)

C) CASH FLOW FROM FINANCING ACTIVITIES

Interest Paid	(11,026,344)		-15,339,339	
Proceeds /(Repayment) of Non Current (Net)	(13,260,620)		16,023,954	
Proceeds /(Repayment) of Current (Net)	(106,084,167)	(130,371,131)	52,610,353	53,294,968

NET CASH USED IN FINANCING ACTIVITIES **(130,371,131)** **53,294,968**

NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C) **498,658** **(392,687)**

OPENING BALANCE OF CASH & CASH EQUIVALENTS 1,361,946 1,754,633
CLOSING BALANCE OF CASH & CASH EQUIVALENTS 1,860,604 1,361,946
498,658 **(392,687)**

Notes

1 CASH & CASH EQUIVALENTS INCLUDES (Refer Note No. 14) :

Cash in Hand	796,406		732,356
BALANCE WITH SCHEDULED BANKS			
In current account	1,064,199		629,590
	1,860,604		1,361,946

2 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report attached of even date

FOR M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

Firm Registration Number : 101484W/W100197

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

VIJAY KUMAR JAIN
PARTNER
MEMBERSHIP NO. 108374

SUSHIL KUMAR SINGHANIA
CHAIRMAN
DIN - 00379991

GAURAV SINGHANIA
MANAGING DIRECTOR
DIN - 01186568

PLACE : MUMBAI
DATE: 26 JUNE 2020

NILESH KUMAR JAIN
CHIEF FINANCIAL OFFICER

LUCKY PATEL
COMPANY SECRETARY

CHAMPION COMMERCIAL CO. LTD.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st March 2020

A. Equity Share Capital

Particulars	(In Rupees)	
	No of Shares	Amount
Balance at at 1st April, 2018	200,000	2,000,000
Changes in equity share capital during the year	-	-
Balance at at 1st April, 2019	200,000	2,000,000
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2020	200,000	2,000,000

B. Other Equity

Particulars	Reserve & Surplus		Other items of Other comprehensive income		Total
	Retained Earnings	Special Reserve under RBI Act	Remeasurement of retirement benefit plans	Fair Value through Other Comprehensive Income of Equity Investments	
Balance as at 1st April, 2018	251,901,214	15,609,355	5,986,222	96,400,833	369,897,624
Profit for the year	59,991,993				59,991,993
Remeasurement of retirement benefit plans			-2,508,995		-2,508,995
Fair Value effect of Investments of shares				-16,365,542	-16,365,542
Balance as at 1st April, 2019	311,893,207	15,609,355	3,477,227	80,035,291	411,015,081
Profit for the year	47,630,430				47,630,430
Remeasurement of retirement benefit plans			288,317		288,317
Fair Value effect of Investments of shares				-47,272,757	(47,272,757)
Balance at the end of the reporting period	359,523,637	15,609,355	3,765,544	32,762,534	411,661,071

As per our report of even date attached
 FOR M L BHUWANIA AND CO LLP
 CHARTERED ACCOUNTANTS
 Firm's Registration Number : 101484W/W100197

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

VIJAY KUMAR JAIN
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 DIN - 01186568

PLACE : MUMBAI
 DATE: 26 JUNE 2020

NILESH KUMAR JAIN
 CHIEF FINANCIAL OFFICER

LUCKY PATEL
 COMPANY SECRETARY

1 Notes to financial statements for the Year Ended March 31, 2020

Company Overview

Champion Commercial Co. Limited ("the Company"), is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's equity shares are listed on the bourses of Metropolitan Stock Exchange of India Ltd. (MSEI). The Company is engaged in the business of Chemicals. These financial statements were approved for issue by the board of directors on June 26th, 2020.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis Of Preparation Of Financial Statement

i) Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

ii) Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

(a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;

(b) Defined benefit plans where plan assets are measured at fair value.

(c) Investments are measured at fair value.

iii) Current and Non Current Classification.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

iv) IND AS 116, Leases

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases on the date of initial application (April 1, 2019) by recognising the lease liability at the present value of the remaining lease payments discounted using the lessee's incremental borrowing rate at the date of initial application and also recognising a right to use assets an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. For transition, the company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

iv) Appendix C to Ind AS 12 , Uncertainty over Income tax treatment

The Ministry of Corporate Affairs ("MCA") has notified the companies (Indian Accounting Standards) Amendment Rules, 2019 Containing Appendix C to Inds AS 2 , Uncertainty over Income tax treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognised and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases , unused tax losses, unused tax credit and tax rates determined by applying this appendix. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

v) Amendment to IND AS 19-Employee Benefits:

The Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments or settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement any reduction in a surplus, even if that surplus was not previously recognised because of impact of the assets ceiling. The amendment is effective from April 1, 2019. The company has evaluated the effect this amendment on the financial statements and concluded that this amendment is currently not applicable .

(B) Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively.

(C) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

(a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and

(b) those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(b) For investments in debt instruments, this will depend on the business model in which the investment is held.

(c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(iv) Derecognition of financial assets

A financial asset is derecognised only when -

(a) The Company has transferred the rights to receive cash flows from the financial asset or

(b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial Liabilities**(i) Measurement**

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(D) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

(E) Inventories Valuation

Inventories are valued at lower of Cost and Net Realisable Value. Cost of traded goods is arrived at on FIFO basis.

(F) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

(G) Income tax, deferred tax and dividend distribution tax

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

(i) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(H) Property, plant and equipment**Recognition and measurement**

(i) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

(ii) 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(iii) Depreciation methods, estimated useful lives and residual value

(a) Fixed assets are stated at cost less accumulated depreciation.

(b) Depreciation is provided on a pro rata basis on the written down method over the estimated useful lives of the assets which is as prescribed under Schedule II to the Companies Act, 2013. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed atleast at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

(iv) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.

(v) The residual values are not more than 5% of the original cost of the asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

(I) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

(i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.

(ii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 5 years on straight-line method.

(J) Leases

(i) As a lessee

Lease of assets, where the company, is a lessee are recognised as Leases and lease liability at the present value of the remaining lease payments discounted using the lessee's incremental borrowing rate at the date of initial application and also recognising a right to use assets an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application for all leases above 2 months, unless underlying asset is of low value. Assets classified are capitalised and depreciated over the period of lease. The corresponding lease rental obligations, net of finance charges, are included in financial liabilities as Lease Liabilities. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statemnet of profit and loss over the lease period.

Policy till Previous Year

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(K) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount taxes and amounts collected on behalf of third parties. The Company recognises revenue as under:

(I) Sales

(i) The Company recognizes revenue from sale of goods when:

(a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods.

(b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

(c) The amount of revenue can be reliably measured.

(d) It is probable that future economic benefits associated with the transaction will flow to the Company.

(e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.

(f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(II) Other Income

(i) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

(iii) Export Benefit

In case of exports made by the Company, export benefits arising from DEPB is recognised on shipment of direct exports.

(L) Employee Benefit

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

The company operates the following post-employment schemes:

Defined benefit gratuity plan:

Gratuity which is defined benefits are accrued based on actuarial valuation working provided by Independent actuary.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as per the report on independent actuary. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(M) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

(N) Borrowing Cost

(i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(O) Earnings per share**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(P) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(Q) Provisions, contingent liabilities and contingent assets**(i) Provisions:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

(ii) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(iii) Contingent Assets: Contingent Assets are disclosed, where an inflow of economic benefits is probable.

(R) Investments

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Company has elected to present the fair value changes in the Statement of Profit and Loss.

(S) Trade receivables

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(T) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

(U) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

(V) New Accounting Standard adopted**Ind AS 115- Revenue from Contract with Customers**

In March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. Ind AS 115 has replaced existing revenue recognition standards Ind AS 11, Construction Contracts, Ind AS 18, Revenue and revised guidance note of the Institute of Chartered Accountants of India (ICAI) on Accounting for Real Estate Transactions for Ind AS entities issued in 2016 and related appendices.

Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

CHAMPION COMMERCIAL CO. LTD.

NOTE NO 3

PROPERTY, PLANT AND EQUIPMENT

Particulars	Building	Furniture & Fixture	Vehicles	Office Equipment	Computers	Total
Gross Carrying Value						
As at April 1, 2018	96,525,953	1,996,828	9,857,037	1,515,030	731,772	110,626,620
Additions	19,997,700	424,518	6,029,025	680,906	164,787	27,296,936
Disposals / derecognised	-	-	-	(1,200)	-	(1,200)
						-
Gross Carrying Value As at March 31, 2019	116,523,653	2,421,347	15,886,062	2,194,736	896,559	137,922,356
Additions	-	1,683,543	110,526	953,001	336,302	3,083,372
Disposals / derecognised	-	-	(259,667)	(270,419)	(203,786)	(733,872)
						-
Gross Carrying Value As at March 31, 2020	116,523,653	4,104,890	15,736,921	2,877,317	1,029,074	140,271,856
Particulars	Building	Furniture & Fixture	Vehicles	Office Equipment	Computers	Total
Accumulated depreciation						
As at April 1, 2018	5,091,912	844,286	2,675,037	708,030	350,194	9,669,459
Depreciation charge during the year	4,743,061	298,773	3,362,852	368,750	239,286	9,012,723
						-
Accumulated depreciation As at March 31, 2019	9,834,973	1,143,059	6,037,889	1,076,780	589,480	18,682,182
Depreciation charge during the year	5,197,689	684,146	3,057,023	703,728	258,969	9,901,556
Disposals / derecognised	-	-	(181,611)	(173,730)	(128,359)	(483,700)
						-
Accumulated depreciation As at March 31, 2020	15,032,662	1,827,205	8,913,302	1,606,778	720,090	28,100,038
Net carrying amount as at March 31, 2020	101,490,991	2,277,684	6,823,619	1,270,539	308,984	112,171,818
Net carrying amount as at March 31, 2019	106,688,680	1,278,287	9,848,173	1,117,955	307,079	119,240,174

NOTE NO 4

RIGHT OF USE ASSETS (Refer Note No 23.1)

Particulars	Building	Total
Gross Carrying Value		
As at April 1, 2018	-	-
Gross Carrying Value As at March 31, 2019	-	-
Addition	4,438,664	4,438,664
Gross Carrying Value As at March 31, 2020	4,438,664	4,438,664
Particulars	Building	Total
Accumulated depreciation		
As at April 1, 2018	-	-
Accumulated depreciation As at March 31, 2019	-	-
Depreciation charge during the year	1,378,681	1,378,681
Accumulated depreciation As at March 31, 2020	1,378,681	1,378,681
Net carrying amount as at March 31, 2020	3,059,984	3,059,984
Net carrying amount as at March 31, 2019	-	-

NOTE NO 5

OTHER INTANGIBLE ASSETS

Particulars	Computer Software	Total
Gross Carrying Value		
As at April 1, 2018	321,491	321,491
Additions	184,140	184,140
Gross Carrying Value As at March 31, 2019	505,631	505,631
Gross Carrying Value As at March 31, 2020	505,631	505,631
Particulars	Computer Software	Total
Accumulated depreciation		
As at April 1, 2018	174,071	174,071
Depreciation charge during the year	97,797	97,797
Accumulated depreciation As at March 31, 2019	271,868	271,868
Depreciation charge during the year	77,275	77,275
Accumulated depreciation As at March 31, 2020	349,144	349,144
Net carrying amount as at March 31, 2020	156,487	156,487
Net carrying amount as at March 31, 2019	233,763	233,763

CHAMPION COMMERCIAL CO. LTD.
NOTES FORMING PART OF THE BALANCE SHEET

6 NON CURRENT INVESTMENT

Particulars	As at			As at	
	March 31,2020			March 31,2019	
(At FVTOCI)	Face Value	Qty	Amount (Rs.)	Qty	Amount (Rs.)
Quoted					
<u>In Equity Instruments</u>					
Aarti Drugs Ltd.	10	234	117,538	250	159,325
Abbott India Ltd.	10	13	200,864	-	-
Akar Laminates Ltd.	10	33	28	33	28
Alkyl Amines Chemicals Limited	5	252	303,232	-	-
Apl Apollo Tubes Ltd	10	560	698,124	300	432,555
Apollo Pipes Ltd (Prev Amulya Lsg & Fin Ltd)	10	-	-	550	218,405
Ashok Leyland	1	25,000	1,018,750	25,000	2,297,500
Asian Paints Ltd.	1	286	476,619	-	-
Atul Auto Ltd	5	1,250	174,188	1,250	424,938
Bajaj Finance Ltd.	2	89	197,206	-	-
Balasure Alloys (Ispat Alloys Ltd)	5	270,416	2,047,049	270,416	6,530,546
Bank of Baroda	10	-	-	2,225	286,246
BASF India Ltd. *	10	10,000	10,961,500	10,000	14,700,000
Berger Paints India Ltd.	1	797	395,372	-	-
Bluechip India Ltd.	2	10,000	500	10,000	5,500
Bombay Burmah Trading Corp Ltd	2	50	36,625	-	-
Caplin Point Laboratories Limited	2	1,258	355,259	-	-
Century Textiles Ltd *	10	6,250	1,854,063	9,750	9,088,950
Crompton Greaves Consumer Electricals Ltd	2	2,975	621,180	-	-
Deb Bank Limited	10	3,351	317,675	-	-
Derby Textiles Ltd.	10	1,900	-	1,900	-
DIC India Ltd.	10	2,254	606,664	-	-
Divis Laboratories Ltd.	2	80	159,124	-	-
Dr Lal Pathlabs Ltd.	10	166	232,682	-	-
Eid Parry India Ltd	1	2,199	305,771	-	-
Emmbi Industries Ltd	10	2,046	89,513	2,046	256,466
Ester Industries Ltd.	5	12,000	297,600	12,000	432,000
Exide industries ltd	1	2,079	273,596	1,879	410,937
Future Retail Limited	2	6,400	476,160	6,400	2,935,680
Galaxy Surfactants Ltd	10	-	-	220	232,518
Garware Technical Fibres Limited	10	248	266,414	-	-
Gmm Pfadler Ltd	2	134	336,715	-	-
Gmr Infrastructure Ltd	1	2,250	36,788	-	-
Gravita india limited	2	5,350	178,958	5,350	434,153
Green Ply Industries Ltd.	1	4,000	312,200	4,000	640,400
Greenpanel industries Ltd	1	4,000	114,200	-	-
HDFC Bank Ltd.	1	504	434,398	-	-
Himadri speciality chemicals ltd	1	7,876	231,948	7,876	915,979
ICICI Bank Ltd.	10	12,500	3,864,375	-	-
Icici Securities Ltd	5	1,594	440,661	-	-
Indian Metals & Ferro Alloys Limited	10	-	-	10	2,623
Indo Count Ind. Ltd.	10	174,500	4,179,275	15,000	750,000
Intellect Design Arena Ltd	5	1,894	103,034	1,069	217,381
Interglobe aviation ltd	10	-	-	282	402,738
Ispat Profiles India Ltd.	10	203	142	203	142
ITC Ltd.		16,010	2,656,667	-	-
J B Chemicals And Pharma		765	389,385	-	-
JBF Industries EQ	10	10,000	77,000	10,000	208,000
JK Lakshmi Cement Ltd.*	5	7,000	1,353,800	7,000	2,601,550
JSW Steel Ltd. *	10	20,000	2,822,000	15,000	4,473,000
Jubilant Life Sciences Ltd.	1	1,400	367,360	-	-
Kalyani Investment Company Ltd.	10	4,230	4,445,942	4,230	7,639,380
Kec International Ltd	2	875	162,313	-	-
Kotak Mah. Bank Ltd. *	5	4,681	5,506,785	4,000	5,339,400
Kpit Engineering Ltd (Demerger)	10	-	-	1,000	87,700
Kpr Mill Ltd	5	875	295,881	-	-
La Opala Rg Limited	2	1,677	247,441	-	-
Lakhanpal National	10	50	-	50	-
Larsen & Toubro Ltd	2	2,000	1,544,000	-	-
Lumax Industries Ltd.	10	195	169,172	-	-
Mahindra Cie Automotive Ltd	10	-	-	550	128,975
Mahindra Epc Irrigation Ltd (Prev Epc Inds)	10	-	-	2,575	292,778
Mas Financial Services Limited	10	331	173,543	-	-
Moldtek Packaging Ltd	5	895	154,701	895	231,000
Music Broadcast Limited	2	16,203	241,425	-	-
Muthoot Finance Limited	10	1,400	858,410	-	-
Navin Fluorine Intl Ltd	10	448	547,299	950	672,220
Nelco Ltd.	10	600	-	600	-
Nestle India Ltd.	10	21	342,313	-	-
Nocil	10	3,075	202,335	-	-
Norplex Oak India Ltd.	10	100	-	100	-
Orient refractories ltd	1	-	-	976	232,874
Page Industries Ltd.	10	25	424,088	-	-
Panama petrochem ltd	2	1,904	53,788	1,904	246,187
Petronet lng ltd	10	3,550	708,935	957	240,733
Philips Carbon Black Ltd	2	-	-	625	110,281
Pidilite Industries Ltd.	1	281	381,148	-	-
Plastiblends India Ltd.	5	93,000	10,318,350	93,000	18,265,200
Ppap Automotive Limited	10	799	114,816	-	-
Quintegra Solutions Ltd.	10	50,000	47,500	50,000	18,000
Relexo Footwears Ltd.	1	715	428,249	-	-
Reliance Industries Ltd. *	10	4,000	4,295,600	4,000	5,458,600
Salasar Techno Engineering Ltd	10	450	33,008	450	101,925
Sanofi India Ltd	10	65	406,468	-	-
Sbi Life Insurance Co Ltd	10	175	112,175	-	-
Sheela Foam Ltd	5	265	340,764	-	-
Shreyas shipping & logistics ltd	10	3,575	136,424	3,575	719,469

CHAMPION COMMERCIAL CO. LTD.
NOTES FORMING PART OF THE BALANCE SHEET

Siyaram Silk Mills Ltd.	10	6,500	899,275	6,500	2,905,175
Sonata Software Ltd	1	2,125	348,925	-	-
State Bank of India	1	15,000	2,787,750	-	-
Sterling Tools Limited	2	708	93,739	-	-
Sudarshan chemicals Ltd	2	-	-	1,350	464,265
Suprajit Engineering Ltd.	1	1,995	224,637	-	-
Suven Life Sciences Ltd	1	1	21	-	-
Suven Pharmaceuticals Ltd	1	1,525	306,601	-	-
Tata Metaliks Ltd	10	-	-	602	391,059
Tci Express Ltd	2	426	232,852	825	615,821
The Anup Engineering Ltd	10	500	162,975	-	-
Time technoplast Ltd	1	98,000	2,352,000	5,000	518,250
Transpek Industry Ltd	10	155	190,394	-	-
Triveni turbine Ltd	1	4,052	237,042	4,052	436,806
Ultramarine And Pigments Ltd	2	851	120,374	-	-
Ultratech Cement Ltd	10	1,218	3,824,520	-	-
United Spirits Ltd	2	750	363,450	-	-
Usha Martin Ltd.	1	-	-	35,000	1,424,500
V Mart Retail Limited	10	281	399,399	-	-
Vardhman Textiles Ltd.	10	4,804	2,929,719	9,104	9,914,256
Vip Industries Ltd	2	950	228,143	-	-
West Coast Paper	2	3,000	393,450	3,000	814,500
Zylog System	10	280	-	280	-
<u>In Debentures or Bonds</u>					
<u>(At FVTPL)</u>					
13.5% Esasar Shipping Ltd.		100	-	100	-
Amforge Industries Ltd.		100	-	100	-
Hotel Leela Venture		138	-	138	-
Kanoria Petro Products Ltd.		180	-	180	-
Reliance Petroleum Ltd.		200	-	200	-
Total Value of Quoted Investments			89,170,338		106,326,913
<u>(At FVTPL)</u>					
<u>In associates</u>					
<u>In Preference Share</u>					
9 % Non-Cumulative Non Participating Non Convertable Preference Shares	10	4,500,000	45,000,000	4,500,000	45,000,000
<u>(At FVTOCI)</u>					
<u>In Equity Instruments</u>					
<u>In associates</u>					
Pasupati Texturising Pvt Ltd	10	200,000	9,205,138	200,000	8,863,651
Champion Advanced Materials Pvt Ltd.	10	-	-	10,000	10,000
<u>In Others</u>					
Om Towers Occup. Asso. Ltd.		10	100	10	100
Aaoyajan Investments (P) Ltd.		500	50,000	500	50,000
Total Value of Unquoted Investments			54,255,238		53,923,751
Total of Long Term Investments			143,425,576		160,250,664
Less: Provision for Diminution in Value of Quoted Investments			-		-
Less: Provision for diminution in value of Investments			-		-
Net Value of Investments			143,425,576		160,250,664
Market of Quoted investments			89,170,338		106,326,913
* Detail of Pledge of Shares					
BASF India Ltd.		-		10,000	
Century Textiles Ltd		-		9,750	
JSW Steel Ltd.		-		15,000	
Kotak Mah. Bank Ltd.		-		4,000	
Reliance Industries Ltd.		-		4,000	
JK Lakshmi Cement Ltd.		-		7,000	

7 OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at March 31,2020	As at March 31,2019
Deposits	1,017,851	892,700
	1,017,851	892,700

8 OTHER TAX ASSETS (NET)

Particulars	As at March 31,2020	As at March 31,2019
Advance Income Tax and Tax Deducted At Source (Net of Provision for tax)	794,670	794,670
	794,670	794,670

9 DEFERRED TAX ASSETS (NET)

Particulars	As at March 31,2020	As at March 31,2019
Deferred tax assets (Net) (Refer Note 9.1)	7,742,504	3,961,077
	7,742,504	3,961,077

CHAMPION COMMERCIAL CO. LTD.
NOTES FORMING PART OF THE BALANCE SHEET

Note No. : 9.1

Particulars	Net balance as at 1 April 2019	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31st March 2020
Deferred Tax Assets/(Liabilities)				
Property, plant and equipment/Investment Property/Other Intangible Assets	2,861,019	872,596	-	3,733,615
Fair Value through P&L	(543)	1,078	-	535
Equity Instruments designated at FVOCI	(809,334)	-	2,839,405	2,030,071
Reclassification of remeasurement of employee benefits transfer to P&L	-	(73,759)	-	-73,759
Reclassification of remeasurement of employee benefits through OCI	-	-	73,759	73,759
Expenses allowable under income tax on payment basis	1,691,209	48,435	-	1,739,644
Allowance for Bad & Doubtful Debts	205,694	(86,860)	-	118,834
Others	13,033	(13,033)	-	-
Expenses amortised (Lease Liab)	-	32,168	-	32,168
Capital Gain	-	-	36,199	36,199
Allowance for obsolete Inventories	-	51,438	-	51,438
	3,961,077	832,063	2,949,363	7,742,504

Particulars	Net balance as at 1 April 2018	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31st March 2019
Deferred Tax Assets /(Liabilities)				
Property, plant and equipment/Investment Property/Other Intangible Assets	429,618	2,431,401	-	2,861,019
Fair Value through P&L	-960	417	-	-543
Reclassification of remeasurement of employee benefits transfer to P&L	-1,912,467	-	1,103,133	-809,334
Reclassification of remeasurement of employee benefits through OCI	1,321,454	18,759	-	18,759
Equity Instruments designated at FVOCI	-1,321,454	-	-18,759	-18,759
Expenses allowable under income tax on payment basis	1,450,886	240,323	-	1,691,209
Allowance for Bad & Doubtful Debts	278,935	-73,241	-	205,694
Others	2,826	10,207	-	13,033
	248,838	2,627,866	1,084,374	3,961,077

Income tax

The major components of income tax expense for the year ended 31 March, 2020

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Profit and Loss:		
Current tax – net of reversal of earlier years :(11,48,707)- Previous Year Rs.7,30,222/-	16,397,293	25,027,522
Deferred Tax	-832,063	-2,627,866
	15,565,230	22,399,657

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Profit before income tax expense	63,195,660	82,391,650
Tax at the Indian tax rate 25.168% (31 March 2019: 27.82%)	15,905,084	22,921,357
Add: Items giving rise to difference in tax		
Permanent difference	203,982	-131,649
Tax on income at different rates	-832,063	-11,493
Temporary difference	1,436,830	-1,109,296
Tax pertaining to prior years	-1,148,707	730,222
Others	105	517
Income Tax Expenses	15,565,230	22,399,657

10 OTHER NON CURRENT ASSETS

Particulars	As at March 31,2020	As at March 31,2019
(Unsecured, Considered Good, unless specified otherwise)		
Capital Advance	25,599,805	25,599,805
Advance Recoverable in Cash or Kind or for Value to be Received	64,272	100,592
	25,664,077	25,700,397

11 INVENTORIES

Particulars	As at March 31,2020	As at March 31,2019
Stock - In - Trade -(At Cost)		
Chemicals (Refer Note No. 11.1& 11.2)	65,104,055	154,194,207
	65,104,055	154,194,207

Note No. 11.1

Stock in trade inventory includes goods in transit Rs.NIL (Previous Year Rs. 2,25,88,736)

Note No. 11.2

Inventory at the end of the year is net of allowance for obsolescence of inventory of Rs. 2,04,380/- (Previous year NIL)

12 CURRENT INVESTMENTS

Particulars	As at March 31,2020	As at March 31,2019
(At FVTPL)		
Aditya Birla Sunlife LIQ Fund (REG GR)	100	2,380
HDFC Overnight Fund - Growth Option - Direct Plan	100	100,140
HDFC Overnight Fund-Growth Option Direct plan	100	24,399
	172,584	711,525

13 TRADE RECEIVABLES

Particulars	As at March 31,2020	As at March 31,2019
(Unsecured)		
Considered good (Refer Note No 13.1 & Note No 49)	266,502,341	309,192,935
Less: Allowance for Expected Credit Loss	15,926	35,951
	266,486,415	309,156,984
Credit Impaired	456,237	703,422
Less: Allowance for Expected Credit Loss	456,237	703,422
	266,486,415	309,156,984

CHAMPION COMMERCIAL CO. LTD.
NOTES FORMING PART OF THE BALANCE SHEET

Note No. 13.1

Receivable from - Company in which directors are interested

9,962,718	48,333,788
<u>9,962,718</u>	<u>48,333,788</u>

Movement in the allowance of doubtful receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	739,373	1,002,641
Less : Reversal of Provisions	-267,210	-572,039
Add : Provisions made During the Year	-	308,771
Balance at end of the year	<u>472,163</u>	<u>739,373</u>

The average credit period ranges from 0 to 45 days for Sales , Generally no interest is charged on delay.

14 CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Balance With Banks</u>		
- in Current Account	1,064,199	629,590
Cash on Hand	796,406	732,356
	<u>1,860,604</u>	<u>1,361,946</u>

15 BANK BALANCES

Particulars	As at March 31, 2020	As at March 31, 2019
In Margin Money Deposits Account (Refer Note No 15.1)	1,345,000	6,171,216
In Bank Deposits Account having maturity period within 12 Months	40,620	38,553
	<u>1,385,620</u>	<u>6,209,769</u>

Note No. 15.1

In Margin Money Deposits amounting to Rs. 13,45,000 (Previous Year Rs. 61,71,216 ,) are lying with bank against Bank Guarantees, and Letter of Credit.

16 LOANS

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured, considered good unless specified otherwise)		
Inter Corporate Deposits (Refer Note No. 16.1)	2,000,000	-
	<u>2,000,000</u>	<u>-</u>

Note No. 16.1

The company had idle funds and hence given inter corporate deposits. The borrower has taken loan for their working capital requirement. The rate of interest charged is 12%.p.a.

17 OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Staff Loans	3,135,500	1,688,000
Deposits with various parties	228,392	372,192
Interest Receivable on FD	134,677	50,515
	<u>3,498,569</u>	<u>2,110,707</u>

18 CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Tax & Tax Deducted at Source (Net of Provision for Tax)	1,069,850	1,069,850
	<u>1,069,850</u>	<u>1,069,850</u>

19 OTHER CURRENT ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Recoverable in Cash or Kind or for Value to be Received	3,017,808	5,196,786
Advance to Suppliers & Service Providers	1,632,828	7,562,813
Balance with Govt. Authorities	275,654	5,220,822
Other Recoverables	13,618	46,539
	<u>4,939,909</u>	<u>18,026,959</u>

20 SHARE CAPITAL

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Authorised Share Capital</u>		
2,500,000 Equity shares, Rs. 10 /-par value		
(Previous Year : 2,500,000 Equity shares, Rs. 10 /-par value)	25,000,000	25,000,000
	<u>25,000,000</u>	<u>25,000,000</u>
<u>Issued, Subscribed and Fully Paid Up Share Capital</u>		
200,000 Equity shares, Rs. 10 /- par value	2,000,000	2,000,000
(Previous Year : 2,00,000 Equity shares, Rs. 10 /-par value)	2,000,000	2,000,000
	<u>2,000,000</u>	<u>2,000,000</u>

Note No. 20.1 The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31st March 2020

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Number of shares at the beginning	200,000	2,000,000	200,000	2,000,000
Add: Shares issued during the year	-	-	-	-
Less : Shares Bought back (if any)	-	-	-	-
Number of shares at the end	<u>200,000</u>	<u>2,000,000</u>	<u>200,000</u>	<u>2,000,000</u>

Note No. 20.2 Terms/rights attached to equity shares

(A) The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

CHAMPION COMMERCIAL CO. LTD.
NOTES FORMING PART OF THE BALANCE SHEET

Note No. 20.3 The details of shareholders holding more than 5% shares in the company :

Name of the shareholders	No. of shares held	% held as at	No. of shares held	% held as at
		March 31,2020		March 31,2019
Sunita Singhania	49,300	25	49,300	25
Sushil Kumar Singhania	55,250	28	55,250	28

21 OTHER EQUITY

Particulars	As at March 31,2020	As at March 31,2019
Reserves & surplus *		
Retained earnings #	359,523,637	311,893,207
Special reserve under RBI Act, 1934 ##	15,609,355	15,609,355
Other Comprehensive Income (OCI)		
-Remeasurement of net defined benefit plans	3,765,544	3,477,227
-Fair Value of Equity Investments through OCI	32,762,534	80,035,291
	411,661,071	411,015,081

* For movement, refer statement of change in equity.

Retained earnings

Retained earnings includes the Company's cumulative earning and losses respectively.

Special reserve under RBI Act, 1934

Represents transfer from surplus as per RBI Act, 1934.

22 BORROWINGS

Particulars	As at March 31,2020	As at March 31,2019
<u>Term Loan</u>		
Secured Loans		
<u>From Bank</u>		
Vehicle Loan (Refer Note No 22.1)	959,132	2,759,291
Property Loan (Refer Note No 22.2)	8,012,169	18,250,015
<u>From Others</u>		
Vehicle Loan (Refer Note No 22.3)	-	612,362
	8,971,301	21,621,668

Note No 22.1

1. Secured by Hypothecation of Vehicles.

2. The above vehicle Loans are originally payable in 36 Installments and no Default in repayment of Principal & Interest has been made by company as on balance sheet date. The rate of interest is between the range of 8.79 % to 9.15% p.a. on a monthly reducing basis.

Note No 22.2

1. Secured by Mortgage of Property.

2. The above Property Loan is repayable in 120 Installments and no Default in repayment of Principal & Interest has been made by company as on balance sheet date. The rate of interest is between the range of 8.40 % p.a. to 9 % p.a. & personally guaranteed by the directors.

Note No 22.3

1. Secured by Hypothecation of Vehicle.

2. The above vehicle Loan was originally payable in 36 Installments and no Default in repayment of Principal & Interest has been made by company as on balance sheet date. The rate of interest is 8.0027 % p.a.

23 Lease Liabilities

Particulars	As at March 31,2020	As at March 31,2019
Lease Liabilities (Refer No. No. 23.1)	1,530,457	-
	1,530,457	-

Note No. 23.1

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases on the date of initial application April 1, 2019 by recognising the lease liability at the present value of the remaining lease payments discounted using the lessee's incremental borrowing rate at the date of initial application and also recognising a right to use assets an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. For transition, the company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. Accordingly, a right-of-use asset of Rs. 44,38,664 (including prepaid rent of Rs.81,359) and lease liability of Rs. 43,57,305 has been recognised. The net impact of the application of the standard 116 on "leases" is the Rent of Rs.15,57,419 had been replaced by depreciation on right to use Rs. 13,78,681 and interest on lease payment Rs. 3,06,550 . The net profit after tax for the year ended on March 31, 2020 is lower by Rs.1,20,104 (Net of deferred tax of Rs.32,168).

24 PROVISIONS

Particulars	As at March 31,2020	As at March 31,2019
Provisions for Employee Benefits		
Gratuity (Refer Note No. 44)	4,299,119	3,397,970
	4,299,119	3,397,970

25 BORROWINGS

Particulars	As at March 31,2020	As at March 31,2019
Secured Loans		
-		
Working Capital Loan (Refer Note No 25.1)	45,474,420	146,517,692
<u>From Others</u>		
Working Capital Loan (Refer Note No 25.2)	-	5,040,894
	45,474,420	151,558,586

Note No 25.1

Working Capital Loan from ICICI bank charge by way of hypothecation of Stock, Book Debts, Bills, and some specified assets of the Company and also Personal Guarantee of Directors.

Note No 25.2

In the current year, Working Capital Loan from Tata Capital Financial Services is secured against pledge of shares held as Long Term Non Trade Investment & rate of interest applicable is 10.70 %.

CHAMPION COMMERCIAL CO. LTD.
NOTES FORMING PART OF THE BALANCE SHEET

26 TRADE PAYABLES

Particulars	As at March 31,2020	As at March 31,2019
Dues of Micro and Small Enterprises (Refer Note No. 26.1)	-	-
Dues other than of Micro and Small Enterprises (Refer Note No. 26.2)	152,528,012	203,837,224
	<u>152,528,012</u>	<u>203,837,224</u>

Note no. 26.1 : The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 , and hence following has been reported as Nil

Note No. 26.2

	As at March 31,2020	As at March 31,2019
(a) the principal amount the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	Nil	Nil
(b) the amount paid by the buyer in terms of section 16 of the Micro,Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small, Medium Enterprise Development Act,2006.	Nil	Nil
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year ; and	Nil	Nil
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

27 Lease Liabilities

Particulars	As at March 31,2020	As at March 31,2019
Lease Liabilities (Refer Note No. 23.1)	1,600,439	-
	<u>1,600,439</u>	<u>-</u>

28 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31,2020	As at March 31,2019
Current Maturities of Long Term Debt (Refer Note No 20)	4,380,799	4,991,052
Mark to Market loss on derivatives not classified as hedge	-	46,846
Interest Accrued but not due on borrowings	86,958	141,364
	<u>4,467,757</u>	<u>5,179,263</u>

29 OTHER CURRENT LIABILITIES

Particulars	As at March 31,2020	As at March 31,2019
Advance From Customers	522,159	1,211,230
Statutory Dues Payable	5,647,373	1,835,449
	<u>6,169,532</u>	<u>3,046,679</u>

30 PROVISIONS

Particulars	As at March 31,2020	As at March 31,2019
Provisions for Employee Benefits		
Gratuity (Refer Note No. 44)	833,835	1,044,471
	<u>833,835</u>	<u>1,044,471</u>

31 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31,2020	As at March 31,2019
Others		
Provision For Income Tax (Net of Advance Tax)	1,014,628	1,214,447
	<u>1,014,628</u>	<u>1,214,447</u>

32 CONTINGENT LIABILITIES

Particulars	As at March 31,2020	As at March 31,2019
Contingent Liabilities		
Disputed Sales Tax Liabilities	-	2,687,104
Disputed Income Tax Liabilities	1,537,121	-
	<u>1,537,121</u>	<u>2,687,104</u>

CHAMPION COMMERCIAL CO. LTD.
NOTES FORMING PART OF THE STATEMENT OF PROFIT & LOSS

33 REVENUE FROM OPERATIONS

Particulars	2019-20	2018-19
Sale of Products	1,166,302,622	1,306,118,481
<u>Other Operating Income</u>		
DEPB Income	293,067	145,149
	1,166,595,689	1,306,263,630

Note No. 33.1 Sale of Products

Particulars	2019-20	2018-19
Chemical	1,166,302,622	1,306,118,481
	1,166,302,622	1,306,118,481

34 OTHER INCOME

Particulars	2019-20	2018-19
Interest Income (Refer Note No. 34.1)	288,045	1,314,687
Interest on unwinding of deposits	23,156	39,363
Dividend income on from Equity Instrumements designated at FVOCI/ Mutual Fund designated at FVTPL	1,527,988	937,666
Net gain on sale of investments	26,802	41,314
Profit on sale of Fixed Assets	90,776	6,800
Excess provision for expected credit losses on trade receivables (Net)	267,210	-
Gain on Exchange Rate Fluctuation (Net)	3,385,636	-
Miscellaneous Income	2,335	-
	5,611,948	2,339,829

Note No. 34.1

Particulars	2019-20	2018-19
Interest income on Inter Corporate Deposits	139,858	-
Interest on Income Tax Refund	-	896,295
Interest income on Deposits with Banks	148,187	368,577
Interest income from Customers	-	49,815
	288,045	1,314,687

35 PURCHASES OF STOCK IN TRADE

Particulars	2019-20	2018-19
Traded Items		
Traded goods (Refer Note No. 35.1)	904,371,822	1,161,069,167
	904,371,822	1,161,069,167

Note No. 35.1 Traded Goods

Particulars	2019-20	2018-19
Chemical	904,371,822	1,161,069,167
	904,371,822	1,161,069,167

36 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

Particulars	2019-20	2018-19
Stock In Trade - Chemicals		
Inventory at the beginning of the year	154,194,207	109,259,581
Inventory at the end of the year (Refer Note No. 36.1)	65,104,055	154,194,207
	89,090,152	(44,934,625)

Note No. 36.1

Inventory at the end of the year is net of allowance for obsolescence of inventory of Rs. 2,04,380/- Previous year Nil

37 EMPLOYEE BENEFIT EXPENSES

Particulars	2019-20	2018-19
Salaries, Wages and Bonus	53,375,340	38,289,612
Staff Welfare Expenses	272,237	529,933
	53,647,577	38,819,545

38 FINANCE COST

Particulars	2019-20	2018-19
Interest Expenses (Refer Note No. 38.1)	11,173,977	15,531,796
Interest on Leased Assets	306,550	-
<u>Other Borrowing Cost</u>		
Other Financial Charges	397,079	777,781
	11,877,606	16,309,577

CHAMPION COMMERCIAL CO. LTD.
NOTES FORMING PART OF THE STATEMENT OF PROFIT & LOSS

Note No. 38.1

Break-up of Interest Expenses

Interest Paid on Bank Borrowings	10,847,411	13,908,154
Interest on Income Tax	202,039	219,814
Interest Paid to Financial Institutions	124,527	1,403,828
	11,173,977	15,531,796

39 DEPRECIATION & AMORTIZATION EXPENSES

Particulars	2019-20	2018-19
Depreciation on Property, Plant and Equipment	9,901,556	9,012,723
Depreciation on Leased Assets	1,378,681	-
Amortisation on Intangible Assets	77,275	97,800
	11,357,512	9,110,522

40 OTHER EXPENSES

Particulars	2019-20	2018-19
Rent, Service & Warehousing Charges	2,446,025	3,728,849
Packing Expenses	261,967	671,094
Insurance Charges	1,082,388	1,293,625
Rates and Taxes	98,332	89,050
Payment to Statutory Auditors (Refer Note No. 40.1)	884,500	652,000
Legal & Professional Fees	3,207,188	1,739,139
Advertisement, Publicity & Sales Promotion	1,563,348	1,797,226
Commission & Brokerage	-	470,054
<u>Repairs & Maintenance</u>		
- Building	3,571,143	2,317,097
- Others	1,013,888	572,673
Freight & Forwarding cost	4,049,631	3,738,361
Postage, Telephone & Printing Expenses	1,096,993	1,765,870
Travelling & Conveyance	8,895,941	15,367,107
Electricity Charges	624,190	678,993
Vehicle Expenses	755,038	869,009
Loss on financial assets measured at FVTPL	2,881	1,932
Bad debts written off	50,994	977,945
Provision for expected credit losses on trade receivables (Net)	-	(572,039)
Allowance for expected credit Loss	-	308,771
Membership & Subscriptions	957,256	786,870
Fixed Assets Written off	172,116	-
Loss on Exchange Rate Fluctuation (Net)	-	2,626,617
Expenditure on Corporate Social Responsibility	1,080,000	-
Miscellaneous Expenses	6,853,489	5,957,381
	38,667,309	45,837,624

Note No. 40.1

Payment to Statutory Auditors

Particulars	2019-20	2018-19
<u>As auditor :</u>		
Audit Fee (Including Limited Review)	485,000	470,000
Tax Audit Fee	25,000	25,000
Vat/GST Audit Fee	160,000	45,000
Goods and Service Tax/Service Tax	114,300	97,200
<u>In other capacity :</u>		
Income Tax Matter	22,500	45,000
Certification	27,000	17,000
Other Services	165,000	50,000
Goods and Service Tax/Service Tax	30,510	6,560
	1,029,310	755,760

* Note: Out of above Goods and Service Tax credit of Rs. 1,44,810/- (Previous Year Rs. 1,03,760 has been taken and same has not been debited to Statement of Profit & Loss.

41 EARNING PER SHARE

Particulars	2019-20	2018-19
(A) Profit attributable to Equity Shareholders (Rs.)	47,630,430	59,991,993

CHAMPION COMMERCIAL CO. LTD.

NOTES FORMING PART OF THE STATEMENT OF PROFIT & LOSS

(B) No. of Equity Share outstanding during the year.	200,000	200,000
(C) Face Value of each Equity Share (Rs.)	10	10
(D) Basic & Diluted earning per Share (Rs.)	238.15	299.95

42 Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Sl. No.	Risk	Exposure arising from	Measurement	Management
1	Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of ageing analysis, Review of investment on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, Investment limits, check on counterparties basis credit rating and investment review on quarterly basis.
2	Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security and focus on realisation of receivables.
3	Market Risk – Foreign Exchange	Import Payables and Receivables on Indenting services.	Foreign currency exposure review and sensitivity analysis.	The company is partly having natural hedge and is exploring to hedge its unhedged positions.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, and Foreign Exchange Risk effecting business operations. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and loans given.

Credit Risk Management

The company's credit risk mainly from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses. There is no credit risk in bank deposits which are demand deposits. The credit risk is minimum in case of entity to whom loan has been given.

The maximum exposure to credit risk as at 31 March 2020, and previous year is the carrying value of such trade receivables as shown in note 12 of the financials.

The Credit Loss allowances are provided in the case of trade receivables as under:

Particular	2019-20	2018-19
Loss allowance as at beginning of the year	739,373	1,002,641
Add :Addition during the year	-	308,771
Less : Reversal during the year	(267,210)	572,039
Loss allowance as at the year end	472,163	739,373

(B) Liquidity Risk

The Company's principal sources of liquidity are "cash and cash equivalents" and cash flows that are generated from operations. The Company does not have material term borrowings. The Company believes that its working capital is sufficient to meet its current requirements. Hence the Company does not perceive any liquidity risk.

(C) Market risk

Foreign currency risk

The Company significantly operates in domestic market. Though the company imports materials from overseas and has income from indenting commission from overseas. The company mostly has natural hedge and is exploring to have hedge its positions.

The Company's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

Particulars	USD
31 March 2020	
Payables- Foreign Currency	397,756
Payables- INR	29,977,936
31 March 2019	
Payables- Foreign Currency	1,221,298
Payables- INR	83,416,650

Sensitivity Analysis-

The Company is mainly exposed to changes in USD. The sensitivity analysis demonstrate a reasonably possible change in USD exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa.

Particulars	31 March 2020	31 March 2019
USD	1,498,897	(4,170,833)
Total	1,498,897	(4,170,833)

CHAMPION COMMERCIAL CO. LTD.
NOTES TO ACCOUNTS

43 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio and is measured by debt divided by total Equity. The Company's Debt is defined as long-term and short-term borrowings including current maturities of long term borrowings and total equity (as shown in balance sheet) includes issued capital and all other reserves.

Particulars	31 March 2020	31 March 2020
Borrowing	58,826,520	178,171,307
Less : Cash & Cash Equivalents	1,860,604	1,361,946
*Net Debt	56,965,916	176,809,360
Total Equity +Net Debt	470,626,987	589,824,441
Gearing ratio	12.10%	29.98%

*Debt is defined as long-term and short-term borrowings including current maturities and books overdraft.

Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

44 Employee Benefits :

The Company's defined benefit plan includes Gratuity. The liability in respect of Gratuity has been determined using Projected Unit Credit Method by an independent actuary. The company's defined contribution plan includes Provident Fund. The related disclosure are as under:

Defined Benefit Plans :

(a) Gratuity:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/26 days based on one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

The plans of the Company exposes to actuarial risks such as Investment Risk, Interest rate risk, salary risk and longevity risk. These risks may impact the obligation of the Company

(b) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company's financial statements as at 31 March 2020 and 31 March 2019.

Particulars	2019-20 Rs.	2018-19 Rs.
(i) Changes in present value of obligations		
PVO at beginning of period	4442441	4,007,581
Interest cost	337181	319,404
Current Service Cost	567890	482,954
Past Service Cost-(non vested benefits)	-	-
Past Service Cost-(vested benefits)	-	-
Benefits Paid	-	-
Contributions by plan participants	-	-
Business Combinations	-	-
Curtailments	-	-
Settlements	-	-
Actuarial (gain)/loss on obligation	(214,558)	(367,498)
PVO at end of period	5132954	4,442,441
(ii) Interest Expenses		
Interest cost	337181	319,404
(iii) Fair value of Plan Assets		
Fair Value of Plan assets at beginning of period	-	-
Interest Income	-	-
(iv) Net Liability		
PVO at beginning of period	4442441	4,007,581
Fair Value of Plan assets at beginning of period	-	-
Net Liability	4442441	4,007,581
(v) Net Interest		
Interest Expenses	337181	319,404
Interest Income	-	-
Net Interest	337181	319,404
(vi) Actual return on plan assets		
Less Interest income included above	-	-
Return on plan assets excluding interest income	-	-
(vii) Actuarial Gain / (Loss) Obligation		
Due to Demographic Assumption *	-	-
Due to Financial Assumption	339162	129,359
Due to Experience	(553,720)	(496,857)
Total Actuarial Gain / (Loss)	(214,558)	(367,498)

* This figure does not reflect inter relationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience.

(viii) Fair value of Plan Assets

Opening Fair Value of Plan Assets	-	-
Adjustment to Opening Fair Value of Plan Assets	-	-
Return on Plan Assets excl. interest income	-	-
Interest Income	-	-
Contribution by Employer	-	-
Contribution by Employee	-	-
Benefit Paid	-	-
Fair Value of Plan Assets at end	-	-

(ix) Past Service Cost Recognised

Past Service Cost-(non vested benefits)	-	-
Past Service Cost-(vested benefits)	-	-
Average remaining future survives till vesting of the benefit	-	-
Recognised Past Service Cost-(non vested benefits)	-	-
Recognised Past Service Cost-(vested benefits)	-	-
Unrecognised Past Service Cost-(non vested benefits)	-	-

(x) Amounts to be recognized in the Balance Sheet and statement of Profit & Loss

PVO at end of period	5,132,954	4,442,441
Fair Value of Plan assets at end of period	-	-
Funded Status	(5,132,954)	(4,442,441)
Net Asset / (Liability) recognized in the Balance Sheet	(5,132,954)	(4,442,441)

(xi) Expenses recognized the the statement of Profit & Loss

Current Service Cost	567,890	482,954
Net Interest	337,181	319,404
Past Service Cost-(non vested benefits)	-	-
Past Service Cost-(vested benefits)	-	-
Curtailements	-	-
Settlements	-	-
Expense recognized in the statement of Profit & Loss	905,071	802,358

(xii) Other Comprehensive Income (OCI)

Actuarial (Gain) / Loss recognized for the period	(214,558)	(367,498)
Assets limit effect	-	-
Return on Plan Assets excluding net interest	-	-
Unrecognised Actuarial (Gain) / Loss from previous period	-	-
Total Actuarial (Gain) / Loss recognized in (OCI)	(214,558)	(367,498)

(xiii) Movements in the Liability recognized in Balance Sheet

Opening Net Liability	4,442,441	4,007,581
Adjustment to opening balance	-	-
Expenses as above	905,071	802,358
Contribution paid	-	-
Other comprehensive Income(OCI)	(214,558)	(367,498)
Closing Net Liability	5,132,954	4,442,441

(xiv) Schedule III of the Companies Act 2013

Current Liability (*)	833,835	1,044,471
Non-Current Liability	4,299,119	3,397,970

(*) March2014 current liability based on Rev Schedule VI
Valuation date.

31 March 2020 31 March 2019

(xv) Projected Service cost 31st March,2020	663,560	567,890
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(xvi) Assets Information

Not Applicable as the plan is unfunded	-	-
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(xvii) Assumptions as at

Mortality		IALM (2006-08) Ult.
Interest / Discount Rate	6.80%	7.59%
Rate of increase in compensation	8.00%	8.00%
Annual increase in healthcare cost		
Future changes in maximum state healthcare benefits		
Expected average remaining service	12.39%	12.83%
Retirement age	60 Years	60 Years
Employee Attrition Rate	Up to Age 40 : 5%	Up to Age 40 : 5%
	Age 41 to 50 : 3%	Age 41 to 50 : 3%
	51 and above : 1%	51 and above : 1%

(xviii) Sensitivity Analysis

	DR: Discount Rate		ER: Salary Escalation Rate	
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
PVO	4,710,795	5,633,287	5,599,680	4,716,710

(xix) Expected Payout

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten years
Payouts	8,33,835	302,956	184,137	388,862	106,781	1,768,670

(xx) Assets Laibility Comparisons)

Year	31 March 2016	31 March 2017	31 March 2018	31 March 2019	31 March 2020
PVO at end of period	5,764,394	6,079,895	4,007,581	4,442,441	5,132,954

Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(5,764,394)	(6,079,895)	(4,007,581)	(4,442,441)	(5,132,954)
Experience adjustmentson plan assets	-	-	-	-	-

(xxi) Narrations

1] Analysis of Defined Benefit Obligation

The number of members under the (Gratuity) scheme have decreased by 1.92 % and, the total salary decreased by 2.74% during the accounting period. Similarly, the resultant liability at the end of the period over the beginning of the period has increased by 15.54%.

2] Expected rate of return basis

Scheme is not funded EORA is not applicable.

3] Description of Plan Assets and Reimbursement Conditions

Not applicable.

4]Investment/Interest Risk

Since the scheme is unfunded, the company is not exposed to investment/interest risk.

5]Longevity Risk

The Company is not exposed to risk of employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

6]Risk of Salary Increase

The Company is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

7]Discount Rate

The discount rate has increased from 7.59 % to 6.80 % and hence there is an increase in liability leading to actuarial loss due to change in discount rate.

45 RELATED PARTY DISCLOSERS

A. Names of related parties and description of relationship:

Name of Party	Nature of Relationship
Sushil Kumar Singhania	Key Management Personnel
Gaurav Singhania	Key Management Personnel
Sunita Singhania	Relative of Key Management Personnel
Mallika Singhania	Relative of Key Management Personnel
Nilesh Kumar Jain	Chief Financial Officer
Lucky Patel	Company Secretary
Ganpati Holding and Trading Pvt Ltd	Entities where individual having control/significant influence or key
Champion Advanced Materials Pvt Ltd	management personnel or their relatives are able to exercise significant

B. Transactions that have taken place during the year with related parties by the Company

Name of Related Parties	Nature of Transaction during the year	2019-20	2018-19
Sushil Kr. Singhania	Short Term Benefits Paid	7,200,000	4,950,000
Gaurav Singhania	Short Term Benefits Paid	7,200,000	4,860,000
Sunita Singhania	Short Term Benefits Paid	1,800,000	1,625,000
Sunita Singhania	Sale of Investment	10,000	-
Mallika Singhania	Short Term Benefits Paid	1,200,000	-
Nilesh Kumar Jain	Short Term Benefits Paid	1,857,291	1,751,995
Lucky Patel	Short Term Benefits Paid	739,548	555,570
Ganpati Holding and Trading Pvt Ltd	Rent Paid (Excluding taxes)	1,260,000	1,260,000
	Reimbursement of Electricity Expenses	39,120	55,000
	Sale of Goods (Excluding taxes)	37,978,520	62,487,360
Champion Advanced Materials Pvt. Ltd.	Purchase of Goods (Excluding taxes)	42,919,576	15,671,868
	Expenses Paid on our behalf	-	281,296

C. Balance at the year end.

Related parties	Nature of Transactions	As at 31st March, 2020	As at 31st March, 2019
Sushil Kr Singhania	Short Term Benefits Payable	-	259,171
Gaurav Kr Singhania	Short Term Benefits Payable	-	235,133
Sunita Singhania	Short Term Benefits Payable	29,800	110,660
Mallika Singhania	Short Term Benefits Receivable	200	-
Nilesh Kumar Jain	Short Term Benefits Payable	-	247,397
Lucky Patel	Short Term Benefits Payable	-	38,559
Ganpati Holding and Trading Pvt Ltd	Electricity Payable	10,000	-
Champion Advanced Materials Pvt. Ltd.	Trade Payable	2,532,812	-
	Trade Receivable	9,962,718	48,333,788

46 Derivatives:

A) HEDGED : The Company has entered into Forward Exchange Contracts, being derivative instruments for hedge purpose and not intended for trading or speculation purposes, to establish the amount of currency in Indian Rupees required or available at the settlement date of certain payables and receivables. The following are the outstanding Forward Exchange Contracts entered into by the Company:

Particulars	Foreign Currency	As on 31.03.2020		As on 31.03.2019	
		Amount in Rs.	Amount in Foreign Currency	Amount in Rs.	Amount in Foreign Currency
Trade Payable	USD	NIL	NIL	37,625,883	523,338

B) UNHEDGED: The year end Foreign Currency exposures that have not been hedged by a derivative instrument as outstanding are as under:

Particulars	Foreign Currency	As on 31.03.2020		As on 31.03.2019	
		Amount in Rs.	Amount in Foreign Currency	Amount in Rs.	Amount in Foreign Currency
Trade Payable	USD	29,977,936	397,756	83,416,650	1,221,298

47 Fair Value measurement-

The fair value of Financial instrument as of March 31,2020 and previous year were as follows-

Particulars	March 31,2020	March 31,2019	Fair value Hierarchy	Valuation Technique	Key Inputs for Level 3 hierarchy	Significant unobservable input for level 3 hierarchy
Assets-						
Investment in Equity Instruments through OCI	89,170,339	106,326,913	Level-1	Quoted Market Price	-	-
Investment in Mutual Fund through FVTPL	172,584	711,525	Level-1	Quoted Market Price	-	-
Investment in Preference Share through FVTPL	45,000,000	45,000,000	Level-3	Unquoted at amortised cost	-	-
Investment in Equity Instruments	9,205,138	8,863,651		Based on Net Asset Value of the Investee Co.	Based on the net assets of the company.	Fluctuation in operation of the company.
Investment in Equity Instruments	50,100	60,100	Level-3	Unquoted at Cost	-	-
Total	143,598,161	160,962,190				

The management assessed that Cash and Cash equivalents, loans, other balances with Banks, trade receivables, trade payables and other current liabilities/assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

48 Lease

The Company's leasing arrangements are in respect of office premises. These leasing arrangements, which is mostly cancelable in 3 month and are usually renewable by mutual consent at mutually agreed terms & conditions. The lease payment of Rs. 39,78,984 (Previous Year Rs. 37,28,849) has been recognised as expenses in the statement of Profit & Loss under the Note No. 40 "other expenses"

49 Balance of Trade Receivable includes Rs.6,46,852/- (Previous Year Rs. Nil) which are overdue for which no provision has been made in the accounts as the Management is hopeful of recovery.

50 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

51 In the opinion of the Board, Current Assets, Loans and Advances have value in the ordinary course of business at least equal to the amount at which they are stated.

52 The company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, investments and other assets / liabilities. Based on the current indicators of future economic conditions, the company expects to recover the carrying amount of all its assets. The impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial results and the company will continue to closely monitor any material changes to future economic conditions

53 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

As per our report of even date attached
FOR M L BHUWANIA AND CO LLP
 CHARTERED ACCOUNTANTS
 Firm's Registration Number : 101484W/W100197

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

VIJAY KUMAR JAIN
 PARTNER
 MEMBERSHIP NO. 108374

SUSHIL KUMAR SINGHANIA
 CHAIRMAN
 DIN - 00379991

GAURAV SINGHANIA
 MANAGING DIRECTOR
 DIN - 01186568

PLACE : MUMBAI
 DATE: 26 JUNE 2020

NILESH KUMAR JAIN
 CHIEF FINANCIAL OFFICER

LUCKY PATEL
 COMPANY SECRETARY

Champion Commercial Co. Ltd.

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CIN: L51909WB1982PLC034891

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