



CKP LEISURE LIMITED

ANNUAL  
REPORT

**2019**



# CKP LEISURE LIMITED

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# CKP LEISURE LIMITED

## Chairman's Message



Dear Shareholders,

At the outset, I on behalf of entire CKP family take this opportunity to thank all of you sparing your valuable time for this occasion. Further, it gives me immense pleasure to present the sixth Annual Report of CKP Leisure Limited.

Financial Year 2017-18 has been very eventful for the company, wherein we got your Company converted from Private Limited to Limited company and got it listed on NSE Emerge platform. The listing has been very encouraging and we got good response to our Initial Public Offer, But in Financial year 2018-19 Such decision taken by Board keeping in view hardship and market slow down faced by Club Sirkus post few unexpected incidents took place near Club Sirkus. The Company faced loss of goodwill and revenue due to same. So, Board of Directors feels that it is prudent to sale Club Sirkus and considers the proposed sale in best interest of the Company.

I, on behalf of the Board of Directors would now like to highlight some key aspects of the year under review:

- Revenue generated during the FY 2018-19 of Rs. 127.43 lakhs, the same in last year was Rs. 1004.76 Lakhs, so EBITDA has fallen.
- Net worth of the Company has reduced to Rs. 1448.02 lakhs from Rs. 2054.07 lakhs in F.Y. 2017-18 to, due to sale of substantial undertaking (club Sirkus) in financial year 2018-19.

While our Management team & employees took significant initiatives to search other variable projects and business opportunities. Market challenges offset the benefits of internal improvement efforts leading to significant profit erosion.

Finally, I would like to take this opportunity to thank you as the shareholders of the Company for your support & motivation to the Company during the year. I would also like to thank the lenders, customers, suppliers, further shall appreciate the employees, who have stood by the Company & I look forward to their continuous dedication and support in the future.

With best wishes,  
Sincerely,  
Sd/-  
Chanakya Dhanda  
Chairman



# CKP LEISURE LIMITED

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Mr. Chanakya Dhanda- Chairman & Non-Executive Director**

Mr. Prafulla Bhat- Non-Executive Director

Ms. Shradha Dhanda- Whole-Time Director

Mr. Abhishek Jain- Non-Executive & Independent Director

Ms. Kruti Bhagat- Non-Executive & Independent Director

### KEY MANAGERIAL PERSONNEL

Ms. Heta Vashi- Company Secretary & Compliance Officer

Mr. Akshay Tambe- Chief Financial Officer

### AUDIT COMMITTEE

Mr. Abhishek Jain- Chairman

Ms. Kruti Bhagat -Member

Ms. Shradha Dhanda – Member

### NOMINATION & REMUNERATION COMMITTEE

Mr. Abhishek Jain - Chairman

Ms. Kruti Bhagat - Member

Mr. Prafulla Bhat – Member

### STAKEHOLDER'S GRIEVANCES COMMITTEE

Mr. Abhishek Jain - Chairman

Ms. Kruti Bhagat - Member

Mr. Prafulla Bhat – Member

### STATUTORY AUDITOR

R.T. Jain & Co.,  
Chartered Accountants  
2<sup>nd</sup> Floor, Lotus Bldg, 59, Mohammedali Road, Mumbai 400003, India

### REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited Category I Registrar to Issue & Share Transfer Agents

### REGISTERED OFFICE

Shop No. 3, Second Floor, Xth Central Mall Near Dmart, Mahavir Nagar, Kandivali West, Mumbai - 400067.  
Ph. No.: +91-7710044458  
Email: info@ckpleisure.com  
Website: [www.ckpleisure.com](http://www.ckpleisure.com)

### BANKER TO THE COMPANY

HDFC Bank  
State Bank of India

### 6<sup>TH</sup> ANNUAL GENERAL MEETING

Day: Monday  
Date: 30<sup>th</sup> September, 2019  
Time: 12:30 p.m.  
Venue: Shop No. 3, Second Floor, Xth Central Mall Near Dmart, Mahavir Nagar, Kandivali West, Mumbai - 400067.



# CKP LEISURE LIMITED

## NOTICE

Notice is hereby given that the Sixth Annual General Meeting of the members of **CKP LEISURE LIMITED** will be held on **Monday, 30<sup>th</sup> September, 2019** at **12.30 p.m.** at the registered office of the Company situated at Shop No. 3, Second Floor, Xth Central Mall, near Dmart, Mahavir Nagar, Kandivali West, Mumbai – 400067 to transact the following business:

### **ORDINARY BUSINESS:**

1. **Adoption of Financial Statement:**

To receive, consider and adopt the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2019 and the Reports of Directors' and Auditors' thereon.

2. **Re-appointment of director liable to retire by rotation:**

To appoint a Director in place of Mr. Chanakya Dhanda (DIN- 02709047) who retires by rotation, and being eligible, offers himself for re-appointment.

By Order of the Board of Directors  
For **CKP LEISURE LIMITED**

Place: Mumbai  
Date: August 27, 2019

Sd/-  
Chanakya Dhanda  
Director & Chairman  
DIN: 02709047

Sd/-  
Shradha Dhanda  
Whole Time Director  
DIN: 07840687



# CKP LEISURE LIMITED

## NOTES:

- (a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.** A person can act as a proxy on behalf of members, not exceeding fifty and in the aggregate not more than 10% of the total share capital of the company, carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The proxy forms should be lodged with the Company at its Registered Office at least 48 hours before commencement of the meeting.
- (b) The requirement to place the matter relating to appointment of auditor of ratification by members at every AGM has been done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of Statutory Auditor who was appointed from conclusion of the Fourth AGM till the conclusion of Ninth AGM.
- (c) Members are requested to intimate all changes pertaining to their bank details, ECS mandates Nominations, Power of Attorney, Change of Address/name etc. to their Depository Participant only and not to the Company or Company's Registrar and Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and the Registrar & Transfer Agent to provide efficient service to the members.
- (d) Relevant documents and registers will be available for inspection by the members at the Registered Office of the Company on the date of AGM.
- (e) As per Securities and Exchange Board of India (SEBI) notification, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or /transposition of shares. Members holding shares in dematerialized mode are requested to submit PAN details to their Depository Participant whereas Members holding shares in physical form are requested to submit their PAN details to the Company's Registrar & Transfer Agent.
- (f) Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar & Transfer Agents of the Company, in the prescribed Form SH 13 for this purpose.
- (g) The instrument of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the AGM. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolution or authority as applicable.
- (h) Members/Proxy holder/Authorised Representative are requested to bring duly filled Attendance Slip enclosed herewith along with their copy of the Notice to attend the Meeting.
- (i) In case of joint holders attending the Meeting, the first holder as per the Register of Members of the Company will be entitled to vote.



## CKP LEISURE LIMITED

- (j) Electronic copy of the Notice is being sent to all the Members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copy of the Notice is being sent in the permitted mode. Members may note that this Notice will also be available on the Company's website i.e. [www.ckpleisure.com](http://www.ckpleisure.com)
- (k) The Corporate Members intending to send their authorized representative(s) to attend the AGM are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the AGM.
- (l) The Annual Report of the Company, circulated to the Members of the Company will also be made available on the Company's website at [www.ckpleisure.com](http://www.ckpleisure.com)
- (m) The route map showing directions to reach the venue of the AGM is annexed and forms part of the Notice.

By Order of the Board of Directors  
For **CKP LEISURE LIMITED**

Place: Mumbai  
Date: August 27, 2019

Sd/-  
Chanakya Dhanda  
Director & Chairman  
DIN: 02709047

Sd/-  
Shradha Dhanda  
Whole Time Director  
DIN: 07840687



# CKP LEISURE LIMITED

## Annexure to the Notice dated August 27, 2019

(Pursuant to Regulation 36 of the Listing Obligation Disclosure Requirements)

**Details of the Directors retiring by rotation/ appointment/re-appointment at the ensuing Annual General Meeting:**

<b>Mr. Chanakya Dhanda</b>	
<b>DIN</b>	02709047
<b>Age</b>	35 Years
<b>Date of Appointment</b>	05/11/2014
<b>Qualifications</b>	Graduation in Management
<b>Experience</b>	An entrepreneur with more than 15 years of collective experience in Telecommunication, Hospitality, Media, Textiles, Electronics, Renewable Energy & Financial industries.
<b>Directorships in other Companies*</b>	CKP Products Limited
<b>Shareholding in CKP Leisure Limited</b>	28,92,145 Equity Shares

\* Excluding Private, Foreign Companies and Section 8 Companies.

By Order of the Board of Directors  
For **CKP LEISURE LIMITED**

Place: Mumbai  
Date: August 27, 2019

Sd/-  
Chanakya Dhanda  
Director & Chairman  
DIN: 02709047

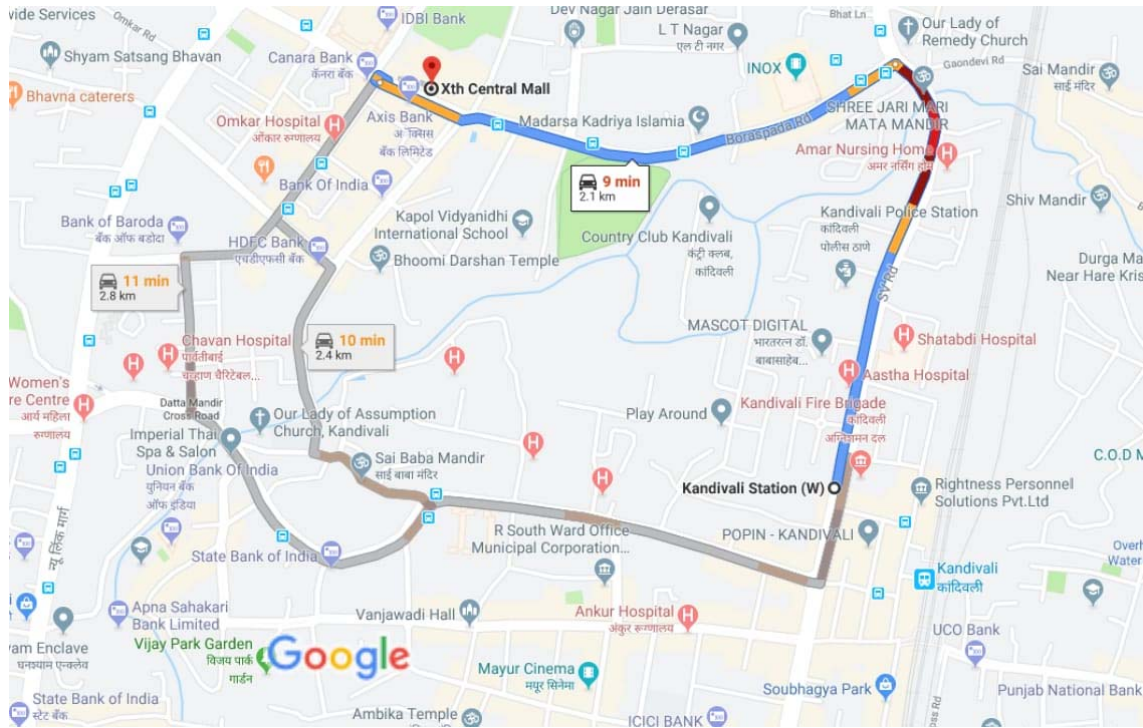
Sd/-  
Shradha Dhanda  
Whole Time Director  
DIN: 07840687






# CKP LEISURE LIMITED

## Route Map to the AGM Venue



 **SHOP NO. 3, SECOND FLOOR, XTH CENTRAL MALL NEAR DMART, MAHAVIR NAGAR, KANDIVALI WEST, MUMBAI - 400067**  
Landmark: Near Dmart



# CKP LEISURE LIMITED

## ATTENDANCE SLIP

(To be presented at the entrance)

### CKP LEISURE LIMITED

(CIN: L74900MH2013PLC246049)

**Registered Office:** Shop No. 3, Second Floor, Xth Central Mall Near Dmart, Mahavir Nagar, Kandivali West, Mumbai - 400067.

**Tel:** +91-7710044458; **Email:** info@ckpleisure.com; **Website:** www.ckpleisure.com

I hereby record my presence at the Annual General Meeting of the Company held on **Monday, 30<sup>th</sup> September, 2019** at 12.30 p.m. at Shop No. 3, Second Floor, Xth Central Mall Near Dmart, Mahavir Nagar, Kandivali West Mumbai - 400067.

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member: \_\_\_\_\_ Signature: \_\_\_\_\_

Name of the Proxyholder/ Authorised Representative \_\_\_\_\_ Signature: \_\_\_\_\_

1. Only Member/Proxyholder/Authorised Representative can attend the Meeting.

2. Member/Proxyholder/Authorised Representative should bring his/her copy of the Notice of the AGM for reference at the Meeting.

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Folio No./Client ID No. \_\_\_\_\_ DP ID No. \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ Equity Shares of CKP Leisure Limited, hereby appoint:

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting on **Monday, 30<sup>th</sup> September, 2019** at 12.30 P.M. at Shop No. 3, Second Floor, Xth Central Mall Near Dmart, Mahavir Nagar, Kandivali West Mumbai - 400067 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

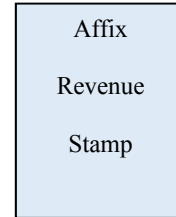
Resolution No.	Resolution	For	Against
<b>Ordinary Business</b>			
1	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 <sup>st</sup> March, 2019 and the Reports of Directors' and Auditors' thereon.		



## CKP LEISURE LIMITED

2	To appoint a Director in place of Mr. Chanakya Dhanda (DIN-02709047) who retires by rotation, and being eligible, offers himself for re-appointment.		
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Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019



Signature of Shareholder \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_

**NOTES:**

1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Shop No. 3, Second Floor, Xth Central Mall Near Dmart, Mahavir Nagar, Kandivali West, Mumbai - 400067, not less than 48 hours before the commencement of the Meeting.
2. \*\*This is only optional. Please put a '√' in the appropriate column against the resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against the resolution, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing proxy does not prevent a member from attending in person if he so wishes.
4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



# CKP LEISURE LIMITED

## DIRECTORS' REPORT

To  
The Members,  
**CKP LEISURE LIMITED**

Your Directors have pleasure in presenting the **SIXTH ANNUAL REPORT** of the Company together with the Audited Financial Statement(s) of the Company for the year ended March 31, 2019.

### 1. Financial Results:

Particulars	Rupees in lacs	
	2018-19	2017-18
<b>Gross Income</b>	<b>127.43</b>	<b>1004.76</b>
Deduction there from:		
Purchase of stock in trade	25.57	244.95
Changes in inventories of Finished Goods, Work in progress and stock in trade	90.05	-70.26
Employee Benefit Expense	54.06	109.49
Finance Cost	3.04	5.37
Depreciation	71.27	113.03
Other Expenses	147.59	461.58
Total Expenditure	391.56	864.15
<b>Profit before prior period adjustment</b>	<b>(264.14)</b>	<b>140.61</b>
Prior Period adjustment	0.00	0.00
Profit before taxation and exceptional items	0.00	0.00
Exceptional Item	(348.78)	0.00
<b>Profit before tax</b>	<b>(612.92)</b>	<b>140.61</b>
<b>Less:</b>		
Current Tax	0.00	-41.76
Deferred Tax	7.25	10.28
<b>Profit after tax</b>	<b>(605.67)</b>	<b>109.13</b>
Less: Minority Interest	0.00	0.00
<b>Net Profit from continuing operation</b>	<b>(605.67)</b>	<b>109.13</b>
Profit/(Loss) from discontinuing operation	0.00	0.00
<b>Net Surplus in the Statement of Profit and Loss.</b>	<b>(605.67)</b>	<b>109.13</b>
EPS	-6.29	1.31
<b>Reserves excluding Revaluation reserve as per Balance Sheet</b>	<b>484.58</b>	<b>1090.63</b>

### 2. Financial Performance:

Sales and Other Income for the year ended March 31, 2019 amounted to Rs. 127.43 Lakhs as against Rs. 1004.76 Lakhs in the previous Financial Year. Net Loss for the year under review was Rs. 605.67 Lakhs as against the Rs. 109.13 Lakhs in the previous Financial Year.

### 3. Change in the Nature of Business:

There is no change in the present nature of business of the Company.



## CKP LEISURE LIMITED

### **4. Dividend:**

The Board does not recommend any Dividend for the Financial Year 2018-19.

### **5. Transfer to Reserves:**

The Company has not proposed any amount to be transferred to the reserves.

### **6. Extract of Annual Return:**

In accordance with Section 92(3) and Section 134(3) (a) of the Companies Act, 2013, an extract of annual return in the prescribed format is uploaded on company's website [www.ckpleisure.com](http://www.ckpleisure.com)

### **7. Number of Board Meetings:**

The Board met Seven times during the financial year, the details of which are given in the Corporate Governance Report that forms a part of this Annual Report.

### **8. Directors Responsibility Statement:**

The Board of Directors of the Company confirms:

- (I) that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2019 the applicable Accounting Standards have been followed.
- (II) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- (III) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (IV) that the Directors have prepared the annual accounts for the year ended 31<sup>st</sup> March, 2019 on a 'going concern' basis.
- (V) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

### **9. A statement on declaration given by Independent Directors:**

Your Company has received declaration from all the Independent Directors of your Company, confirming that they meet the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013 and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 {SEBI (LODR) Regulations, 2015}.



## CKP LEISURE LIMITED

### **10. Policy on Directors' appointment and remuneration:**

The Nomination and Remuneration Committee is entrusted with the responsibility of identifying and ascertaining the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommending their appointment for the consideration of the Board.

The Company has drawn up Nomination and Remuneration policy in line with the requirement of Section 178 of the Companies Act, 2013. The Policy *inter alia* provides that a person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position. Details of the policy are available on the Company's website [www.ckpleisure.com](http://www.ckpleisure.com)

### **11. Vigil Mechanism / Whistle Blower Policy:**

The Company has a Vigil Mechanism cum Whistle Blower Policy ('Vigil Mechanism') in place. The Vigil Mechanism is a system for providing a tool to the employees of the Company to report violation of personnel policies of the Company, unethical behaviour, suspected or actual fraud, violation of code of conduct. The Company is committed to provide requisite safeguards for the protection of the persons who raise such concerns from reprisals or victimization.

The Policy provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The Board of Directors affirm and confirm that no employee of the Company has been denied access to the Committee.

Details of the Vigil Mechanism are available on the Company's website [www.ckpleisure.com](http://www.ckpleisure.com)

### **12. Auditors**

#### **a) Statutory Auditors:**

At the 4<sup>th</sup> Annual General Meeting held on 11 September 2017, M/s R.T.Jain & Co., Chartered Accountants, (Firm Registration No. 103961W) were appointed as statutory auditors of the Company for a term of five consecutive years i.e. to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2020. The Companies amendment act, 2017 has waive-off the requirement of annual ratification. the Company has received a certificate from the auditors to the effect that they are not disqualified from continuing as Auditors of the Company pursuant to the Companies Act, 2013 and applicable statutory provision.

#### **Explanations / Comments by the Board in the Auditor's Report:**

The Auditors have made certain comment in their Report concerning the financial statements of the Company. The Management puts forth its explanations as below:

With reference to clause (vi) of the Annexure to the Independent Auditors' Report on the financial statements; the Auditors have made a remark that regarding delays in payment of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax,



## CKP LEISURE LIMITED

Sales-tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. outstanding statutory dues as on 31<sup>st</sup> of March, 2019 for a period of more than six months from the date they became payable. Also specified in note that The Company has transferred all the above mentioned liabilities vide Slump Sale Agreement dated October 31, 2018 but still liabilities are pending. This is due to liquidity Constraints. The Management is in discussion with purchaser regarding the same and confident to meet its outstanding statutory liabilities very soon.

**b) Secretarial Auditor and Secretarial Audit Report:**

Mr. Nehil Dugar of M/s DNG & Associates, Practicing Company Secretaries, (CP No. 18952), Mumbai, was appointed to conduct the secretarial audit of the Company for the financial year 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for the Financial Year 2018-19 is enclosed herewith as **Annexure VI** to the Board's Report. There were no qualifications, reservation, adverse remarks or disclaimer given by the Secretarial Auditor. The Board has appointed Mr. Nehil Dugar of M/s DNG & Associates., Practicing Company Secretary, Mumbai, as secretarial auditor of the Company for the Financial Year 2019-20.

**c) Internal Auditor:**

During the year under review, on the recommendation of the Audit Committee, the Board of Directors appointed M/s. Ritesh Burad & Co., Chartered Accountants as the Internal Auditors of the Company for the Financial Year 2017-18 & 2018-19 to conduct Internal Audit of the functions and activities of the Company and submit their report to the Board as required under Section 138 of the Companies Act, 2013 and applicable Rules and provisions thereunder.

Further, the Board of Directors has appointed M/s I. A. Kachwala & Associate, Chartered accountants as the Internal Auditors of the Company for the Financial Year 2019-2020 & 2020-21 as per provisions of Section 138 of Companies Act, 2013.

**13. Particulars of Loans, Guarantees and Investments:**

Particulars of Loans & Investment as required under Section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 are given in Note no. 10 & 14 forming part of Financial Statements. There is no Guarantees given during the year under review.

**14. Particulars of contracts or arrangements with related parties:**

The Company does have transactions with related party in terms of Section 188 of the Companies Act, 2013. Hence, the disclosure required to be provided under Section 134(3) (h) of the Companies Act, 2013, in Form AOC – 2 is applicable is furnished as **Annexure I** to this report.



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The Disclosures as required under Accounting Standard – 18 (AS-18) “Related Party Disclosures” notified under Rule 7 of the Companies (Accounts) Rules, 2014 have been provided in Note No. 25 of the Notes forming part of the Financial Statements.

### **15. Material Changes and Commitments, if any, Affecting the Financial Position of the Company:**

The Shareholders has approved the following resolutions in Extra Ordinary General Meeting dated October 24, 2019:

- Sale of Substantial Undertaking (Club Sirkus) under section 180(1)(a) of the Companies Act, 2013.

### **16. Disclosure of Particulars:**

Information’s as per the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is given in **Annexure III** forming part of this Report.

### **17. Details of Committees of the Board:**

At present, the Board has following three (3) Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders’ Relationship Committee

The Composition of the Committees and relative compliances, are in line with the applicable provisions of the Companies Act, 2013 read with the Rules and Listing Regulations. Details of terms of reference of the Committees, Committees’ Membership and attendance at meetings of the Committees are provided in the *Report on Corporate Governance*.

### **18. Annual Evaluation of Board Performance:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors in their separate meeting who also reviewed the performance of the Board as whole.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure for the performance evaluation of the Board of Directors.

The Board’s functioning was evaluated on various aspects, including *inter alia* degree of fulfillment of key responsibilities, Board Structure and Composition, effectiveness of Board process, information and functioning.

The Directors were evaluated on aspects such as attendance and contribution at Board / Committee Meeting and guidance / support to the management outside Board / Committee Meetings. In addition, the Chairman was also evaluated on Key





## CKP LEISURE LIMITED

aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement of all Board Members.

Evaluation of Independent Directors was done by the Entire board.

### **19. Directors or Key Managerial Personnel who were appointed or have resigned during the year:**

As per the relevant provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the changes in Directors and Key Managerial Personnel are detailed as follows:

Mr. Sagar Karwa (DIN: 02708768) and Ms. Chandani Shah (DIN: 07570532) Independent Directors of the Company tendered their resignation from the office of Independent Director w.e.f. October 04, 2018.

Mr. Alay Waghani (DIN: 07554550) Whole Time Director of the Company tendered his resignation from the office w.e.f. January 28, 2019.

Mr. Chirag Sidhpura resigned as Chief Financial Officer & Key Managerial Personnel w.e.f. March 11, 2019.

The Board placed on record its appreciation for the services rendered by them during his tenure with the Company.

Pursuant to recommendation of Nomination and Remuneration Committee and approval of the Audit Committee and pursuant to the provisions of Section 203 of the Companies Act, 2013 read with relevant rules thereunder and in accordance with Articles of Association of the Company and other applicable provisions of the Companies Act, 2013.

5<sup>th</sup> Annual General Meeting held on September 29, 2018, Ms. Kruti Bhagat (DIN: 07771377) and Mr. Abhishek Jain (DIN: 07899056) were appointed as independent Directors of the Company with immediate effect.

Extra Ordinary General Meeting held on March 7, 2019, Ms. Shradha Dhanda (DIN: 07840687) was appointed as Whole Time Director of the Company.

Mr. Akshay Suresh Tambe was appointed as a Chief Financial Officer and Key Managerial Personnel w.e.f. March 25, 2019.

Mr. Chanakya Dhanda (DIN: 02709047) retires at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board has recommended his appointment.

The details of training and familiarization programme for Directors have been provided on the website of your Company viz. [www.ckpleisure.com](http://www.ckpleisure.com)

### **20. Subsidiary Companies and Joint Venture:**

During the year, Company do not have any Subsidiary Companies or Joint Venture.



## CKP LEISURE LIMITED

### **21. Deposits:**

During the Period under review, your Company has not accepted any Public Deposits under Chapter V of the Companies Act, 2013.

### **22. Disclosures Relating to Remuneration of Directors, Key Managerial Personnel and Particulars of Employees:**

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ Employees of your Company is appended in **Annexure II** forming part of this Report.

In accordance with provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in the annexure to this report. In terms of provisions of Section 136(1) of the Companies Act, 2013 this report is being sent to the members without this annexure. Members interested in obtaining copy of the annexure may write to the Company Secretary and the same will be furnished on request. The said information is available also for inspection at the registered office of the Company during working hours.

### **23. Corporate Governance:**

Pursuant to Regulation 34 (3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, Corporate Governance report is given in **Annexure IV** to this Report.

### **24. Management Discussion and Analysis Report:**

A report in the form of Management Discussion and Analysis Report is annexed hereto as **Annexure V** and forms part of this Report

### **25. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has formulated an Internal Complaints Committee on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no cases/complaints pertaining to sexual harassment reported during the year under review.

### **26. Details of significant and Material orders passed by the regulators or Courts or tribunals impacting the going concern status and Company's operations in future:**

During the year under review, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### **27. Adequacy of Internal Financial Controls with reference to the Financial Statements:**



## **CKP LEISURE LIMITED**

There are internal financial controls in place with reference to the financial statements. During the year under review, these controls were evaluated and no significant weakness was identified either in the design or operation of the controls.

### **28. Secretarial Standards:**

The Company has complied with the Secretarial Standards as applicable to the Company pursuant to the provisions of the Companies Act, 2013.

### **29. Acknowledgement:**

The Board of Directors expresses their deep gratitude for the co-operation and support extended to the Company by its Members, Customers, Suppliers, Bankers and various Government agencies.

**For and on behalf of the Board  
CKP LEISURE LIMITED**

**Chanakya Dhanda  
Chairman & Director  
(DIN: 02709047)**

**Shradha Dhanda  
Whole Time Director  
(DIN: 07840687)**

Date: August 27, 2019  
Place: Mumbai



# CKP LEISURE LIMITED

## ANNEXURE I - RELATED PARTIES TRANSACTIONS

### 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 arms length transactions under third proviso thereto**

#### **1. Details of contracts or arrangements or transactions not at arm's length basis:**

- (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: NIL
- (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: NA
- (g) Amount paid as advances, if any: NA
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.

#### **2. Details of material contracts or arrangement or transactions at arm's length basis:**

- (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: NIL
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
- (e) Date(s) of approval by the Board, if any: N.A
- (f) Amount paid as advances, if any: N.A

**For and on behalf of the Board  
CKP LEISURE LIMITED**

**Chanakya Dhanda  
Chairman & Director  
(DIN: 02709047)**

**Shradha Dhanda  
Whole Time Director  
(DIN: 07840687)**

Date: August 27, 2019  
Place: Mumbai



# CKP LEISURE LIMITED

## ANNEXURE II - MANAGERIAL REMUNERATION

**Information as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. **Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year 2018-2019 is as follows:**

Name of the Director	Total Remuneration (In Rs.)	Ratio of remuneration of director to the Median remuneration
Shradha Dhanda	5,20,000	7.22:1

Notes:

- The aforesaid details are calculated on the basis of remuneration for the financial year 2018-19.
- Median remuneration of the Company for all its employees was Rs. 72000/- for the financial year 2018-19.
- Ms. Shradha Dhanda was appointed as Whole Time Director w.e.f March 7, 2019 and Mr. Alay waghani resigned as Whole Time Director of the Company w.e.f January 29, 2019. However, Shradha Dhanda was full time employee of the Company from June, 2018.

2. **Details of percentage increase in the remuneration of each Director, CFO and Company Secretary in the financial year 2018-19 are as follows:**

The increase in salary of CEO, CFO and Company Secretary ranges between 10% and 25%\*\*

**\*\*Note:** *The Independent Directors of the Company are entitled to sitting fee and commission on Net Profits as per statutory provisions of the Companies Act, 2013 and as per terms approved by the Members of the Company. Even Non- Executive Non-Independent directors are not paid remuneration and are entitled for sitting fees. The details of remuneration of the Independent Directors & Non-Executive Non-Independent Directors of the Company have been provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for these Directors' Remuneration is, therefore, not considered for the purpose above.*

3. **Percentage increase in the median remuneration of all employees in the financial year 2018-19:**

	2018-19 (Rs.)	2017-18 (Rs.)	Increase (%)
Median remuneration of all employees per annum	72000	1,80,000	(60%)*

**Note\*:** *The exceptional increase in the median remuneration is due to fall in the number of employees as compared with the previous year*



## CKP LEISURE LIMITED

**4. Number of permanent employees on the rolls of the Company as on March 31, 2019:**

Total Number of Employees on pay roll during the financial year ended March 31, 2019 is 9(Nine).

**5. Comparison of average percentage increase in salary of employees other than the key managerial personnel and the percentage increase in the Key managerial remuneration:**

There was no exceptional circumstance for increase for managerial personnel in the last financial year. The average percentile increase and policy was same for managerial personnel and all the other employees.

**6. Affirmation:**

Pursuant to Rule 5(1) (xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration policy of the Company.

**Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:**

- 1. Employed throughout the year ended 31<sup>st</sup> March, 2019, with remuneration aggregating to not less than Rs 1,02,00,000 per annum: None**
- 2. Employed for part of the year ended 31<sup>st</sup> March, 2019, with remuneration aggregating to not less than Rs 8,50,000 per month: None**
- 3. The employee if employed throughout the financial year or part thereof was in receipt of remuneration in that year which in the aggregate or as the case may be at a rate which in the aggregate is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children not less than two percent of the equity shares of the company: None**

**For and on behalf of the Board  
CKP LEISURE LIMITED**

**Chanakya Dhanda  
Chairman & Director  
(DIN: 02709047)**

**Shradha Dhanda  
Whole Time Director  
(DIN: 07840687)**

Date: August 27, 2019  
Place: Mumbai



# CKP LEISURE LIMITED

## ANNEXURE IV - CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

(Information pursuant to the Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rule, 2014 and forming part of the Director's Report to the Members for the year ended March 31, 2019.

The Company sold its substantial undertaking (Club Sirkus) to M/s. NS Hospitality, a Partnership Firm on October 24, 2018. So after that below details are not applicable to the Company. The Company at the same time is in process of scoping other viable projects and business opportunities.

	<b>PARTICULARS</b>	<b>REMARKS</b>
	<b>CONSERVATION OF ENERGY</b>	
		Your Company took many initiatives to reduce the electricity consumption through productivity increase.
	The steps taken or impact on Conservation of energy	
i.	Process optimization and automation	Your company has focused on productivity so that unit consumption per unit is reduced.
ii.	Optimization of Electrical Equipment	
iii.	Lighting	
iv.	Other Key initiatives for Energy conservation	
	The steps taken by the Company for utilizing alternate sources of energy	
	<b>TECHNOLOGY ABSORPTION</b>	
	The efforts made by the Company towards technology absorption	The Company has no activity relating to technology absorption.
	The benefits derived like product improvement, cost reduction, product development or import substitution	The Company has not imported technology during the last three years.
	In case of imported technology ( imported during the last three years reckoned from the beginning of the Financial year)	
	The expenditure incurred on Research and Development	
	<b>FOREIGN EXCHANGE EARNINGS AND OUTGO</b>	Not Applicable

**For and on behalf of the Board  
CKP LEISURE LIMITED**

**Chanakya Dhanda  
Chairman & Director  
(DIN: 02709047)**

**Shradha Dhanda  
Whole Time Director  
(DIN: 07840687)**

Date: August 27, 2019  
Place: Mumbai



# CKP LEISURE LIMITED

## ANNEXURE V-CORPORATE GOVERNANCE

**Report on Corporate Governance for the Year Ended 31<sup>st</sup> March, 2019 (in accordance with Regulation 34 (3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

### **A. Corporate Governance Philosophy:**

The Your Company is generally complying with the requirements of the Corporate Governance Practices. Pursuant to the Listing Agreement read with Regulation 15(2) of the SEBI (LODR) Regulations 2015, the requirement of compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V is not mandatory to the Company. However, as a good Corporate Governance practice the company has implemented few of the Corporate Governance provisions as possible. The Company is fully committed to practice sound Corporate Governance and uphold the highest business standards in conducting business.

### **B. Board of Directors:**

#### **a) Composition and category of Directors including attendance of each Director at the Meeting of the Board and the Last Annual General Meeting along with number of other Directorship and Membership in Committees in which such Director is Member or Chairman.**

The composition of Board as on March 31, 2019 was in accordance with requirement of Regulation 17(1) of SEBI (LODR) Regulations, 2015. The Company has a Non-Executive Chairman and over half of the total numbers of Directors are Non-Executive Directors. The Company has 5 Directors on its Board comprising 2 Independent Directors including 1-Woman Director, 2 Non-Executive Directors and 1 Executive Director.

None of the Directors holds Directorships in more than twenty companies. Similarly, none of the Directors on the Board's sub-committee holds membership of more than ten Committees of the Boards, nor a Chairman of more than five Committees of Boards.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year from April 2018 to March 2019 and at the last Annual General Meeting and the number of Directorships and Committee membership held by them in other Companies are given below:





## CKP LEISURE LIMITED

Name of the Directors	Category	Attendance at the Meetings (2018-19)			In other Public Companies			
		Board		Last AGM i.e. 29 <sup>th</sup> Sept	No. of Directorships		No. of committee position	
		Held	Attend		Chairman	Director	Chairman	Member
Mr. Chanakya Dhanda	Chairman, Non Executive Director	9	9	Yes	1	1	-	-
Mr. Prafulla Bhat	Non-Executive Director	9	1	Yes	1	2	-	-
Mr. Alay Waghani*	Whole Time Director	7	7	Yes	-	-	-	-
Ms. Shradha Dhanda**	Whole Time Director	1	1	N.A	-	2	-	2
Mr. Sagar Karwa#	Independent Director	5	5	Yes	-	-	-	-
Ms. Chandni Shah#	Independent Director	5	5	Yes	-	-	-	-
Mr. Kruti Bhagat	Independent Director	4	4	N.A	-	1	-	2
Mr. Abhishek Jain	Independent Director	4	4	N.A	-	1	2	-

\* Resigned as Whole Time Director of the Company w.e.f January 29, 2019.

\*\* Appointed as a Whole Time Director of the Company w.e.f March 7, 2019.

# Resigned as Independent Directors of the Company w.e.f October 15, 2018.

## Appointed as Independent Directors of the Company w.e.f September 29, 2018.

### Notes:

- Excluding Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
- Committees considered to reckon the limit are Audit Committee and Stakeholders Relationship Committee in public (listed and unlisted) Companies.

### b) No. of Board Meetings held and date of the last AGM held:

9 (Nine) Board Meetings were held during the Financial Year under review on May 9, 2018, May 30, 2018, August 27, 2018, September 5, 2018, September 27, 2018, October 15, 2018, November 14, 2018, February 11, 2019 and March 25, 2019.



## CKP LEISURE LIMITED

The 5<sup>th</sup> Annual General Meeting was held on September 29, 2018.

**c) Disclosure of relationships between Directors inter-se:**

None of the Directors are related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

**d) Number of shares of the Company held by Non- Executive Directors as on March 31, 2019:**

Sr. No.	Name of the Directors	No. of Shares held	% of Shareholding
i.	Mr. Prafulla Bhat	28,94,250	30.04
ii.	Mr. Chanakya Dhanda	28,92,145	30.02

**e) Familiarization programmes imparted to Independent Directors:**

The Familiarization program aims to provide insight to the Independent Directors to understand the business of the Company. Upon induction, the Independent Directors are familiarized with their roles, rights and responsibilities. The details of the familiarization programs have been disclosed at the below mentioned link of the Company's website:

[http://www.ckpleisure.com/FAMILIARIZATION\\_POLICY\\_OF\\_INDEPENDENT DIRECTOR.pdf](http://www.ckpleisure.com/FAMILIARIZATION_POLICY_OF_INDEPENDENT_DIRECTOR.pdf)

### C. Audit Committee

**a) The Composition of the Audit Committee and details of meeting of Audit Committee held and attended by each member during the year 2018-19 are as follows \*:**

The Audit Committee of our Board was constituted in the terms of the Listing Regulations and section 177 of the Companies Act, 2013. The Committee was reconstituted after Appointment and Resignation of Independent Directors and Whole Time Director of the Company.

The Audit Committee comprises of:

Name	Designation	Nature of Directorship	No. of Meetings	
			Entitled to attend	Attended
Mr. Abhishek Jain	Chairman	Non-Executive Independent Director	3	3
Ms. Kruti Bhagat	Member	Non-Executive Independent Director	3	3
Ms. Shradha Dhanda	Member	Whole-time Director	1	1



## CKP LEISURE LIMITED

*\*Due to resignation of Mr. Sagar Karwa & Ms. Chandani shah from the Board who were the former members of the committee were reconstituted as on October 15, 2018 and after that by WTD Mr. Alay Waghani resigned from the Board who were the former members of the committee were again reconstituted the above-mentioned directors. The committee was reconstituted with effect from March 07, 2019.*

All the Members of the Audit Committee are financially literate and have relevant accounting and financial management expertise as required under the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Ms. Heta Vashi, Company Secretary of the Company, act as Secretary of the Audit Committee.

The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting and its compliance with the legal and regulatory requirements. The Committee oversees the work carried out in the financial reporting process by the Management and the Statutory Auditors and, note the processes and safeguards employed by each of them.

### **b) Terms of Reference**

The terms of reference, role, powers, rights, authority and obligations of the Audit Committee are in conformity with the applicable provisions of the Companies Act, 2013 and Listing Obligation Requirements (including any statutory modification(s) or re-enactment or amendments thereof).

### **c) Meetings of Audit Committee during the year:**

During the year ended 31<sup>st</sup> March, 2019, The Committee met 8 (Eight) times on May 8, 2018, May 29, 2018, August 26, 2018, September 04, 2018, September 25, 2018, November 13, 2018, February 11, 2019 and March 25, 2019.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

## **D. Nomination & Remuneration Committee:**

### **a) Composition, names of members and chairperson and attendance details\*:**

The Nomination and Remuneration Committee of our Board was constituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated 19<sup>th</sup> July, 2017. The Committee was reconstituted after Appointment and Resignation of Independent Directors of the Company. The composition of the Nomination and Remuneration Committee as well as details of meeting of Nomination and Remuneration Committee held and attended by each Member during the year 2018-19 are as follows:



## CKP LEISURE LIMITED

Name	Designation	Nature of Directorship	No. of Meetings	
			Entitled to attend	Attended
Mr. Abhishek Jain	Chairman	Non-Executive Independent Director	2	2
Ms. Kruti Bhagat	Member	Non-Executive Independent Director	2	2
Mr. Prafulla Bhat	Member	Non-Executive Director	4	1

*\*Due to resignation of Mr. Sagar Karwa and Mrs. Chandni Shah from the Board who were the former members of the committee were replaced by the above-mentioned directors. The committee was reconstituted with effect from 15<sup>th</sup> October, 2018.*

The main purpose of the Committee is to review and discharge the Board's responsibilities related to remuneration of the Directors, Key Managerial Personnel, and other employees. The Committee also has the overall responsibility for formulation of criteria for evaluation of Independent Directors, identifying persons who are qualified to become Directors and appointment of Key Managerial Personnel.

### **b) Terms of Reference**

The terms of reference, role, powers, rights, authority and obligations of the Nomination and Remuneration Committee are in conformity with the applicable provisions of the Companies Act, 2013 and Listing Obligation Requirements (including any statutory modification(s) or re-enactment or amendments thereof).

### **c) Meetings of the Nomination and Remuneration Committee during the year**

During the year ended 31<sup>st</sup> March, 2019, The Committee met 4 times on September 4, 2018, September 25, 2018, February 10, 2019 and March 25, 2019

### **d) Performance evaluation criteria for Independent Directors:**

The Nomination and Remuneration Committee carries out the evaluation of the performance of every Director, KMP and Senior Management Personnel at regular interval or at such intervals as considered necessary.

## **E. Remuneration of Directors:**

### **(a) Pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:**

The Non-Executive Directors including the Independent Directors of the Company draw remuneration only by the way of sitting fees for attending the Meeting of the Board and the Committees thereof. Apart from this, none of the Non-Executive



## CKP LEISURE LIMITED

Directors has any material pecuniary relationship or transaction with the Company, its Promoters, Directors, Senior Management or Holding Company, Subsidiaries and Associates which may affect independence of the Director.

### **(b) Criteria for making payments to Non- Executive Directors:**

Non- Executive Directors of the Company are paid sitting fees for attending Board and Committee meetings of the Company.

### **(c) Details of remuneration paid to Directors:**

The Executive Directors are paid Salary and Performance Linked Bonus, which is calculated, based on pre-determined parameters of performance. The components of remuneration vary for different employee levels and are governed by industry patterns, qualifications and experience of the employee and his/her responsibility areas, employee performance assessment etc.

Criteria of making payments to all the Directors are disclosed in the Policy i.e. Remuneration Policy for Directors, KMP's And Other Employees and the same is also made available on the company's website at the link on [http://www.ckpleisure.com/Nomination\\_and\\_Remuneration.pdf](http://www.ckpleisure.com/Nomination_and_Remuneration.pdf)

## **F. Stakeholders Relationship Committee**

### **a) Composition, names of members and chairperson and attendance details\*:**

The Shareholder and Investor Grievance Committee of our Board were constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated September 16, 2016. The Committee was reconstituted after Appointment and Resignation of Independent Directors of the Company. The composition of the Stakeholders' Relationship Committee as well as detail of meetings of Stakeholders' Relationship Committee attended by each Member during the year 2018-19 is as follows:

Name	Designation	Nature of Directorship	No. of Meetings	
			Held	Attended
Mr. Abhishek Jain	Chairman	Non-Executive Independent Director	4	4
Ms. Kruti Bhagat	Member	Non-Executive Independent Director	4	4
Mr. Prafulla Bhat	Member	Non-Executive Director	5	1

*\*Due to resignation of Mr. Sagar Karwa and Mrs. Chandni Shah from the Board who were the former members of the committee were replaced by the above-mentioned directors. The committee was reconstituted with effect from 15<sup>th</sup> October, 2018.*



## CKP LEISURE LIMITED

The role of the Committee is to consider and resolve the grievances of the security holders of the Company, including complaints relating to transfer and transmission of securities, and such other grievances as may be raised by the security holders from time to time.

**b) Name and designation of Compliance Officer:**

Ms. Heta Vashi, Company Secretary, is designated as a Compliance Officer of the Company.

**c) Details of the shareholders' complaints:**

During the year under review Company did not received any complaints from the shareholders and there were no complaints which were to be disposed off during the year or was pending at the year. end.

**d) Meetings during the year:**

During the year ended 31<sup>st</sup> March, 2019, The Committee met 5 (Five) times on May 30, 2018, October 15, 2018, October 24, 2018, January 9, 2019 and March 25, 2019.

### G.GENERAL BODY MEETING

**a) Information about last two Annual General Meetings.**

Year	Date	Time	Venue
2015-2016	September 30, 2016	11.00 a.m.	Ground Floor, Hotel Sahara Star, Opposite Domestic Airport, Vile Parle-East, Mumbai-400099.
2016-2017	September 11, 2017	11.00 a.m.	Ground Floor, Hotel Sahara Star, Opposite Domestic Airport, Vile Parle-East, Mumbai-400099.
2017-18	September 29, 2018	1.00 p.m.	906, 9th Floor, Jay Antariksh, Makwana Road, Marol Naka, Andheri (E), Mumbai-400059.

The Company had held 2 Extra Ordinary Annual General Meeting in the financial year on the following dates: October 24, 2018 and March 07, 2019.

**b) Special Resolutions passed in the previous AGM(s):**

There are no Special Resolution passed in last 3 AGM.

**c) Passing of Special Resolution through postal ballot:**

There were no special resolutions passed by the Company necessitating postal ballot at any of the above general meetings. There were no special resolutions passed by the Company at any of the Annual General Meetings held in the past



## CKP LEISURE LIMITED

three years. However, a special resolution was passed at the Extra Ordinary General Meeting held during the year and the details of which are as follows:

<b>Date of Meeting</b>	<b>Details of Special Resolutions passed</b>
October 24, 2018	Sale of Substantial Undertaking (Club Sirkus) under section 180(1)(a) of the Companies Act, 2013

### H. Means of Communication

#### a) Results:

The Half yearly results will be regularly submitted to the Stock Exchanges where the securities of the Company are listed pursuant to the Listing Regulations requirements. The Company's website [www.ckpleisure.com](http://www.ckpleisure.com) contains a separate dedicated section "Investor" where information for shareholders is available.

#### b) Any Website, where displayed:

The Company's website [www.ckpleisure.com](http://www.ckpleisure.com) contains a separate dedicated section "Investor" where information for shareholders is available. The Annual reports are posted on the said website.

#### c) Whether Website also displays official news releases:

The Company has maintained a functional website i.e. [www.ckpleisure.com](http://www.ckpleisure.com) containing basic information about the Company e.g. details of its business, Directors and also other details as per the requirement of Listing Regulation and the Companies Act, 2013 like financial information, shareholding pattern, codes, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc.

#### d) Presentations made to institutional investors or to the analysts:

No presentation to any institutional investors or analysts has been made during the financial year ended March 31, 2019.

### I. Other Disclosures

#### (a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

During the financial year under review, there were materially significant related party transactions with the Promoters, Directors, their relatives etc. that may have potential conflict with the interests of the Company at large.



## CKP LEISURE LIMITED

**(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last two years and hence no penalties, strictures have been imposed on the Company by Stock Exchanges or Securities and Exchange Board of India or any other statutory authority.

**(c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

The Company has a Vigil Mechanism cum Whistle Blower Policy in place, details of which have been furnished in the Directors' Report. The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee.

**(d) Web link where policy on dealing with related party transactions:**

[http://ckpleisure.com/Policy\\_on\\_Related\\_Party\\_Transactions.pdf](http://ckpleisure.com/Policy_on_Related_Party_Transactions.pdf)

**(e) Disclosure of commodity price risks and commodity hedging activities:**

Not applicable

**J. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed**

The Company has complied with the requirements of corporate governance for a good ethics even when the Company is not mandatorily required to comply with the provisions as required per the SEBI (LODR) Regulations, 2015.

**K. Adoption of the discretionary requirements as specified in Part E of the Schedule II of the Listing Regulations**

**(a) Shareholder Rights:** The Company will be following in due course to furnish half yearly results to the Stock Exchange(s) therefore results will not be sent to household of each of the shareholders.

**(b) Modified opinion(s) in audit report:** The auditors have issued an unmodified opinion report for financial statements for the year ended March 31, 2019.

**L. GENERAL SHAREHOLDERS INFORMATION**

**(a) Annual General Meeting**

Day, Date and time: Monday, September 30, 2019 at 12.30 p.m.  
Venue: Registered Office of the Company

**(b) Financial year:** April 2018 to March, 2019





## CKP LEISURE LIMITED

- (c) **Date of Dividend Payment:** The Company has not declared any dividend for the financial year 2018-19.
- (d) **Name and address of stock exchanges at which the Company's securities are listed and confirmation about payment of annual listing fees to each of stock exchanges:**

The Company's equity shares are listed on the **NSE Emerge Platform**.

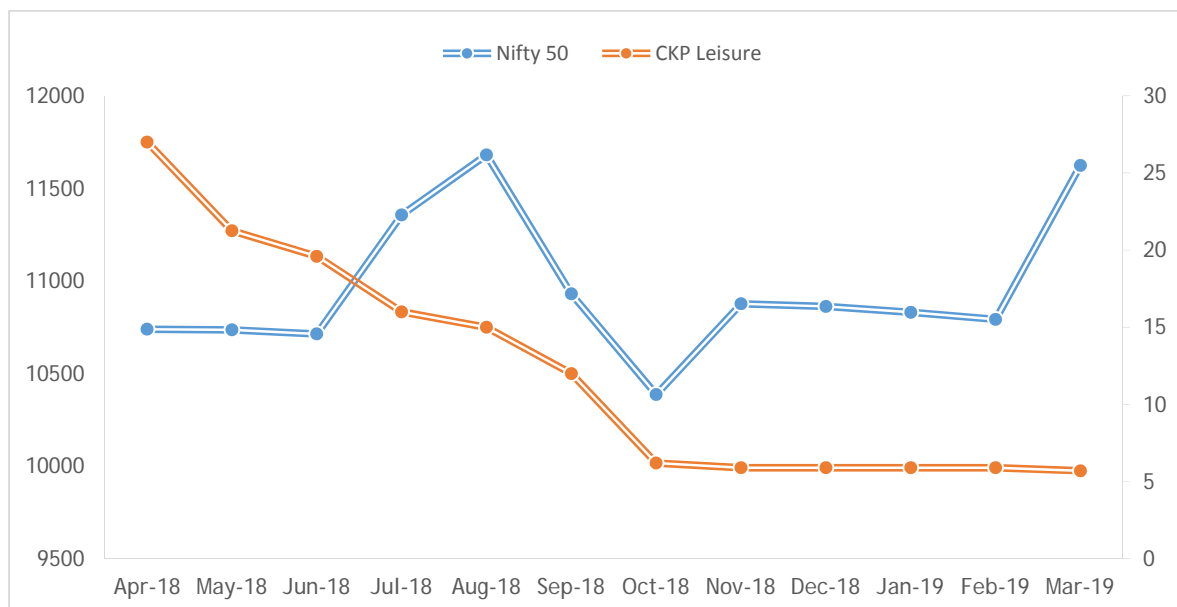
Address: National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051.

The Company has paid annual listing fees for the year 2018-19 to NSE.

- (e) **Market Price Data: High, Low during each month in last Financial Year:**

Month & Year	High	Low	Volume (no.)
April 2018	30.50	26.00	1,80,000
May 2018	25.10	21.25	4,000
June 2018	21.40	19.60	4,000
July 2018	18.00	16.00	48,000
August 2018	15.00	14.80	8,000
September 2018	14.15	11.85	12,000
October 2018	11.00	5.95	4,000
November 2018	5.95	5.90	8,000
December 2018	5.90	6.15	4,000
January 2019	5.90	5.90	-
February 2019	5.90	5.90	-
March 2019	5.70	5.70	4,000

- (f) **Performance in comparison to broad-based indices:**





## CKP LEISURE LIMITED

**(g) In case the securities are suspended from trading, reason thereof:**

The securities of the Company have not been suspended from trading.

**(h) Registrar and Share Transfer Agents (R & TA):**

**BIGSHARE SERVICES PRIVATE LIMITED:**

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri East,

Mumbai, Maharashtra 400059

Tel.: 022 6263 8200

E-mail: investor@bigshareonline.com

Website: www.bigshareonline.com

**(i) Share Transfer System:**

The Board of Directors of the Company, in order to expedite the process, has delegated the power of approving transfer, transmission, etc. of the securities of the Company to the R & TA. Securities lodged for transfer, transmission, etc. are normally processed within the stipulated time as specified under the Listing Regulations and other applicable provisions of the Companies Act, 2013.

**(j) Dematerialization of shares and liquidity:**

The shares of the Company are available for dematerialisation (holding of shares in electronic form) on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The shares of your Company are to be compulsorily traded in the dematerialised form. As on March 31, 2019 100% of total Subscribed and Fully Paid-up Equity Shares of the Company, have been dematerialised by the Investors and bulk of transfers take place in the demat segment.

**(k) Outstanding GDRs/ ADRs/ Warrant or any Convertible Instruments, Conversion date and likely impact on Equity:**

During the Year ended March 31, 2019 no outstanding GDRs/ ADRs/ Warrant or any Convertible Instruments lying.

**(l) Commodity price risk or foreign exchange risk and hedging activities:**

Not applicable.

**(m) Location of Plant:** The Company does not have any plant.



## **CKP LEISURE LIMITED**

**(n) Address for correspondence:**

Ms. Heta Vashi

Company Secretary - Compliance Officer

**CKP Leisure Limited**

CIN: L74900MH2013PLC246049

Shop No. 3, Second Floor, Xth Central Mall, near Dmart, Mahavir Nagar, Kandivali West, Mumbai - 400067.

**For and on behalf of the Board  
CKP LEISURE LIMITED**

**Chanakya Dhanda  
Chairman & Director  
(DIN: 02709047)**

**Shradha Dhanda  
Whole Time Director  
(DIN: 07840687)**

Date: August 27, 2019  
Place: Mumbai



# CKP LEISURE LIMITED

## **ANNEXURE VI - MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management of CKP Leisure Limited presents the Management Discussion and Analysis (MD&A) of the Company for the year ended on March 31, 2019 and its outlook for the future. This outlook is based on assessment of current business environment. It may vary due to future economic and other developments both in India and Abroad.

It contains financial highlights but does not contain the complete financial statements of the Company. It should be read in conjunction with the Company's Audited Financial Statements for the year ended on March 31, 2019.

### **OVERVIEW OF GLOBAL ECONOMIC & BUSINESS SCENERIO:**

#### ***Global Scenario:***

The Bars and Nightclubs industry has experienced growth over the five years to 2019, despite slight declines in revenue during the early half of the five-year period. These dips were a result of shaky consumer confidence and changing consumer preferences, causing more people to drink at home rather than at bars or nightclubs. However, industry revenue growth picked up in the latter half of the period due to the growing domestic economy, and overall growth is expected to reach an annualized rate of 2.9% to \$26.7 billion. Industry revenue is expected to increase 2.9% as per capita alcohol consumption and disposable income rise, permitting people to spend more of their pay at bars and nightclubs.

rising alcohol prices, wariness of drunk driving and evolving attitudes toward alcohol consumption have constrained revenue growth. Industry operators have responded to these challenges by diversifying into a range of new concepts, such as wine bars, cocktail lounges and brewpubs, to attract new demographics. However, strict regulations on liquor licences and rising competition has discouraged new operators from entering the industry. Over the five years to 2024, the industry is projected to continue contending with competition from in-home alcohol consumption and establishments that operate outside the industry that also serve alcohol, such as restaurants. Despite these factors, the industry's financial performance is forecast to improve.

The South East is estimated to account for the largest share of establishments, with 13.3% of the industry total. The region is densely populated and its residents tend to have high disposable incomes, which makes the area highly attractive to nightclub operators. Brighton and Portsmouth both have a large number of clubs and contribute highly to the region's share of establishments. The North West accounts for 11.7% of industry establishments, outweighing its 11% share of the population. Large cities such as Manchester and Liverpool have vibrant nightlife scenes and are home to many nightclub operators.

#### ***Indian Scenario***

##### **Dining Concepts**

The individual players cater to various dining concepts which are broadly classified as follows:

**Formal Dining** - This segment consists of specialty restaurants with formal atmosphere. The menu served is exclusive and expensive. The target market served by these restaurants is



## **CKP LEISURE LIMITED**

the top end of the population having high disposable income. Standalone restaurants and restaurants in five star hotels are key players covering this concept.

Casual Dining - Restaurants under this concept target the corporate executives, adults and the yuppie population. The key characteristics of this concept are good décor, casual atmosphere, entertainment and an exclusive menu. This concept is found largely in standalone restaurants and coffee shops in five star hotels.

Family Dining - With a change in consumer eating habits, dining out has become a part of family entertainment. There were very few restaurants catering to this market. The main target is the family which in the Indian context covers a wide range of age groups consisting of children and adults. This concept stresses on great ambience, quality food coupled with good service. The menu is economically priced and features special kids menu at selected formats.

Over the counter – With handful of bakery chains, this format offers bakery and confectionery products and more. It targets wide spectrum of customers, from young executives to a hang-out place for college and school kids.

Night Club – This concept addresses the need of the young crowd who enjoy dance and music. In the happening nightspots one can spot the city's movers and shakers dressed in the trendiest outfits. From walk-in pubs to those that insist on couples only and an entry or cover charge.

### **BUSINESS OVERVIEW**

The Company proposes to sale its Substantial undertaking (Club Sirkus) to M/s. NS Hospitality, a Partnership Firm having its registered office at 101, Praful CHS, Mathuradas Road, Kandivali-West, Mumbai. Such decision taken by Board keeping in view hardship and market slow down faced by Club Sirkus post few unexpected incidents took place near Club Sirkus. The Company faced loss of goodwill and revenue due to same. So, Board of Directors feels that it is prudent to sale Club Sirkus and considers the proposed sale in best interest of the Company. Such sale will be amount to sale of substantial undertaking by the Company. Your Directors propose resolution under section 180(1)(a) of the Companies Act, 2013 for approval of the Shareholders. The Company at the same time is in process of scoping other viable projects and business opportunities.

### **SEGMENT WISE PERFORMANCE:**

Your company has only one segment that is Leisure & Entertainment.

### **RISKS AND CONCERNS:**

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. As a result, any slowdown in the Indian economy could adversely affect our business. Any change in the government policies vis-à-vis expenditure, subsidies and incentives etc. in restaurant and night club sector could affect their ability to spend, thereby affecting our business and profitability.



## **CKP LEISURE LIMITED**

We have been focusing on the increasing network. With large population, increasing urbanization and disposable income, the industries in which we operate provide sustainable growth on a longer-term basis. Robust growth of emerging economies provides large opportunities to the Company. We are a well-established Company in these economies and will continue to focus on the growth, new launches and increasing network strength. In other mature economies, the market trend is changing favorably. The strategy of the company is to get higher profitability and stable cash flow generations in these markets.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The internal control system is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. They have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transaction with proper authorization and ensuring compliance of corporate policies.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

Sales and Other Income for the year ended March 31, 2019 amounted to Rs. 127.43 lakhs as against Rs. 1004.76 lakhs in the previous Financial Year. Net Profit for the year under review was Rs. 109.13 lakhs as against loss of Rs. 605.67 lakhs in the previous Financial Year due to sale of undertaking.

### **HUMAN RESOURCES / INDUSTRIAL RELATIONS:**

Your Company has team of qualified and dedicated personnel who have contributed to the consolidation of the operations of your Company. Your Company's industrial relations continued to be harmonious during the year under review. Your Company has succeeded in attracting and retaining key professional and intends to continue to seek fresh talents to further enhance and grow our business.

### **CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objectives, estimates, expectations or projections may constitute "forward looking statements", within the meaning of applicable laws and regulations. The current year's outlook is Management's perception at the time of drawing this report. Actual results may differ materially from those either expressed or implied in the statement. Important factors that could influence the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws economic developments within the country and other factors such as litigation, industrial relations and other statutes and other incidental factors.



# CKP LEISURE LIMITED

## ANNEXURE VII - SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2019

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

To,  
The Members,  
**CKP Leisure Limited**  
CIN: L74900MH2013PLC246049  
Address: Shop No. 3, Second Floor,  
Xth Central Mall Near Dmart,  
Mahavir Nagar, Kandivali West,  
Mumbai-400067.

We, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CKP Leisure Limited (CIN: L74900MH2013PLC246049) (**hereinafter called the "Company"**). **Secretarial Audit** was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering financial year ended on **31<sup>st</sup> March, 2019**, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Listing Agreement entered into by the Company with the Stock Exchange;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009



## CKP LEISURE LIMITED

- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not applicable to the company during Audit period;
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable to the company during 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;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- Not applicable to the company during Audit period;
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 Not applicable to the company during Audit period;
- vi. As informed to me the following other laws specifically applicable to the Company are as under:
1. The Payment of Wages Act, 1936
  2. The Minimum Wages Act, 1948
  3. Employees Provident Funds and Miscellaneous Provisions Act, 1952
  4. The Payment of Bonus Act, 1965
  5. The Payment of Gratuity Act, 1972
  6. The Contract Labour (Regulation & Abolition) Act, 1970
  7. The Child Labour (Prohibition & Regulation) Act, 1986
  8. The Industrial Employment (Standing Order) Act, 1946
  9. The Employee Compensation Act, 1923
  10. Information Technology Act, 2000 and the Rules made there under

We have also examined compliance with the applicable Clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange (SME Platform);

The Company is listed with National Stock Exchange on the SME Segment/ Platform.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned except *there was a delay of 32 days in filing of financials result for the quarter ended as on 31st March, 2019 for which a penalty of Rs. 1,94,700/- was paid by the Company.*

We further report that:

- 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 period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Major decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.





## CKP LEISURE LIMITED

We further report that there are adequate systems and processes in the Company which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events / actions of the Company having major bearing on the Company's affairs in pursuance of the above referred laws, regulations, guidelines, standards, etc. requiring disclosure in this report.

Place: Mumbai  
Date: July 2, 2019

Signature:  
**Nehil Dugar**  
**ACS No.: 51130**  
**COP No.: 18952**



## CKP LEISURE LIMITED

To,  
The Members,  
**CKP Leisure Limited**  
CIN: L74900MH2013PLC246049  
Address: Shop No. 3, Second Floor, Xth Central Mall,  
Near Dmart, Mahavir Nagar, Kandivali West,  
Mumbai-400067.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Management's Responsibility:

It is the responsibility of the 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.

2. Auditor's Responsibility.

Our responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on our audit.

Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

3. Disclaimer:

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.

Place: Mumbai  
Date: July 02, 2019

Signature:  
**Nehil Dugar**  
**ACS No.: 51130**  
**COP No.: 18952**



# CKP LEISURE LIMITED

## Independent Auditor's Report

To the Members of  
**CKP Leisure Limited**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **CKP Leisure Limited** ("the Company"), which comprise the balance sheet as at March 31, 2019, the statement of profit and loss and 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.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019; and its profit / (loss) and cash flows for the year ended on that date.

#### Emphasis of Matter

We draw attention to the fact that the company has sold club "SIRKUS" which was a major undertaking of the company on slump sale basis vide agreement dated October 31, 2018. The company has incurred a loss of Rs. 348.78 lakhs on account of this slump sale which has been disclosed separately as extraordinary items in statement of profit & loss. The club was a major revenue generating unit of the company. In our opinion, adequate disclosure has been made in the notes to accounts to the financial statements w.r.t. the slump sale. As per the management; the sale of the club neither hampers the company's ability to continue as a going concern nor does the management intend to liquidate the company in the near future.

#### Basis for opinion

We have conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014.



## CKP LEISURE LIMITED

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, 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, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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



## CKP LEISURE LIMITED

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.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) the balance sheet, the statement of profit and loss and the statement of cash flows 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 written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".



## CKP LEISURE LIMITED

- g) In our opinion, the managerial remuneration for the year ended 31<sup>st</sup> March, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V of the Act;
- h) with respect to the other matters to be included in Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R T Jain & Co. LLP  
Chartered Accountants  
FRN: 103961W / W100182

(CA Bankim Jain)  
Partner  
Mem No.: 139447

Mumbai, July 2, 2019



## CKP LEISURE LIMITED

**Annexure A to the Independent Auditors' Report  
Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts of the company for the year ended 31<sup>st</sup> March, 2019**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management in a phased manner. To the extent of physical verification details have been compared with the book records, discrepancies noticed were not material and have been properly dealt with in the books of accounts. The company does not own any fixed asset at year end as all the fixed assets have been transferred through slump sales.  
  
(c) Based on our audit procedures and the information and explanation received by us, we report that the company does not own any immovable properties held as fixed assets. Thus no opinion on the validity of the title of the company on immovable properties is given.
- ii. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
  
(b) In our opinion and on the basis of our examination of the records, no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has given security deposit of Rs. 26,90,000/- to associate concern covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. The company has not given any loans, made any investments or provided any guarantee and security under section 185 and section 186 of Companies Act, 2013.
- v. In our opinion, the company has not accepted any deposits within the meaning of Rule 2 (b) of Companies (Acceptances of Deposits) Rules, 2014.
- vi. According to the information and explanations provided by the management, no cost records have been prescribed under section 148(1) of the Companies Act, 2013 in respect of products of the Company.



## CKP LEISURE LIMITED

(a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there are following outstanding statutory dues as on 31<sup>st</sup> of March, 2019 for a period of more than six months from the date they became payable.

<b>Particulars</b>	<b>Amount</b>
VAT	7,751,501
Service Tax	261,514
TDS	61,764
ESIC	34,525
Income Tax	3,681,143
<b>Total</b>	<b>12,063,614</b>

Note : The Company has transferred all the above mentioned liabilities vide Slump Sale Agreement dated October 31, 2018. In the absence of information regarding payment of these liabilities by the buyer as on March 31, 2019, liabilities which were outstanding for more than six months as on the date of slump have been disclosed here.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, service tax, goods and service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

- vii. Based on our audit procedures and the information and explanations given by the management, we are of the opinion that, there are no dues to any financial institution, bank or debenture holders.
- viii. Based on records of the company, the company has neither raised any moneys by way of Initial Public Offer or Further Public Offer or term loan during the year.
- ix. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.
- x. According to information and explanations given to us, in our opinion, the company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xi. The Company is not a nidhi company. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.





## CKP LEISURE LIMITED

- xii. Based on our audit procedures and on the information given by the management, the company has complied with the sections 177 and 188 of the Companies Act, 2013 for all the transactions with the related parties and the details of such transactions have been properly disclosed in the financial statements as required by the applicable accounting standards.
- xiii. The Company has not made any preferential allotment of shares during the year to parties covered in register maintained under section 189 of the Companies Act, 2013.
- xiv. The company has not entered into any non-cash transactions with directors of the company or its subsidiary or persons connected with them.
- xv. The Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934.

For R T Jain & Co LLP  
Chartered Accountants  
FRN : 103961W / W100182

(CA Bankim Jain)  
Partner  
Mem No. : 139447

Mumbai, July 2, 2019



# CKP LEISURE LIMITED

## Annexure - B to the Independent Auditors' Report

**Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts of the company for the year ended 31<sup>st</sup> March, 2019**

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

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

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

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

### **Auditors' Responsibility**

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

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



## CKP LEISURE LIMITED

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting. However the Company does not have appropriate system manuals or predefined standard operation procedure to maintain the efficacy and effectiveness of the internal financial controls throughout the year. Thus, the company does not have formal internal financial controls over financial reporting based on our verification.

For R T Jain & Co LLP  
Chartered Accountants  
FRN : 103961W/W100182

(CA Bankim Jain)  
Partner  
Mem No. : 139447

Mumbai, July 2, 2019



# CKP LEISURE LIMITED

## BALANCE SHEET AS AT 31 MARCH 2019

(Amt. in Rs.)

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	96,344,000	96,344,000
(b) Reserves and Surplus	3	48,458,120	109,062,945
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Borrowings		-	-
(b) Deferred Tax Liabilities (net)	4	-	724,558
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	5	2,013,120	99,760
(b) Trade Payables	6	-	9,401,037
(c) Other Current Liabilities	7	674,780	10,669,801
(d) Short-Term Provisions	8	-	3,681,143
<b>TOTAL</b>		<b>147,490,019</b>	<b>229,983,245</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	9	-	65,174,374
(ii) Intangible Asset		-	-
(iii) Capital Work-in-Progress		46,402,130	46,167,630
(b) Non-Current Investments		-	-
(c) Long term loans and advances-	10	50,579,600	67,889,600
<b>(2) Current Assets</b>			
(a) Inventories	11	-	9,004,811
(b) Trade receivables	12	-	5,122,985
(c) Cash and cash equivalents	13	25,593,903	28,564,855
(d) Short-term loans and advances	14	20,944,040	200,000
(e) Other Current Assets	15	3,970,347	7,858,989
<b>TOTAL</b>		<b>147,490,019</b>	<b>229,983,245</b>

Significant Accounting Policies

1

Notes referred to above and Annexures attached there to form an integral part of Financial Statements

As per our report of even date

For and on behalf of the Board of Directors

**FOR R T JAIN & CO LLP**

**CHARTERED ACCOUNTANTS**

**(FRN NO. 103961W/W100182)**

**Shradha Manoj Dhanda**  
(Whole Time Director)

**Chanakya Dhanda**  
(Director)

**CA BANKIM JAIN**  
PARTNER

**M No-139447**

**Akshay Suresh Tambe**  
(CFO)

**Heta Vashi**  
(Company Secretary)

**Mumbai, July 2, 2019**



# CKP LEISURE LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2019

(Amt. in Rs.)

Particulars	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>INCOME</b>			
Revenue from Operations	16	12,656,493	98,039,689
Other Income	17	86,346	2,436,764
<b>Total Revenue</b>		<b>12,742,839</b>	<b>100,476,453</b>
<b>EXPENDITURE</b>			
Purchase of Stock-in-Trade		2,556,663	24,494,534
Changes in inventories of finished goods, work-in-progress and stock-in-Trade	18	9,004,812	(7,026,180)
Employee Benefit Expense	19	5,405,868	10,948,882
Finance Cost	20	303,587	537,074
Depreciation and Amortization Expense	21	7,126,545	11,302,817
Other Expenses	22	14,758,996	46,158,283
<b>Total Expenses</b>		<b>39,156,471</b>	<b>86,415,410</b>
<b>Profit before exceptional, extraordinary items and tax</b>		<b>(26,413,632)</b>	<b>14,061,043</b>
Exceptional Items		-	-
<b>Profit before extraordinary items and tax</b>		<b>(26,413,632)</b>	<b>14,061,043</b>
Extraordinary Items - Loss on Slump Sale		(34,878,252)	-
<b>Profit Before Tax</b>		<b>(61,291,883)</b>	<b>14,061,043</b>
<b>Tax expense:</b>	23		
(1) Current tax		-	4,176,179
(2) Deferred tax (Liability) / Asset		(724,558)	(1,027,958)
<b>Total Tax Expense</b>		<b>(724,558)</b>	<b>3,148,221</b>
<b>Profit / Loss for the period from discontinuing operations</b>		<b>(60,567,326)</b>	<b>10,912,822</b>
<b>EPS (Face value of Rs.10/- each) Basic and Diluted (Rs)</b>	24	<b>(6.29)</b>	<b>1.31</b>
Significant Accounting Policies	1		
<b>Notes referred to above and Annexures attached there to form an integral part of Financial Statements</b>			
As per our report of even date			
<b>FOR R T JAIN &amp; CO LLP</b>		<b>For and on behalf of the Board of Directors</b>	
<b>CHARTERED ACCOUNTANTS</b>			
<b>(FRN NO. 103961W/W100182)</b>			
		<b>Shradha Manoj Dhanda</b>	<b>Chanakya Dhanda</b>
		<b>(Whole Time Director)</b>	<b>(Director)</b>
		<b>DIN: 07840687</b>	<b>DIN: 02709047</b>
<b>CA BANKIM JAIN</b>			
<b>PARTNER</b>			
<b>M No-139447</b>			
		<b>Akshay Suresh Tambe</b>	<b>Heta Vashi</b>
		<b>(CFO)</b>	<b>(Company Secretary)</b>
<b>Mumbai, July 2, 2019</b>			



# CKP LEISURE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

(Amt. in Rs.)

Particulars	2018-19	2017-18
<b>Cash flow from operating activities:</b>		
Net Profit before tax as per Statement of Profit And Loss	(61,291,883)	14,061,043
<b>Adjusted for:</b>		
Interest Income	(23,787)	(22,348)
Finance Cost	303,587	30,673
Depreciation/Amortisation	7,126,545	11,302,817
<b>Operating Profit /(Loss) Before Working Capital Changes</b>	<b>(53,885,538)</b>	<b>25,372,185</b>
Adjusted for (Increase)/ Decrease:		
-Loans & Advances	(3,434,039)	(44,644,228)
-Other Current Assets	3,888,642	(2,010,025)
-Inventories	9,004,811	(7,026,180)
-Trade Receivables	5,122,985	8,549,127
-Trade Payables	(9,401,037)	4,367,438
-Other Current Liabilities	(9,995,021)	4,760,738
<b>Cash Generated From Operations</b>	<b>(58,699,197)</b>	<b>(10,630,946)</b>
Direct Tax Paid / Transferred	(3,681,143)	(285,320)
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>(62,380,340)</b>	<b>(10,916,266)</b>
<b>Cash Flow From Investing Activities:</b>		
Transfer of Fixed Assets in Slump Sale	58,047,829	(45,915,758)
Increase in Capital work in progress	(234,500)	-
Interest Income	23,787	22,348
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>57,837,115</b>	<b>(45,893,410)</b>
<b>Cash Flow from Financing Activities:</b>		
Proceeds from Issue of Share Capital & Securities Premium	-	61,440,000
Proceeds from Short-term Borrowings	1,913,360	99,760
Finance Cost	(303,587)	(4,047,852)
Payment of IPO Related Expenses	(37,500)	-
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>1,572,273</b>	<b>57,491,908</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(2,970,952)	682,232
Cash & Cash Equivalents As At Beginning of the Year	28,564,855	27,882,623
Cash & Cash Equivalents As At End of the Year	<b>25,593,903</b>	<b>28,564,855</b>
<b>Notes referred to above and Annexures attached there to form an integral part of Financial Statements.</b>		
As per our report of even date		
<b>FOR R T JAIN &amp; CO LLP</b>	<b>For and on behalf of the Board of Directors</b>	
<b>CHARTERED ACCOUNTANTS</b>		
<b>(FRN NO. 103961W/W100182)</b>		
	<b>Shradha Manoj Dhanda</b>	<b>Chanakya Dhanda</b>
	<b>(Whole Time Director)</b>	<b>(Director)</b>
	<b>DIN: 07840687</b>	<b>DIN: 02709047</b>
<b>CA BANKIM JAIN</b>		
<b>PARTNER</b>		
<b>M No-139447</b>		
	<b>Akshay Suresh Tambe</b>	<b>Heta Vashi</b>
	<b>(CFO)</b>	<b>(Company Secretary)</b>
<b>Mumbai, July 2, 2019</b>		



# CKP LEISURE LIMITED

## **NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES**

### **CORPORATE INFORMATION**

CKP Leisure Limited was incorporated on 23rd July, 2013. The Company is engaged in business of owning and operating Hotels and Clubs.

#### **A. Basis of preparation of Financial Statements:**

- i. These financial statements are prepared in accordance with Generally Accepted Accounting Principles in India (GAAP) under historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable.
- ii. The financial statements are prepared under the historical cost convention and on the accounting principles of going concern. The Company follows accrual system of accounting where income & expenditure are recognized on accrual basis.
- iii. Accounting policies not specifically referred to are consistent and in consonance with generally accepted accounting policies.

#### **B. Use of Estimates:**

The preparation of financial statements requires management to make estimates and assumptions that affect amounts in the financial statements and reported notes thereto. Actual results could differ from these estimates. Differences between the actual result and estimates are recognized in periods in which the results are known/ materialised.

#### **C. Tangible Assets:**

Tangible assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price (net of Cenvat / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

#### **D. Intangible Assets**

Intangible asset are recorded at the consideration paid for acquisition of such assets and are carried at acquisition cost less accumulated amortization and impairment loss, if any.

#### **E. Depreciation and Amortisation:**

The Company has provided for depreciation on tangible assets using straight line method (SLM) over the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.



## CKP LEISURE LIMITED

### **F. Valuation of Inventories:**

Cost of inventory includes all cost of purchases and other cost incurred in bringing the inventories to their present location and condition.

Inventories of food and beverages are carried at lower of cost (weighted average basis) and net realizable value.

### **G. Revenue Recognition:**

The Company derives revenue mainly from hospitality services.

#### Revenue from Operations

##### Sale of Food Stuff / Beverages / Liquor

Revenue from sale of food stuffs, beverages and liquor is recognized as income upon rendering of service relating to sale of food stuffs, beverages and liquor.

##### Entry Charges

Revenue from entry charges is recognized as income upon collection of entry charges at club.

##### Private parties / Events

Revenue from private parties and events organized is recognized as income upon completion of the party / event.

##### Referral Income

Referral income is recognized as revenue upon receipt of income.

##### Revenue from Other Sources

##### Sponsorship Income

Income from sponsorship programme is recognized upon receipt of income.

Other Incomes have been recognized on accrual basis.

### **H. Investments**

Non-current investments are valued at cost with an appropriate provision for permanent diminution in value, if any. Current investment that is readily realizable and is intended to be held for not more than one year is valued at lower of cost or realizable value.

### **I. Employee Benefits**

#### **(a) Provident Fund:**

Contribution to provident fund, which is a defined contribution scheme, is recognized as an expense in the statement of profit and loss in the year in which it accrues.

#### **(b) Gratuity**

The company has not made any provision for gratuity. The company will account for gratuity as an expense as and when paid to employees.





## CKP LEISURE LIMITED

### **J. Borrowing Cost**

Borrowing Costs that are attributable to the acquisition or construction of qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue. All other borrowing costs are treated as period cost and charged to statement of profit and loss in the year in which it is incurred.

### **K. Earnings Per Share**

Basic earning per share (after extraordinary items) is computed by dividing the net profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Basic earning per share (before extraordinary items) is computed by dividing the net profit after tax (before extraordinary items) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

### **L. Taxation & Deferred Tax**

Provision for Current Tax is made in accordance with the provision of Income Tax Act, 1961. Deferred tax is recognized on timing differences between taxable & accounting income / expenditure that originates in one period and are capable of reversal in one or more subsequent period(s).

### **M. Impairment of Assets**

The company assesses at each balance sheet date whether there is any indication due to external factors that an asset or group of assets comprising a cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the CGU, to which the asset belongs is less than the carrying amount of the asset or the CGU as the case may be, the carrying amount is reduced to its recoverable amount and the reduction is treated as impairment loss and is recognized in the statement of profit and loss. If at any subsequent balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re assessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the statement of profit and loss.

### **N. Contingent Liabilities / Provisions**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognised nor disclosed in the financial statements.



# CKP LEISURE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### Note 2 : Share Capital

(Amt in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Equity Share Capital</b>		
<b>Authorised Share Capital</b>		
13,500,000 (13,500,000) Equity Share of Rs.10/- Each	135,000,000	135,000,000
	<b>135,000,000</b>	<b>135,000,000</b>
<b>Issued, Subscribed and Fully Paid Up Share Capital</b>		
96,34,400 (96,34,400) Equity Share of Rs.10/- each	96,344,000	96,344,000
<b>T O T A L</b>	<b>96,344,000</b>	<b>96,344,000</b>

#### a) Reconciliation of number of shares outstanding at the end of year

Particulars	As at 31st March 2019	As at 31st March 2018
Equity shares at the beginning of the year	9,634,400	7,586,400
Add: Shares issued during the year	-	2,048,000
<b>Equity Shares at the end of the year</b>	<b>9,634,400</b>	<b>9,634,400</b>

The Company has issued only one class of Equity Shares having a Par Value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share.

#### b) Details of shareholders holding more than 5% shares of the aggregate shares in the company

Name of shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	Percentage	No. of Shares	Percentage
CHANAKYA DHANDA	2,892,145	30.02%	2,892,145	30.02%
PRAFULLA BHAT	2,894,250	30.04%	2,894,250	30.04%
SUMPOORNA PORTFOLIO LIMITED	1,740,000	18.06%	2,752,000	28.56%

### Note 3 : Reserve and Surplus

(Amt in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>1) Surplus in the Statement of Profit and Loss</b>		
As Per Last Balance Sheet	38,150,797	27,237,975
Add: Profit / (Loss) for the year	(60,567,326)	10,912,822
<b>Closing Balance</b>	<b>(22,416,528)</b>	<b>38,150,797</b>
<b>2) Securities Premium</b>		
As Per Last Balance Sheet	70,912,148	34,000,000
Add: Shares Issued During the year	-	40,960,000
Less : IPO Expenses written off	(37,500)	(4,047,852)
<b>Closing Balance</b>	<b>70,874,648</b>	<b>70,912,148</b>
<b>T O T A L</b>	<b>48,458,120</b>	<b>109,062,945</b>



# CKP LEISURE LIMITED

## Notes Forming Integral Part of the Balance Sheet

### Note 4 : Deferred Tax Liabilities

(Amt. in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Deferred Tax Liability</b>		
Related to difference between Depreciation on (WDV of) fixed assets as per Companies Act and Income Tax Act	-	724,558
<b>TOTAL</b>	-	<b>724,558</b>

The Company has transferred all the fixed assets under slump sale. Thus the net block of fixed assets under Companies Act and Income Tax Act has been reduced to Nil. Since the block does not exist on March 31st, 2019 the opening deferred tax liability related to difference between WDV of fixed assets as per Companies Act and Income Tax Act has been reversed.

Deferred tax asset has not been created on the capital loss incurred on slump sale of Club SIRKUS as the Company is not certain as to whether it will have sufficient capital gain to set off the capital loss incurred on slump sale within the period of 8 years.

### Note 5 : Short Term Borrowings

(Amt. in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Unsecured</b>		
-From Bank		-
Bank Overdraft	2,013,120	
-From Related Parties	-	99,760
<b>TOTAL</b>	<b>2,013,120</b>	<b>99,760</b>

### Note 6 : Trade Payables

(Amt. in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
Due to Micro, Small and Medium Enterprises	-	-
Others	-	9,401,037
<b>TOTAL</b>	-	<b>9,401,037</b>

### Note 7 : Other Current Liabilities

(Amt. in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
Creditors for Expenses	151,250	1,113,751
Employee Benefits Payable	453,192	866,282
Statutory Dues	70,338	8,689,768
<b>TOTAL</b>	<b>674,780</b>	<b>10,669,801</b>

### Note 8 : Short-term Provisions

(Amt. in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for Income Tax	-	3,681,143
<b>TOTAL</b>	-	<b>3,681,143</b>



## CKP LEISURE LIMITED

### Note 9 : Fixed Assets

Description of Asset	DESCRIPTION OF ASSET				DEPRECIATION / AMORTISATION				NET BLOCK	
	As on 01.04.2018	Addition during year	Deduction during year	As on 31.03.2019	Up to 01.04.2018	Provided during year	Deduction/ Adjustment	Up to 31.03.2019	As on 31.03.2019	As on 31.03.2018
<b><u>I. Tangible Assets</u></b>										
Camera	2,568,853		2,568,853	-	408,810	143,082	551,892	-	-	2,160,043
Card Reader	427,862		427,862	-	63,262	23,831	87,093	-	-	364,600
Computer	4,503,502		4,503,502	-	2,373,462	836,217	3,209,679	-	-	2,130,040
Dish Washing Machine	92,119		92,119	-	21,818	10,262	32,080	-	-	70,301
Electrical Fitting	7,468,843	-	7,468,843	-	991,301	650,059	1,641,360	-	-	6,477,542
Furniture & Fitting	49,257,472	-	49,257,472	-	8,855,602	3,519,645	12,375,247	-	-	40,401,870
Ice Cube Machine	297,928		297,928	-	94,913	33,188	128,101	-	-	203,015
Kitchen Appliances	1,258,594		1,258,594	-	395,442	140,204	535,646	-	-	863,152
LED Screen	2,936,608		2,936,608	-	467,519	163,564	631,083	-	-	2,469,089
Office Equipment	5,822,819		5,822,819	-	1,851,903	648,646	2,500,549	-	-	3,970,916
Printer	3,010,999		3,010,999	-	1,571,367	559,088	2,130,455	-	-	1,439,632
Software	599,905	-	599,905	-	243,626	111,391	355,017	-	-	356,279
Sound System	4,733,175		4,733,175	-	738,195	263,631	1,001,826	-	-	3,994,980
Truss	340,799		340,799	-	67,884	23,737	91,621	-	-	272,915
<b>T O T A L</b>	<b>83,319,478</b>	<b>-</b>	<b>83,319,478</b>	<b>-</b>	<b>18,145,104</b>	<b>7,126,545</b>	<b>25,271,649</b>	<b>-</b>	<b>-</b>	<b>65,174,374</b>



# CKP LEISURE LIMITED

## Note 10 : Long Term Loans and Advances

(Amt. in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Unsecured, Considered Good</b>		
Security Deposits	48,579,600	65,889,600
Deposit in PMGKY	2,000,000	2,000,000
<b>TOTAL</b>	<b>50,579,600</b>	<b>67,889,600</b>

## Note 11 : Inventories

(Amt. in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
Liquor	-	1,312,189
Wine	-	117,685
Cigarette	-	11,088
Beverages	-	7,563,849
<b>TOTAL</b>	<b>-</b>	<b>9,004,811</b>

## Note 12 : Trade Receivables

(Amt. in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Due for a period exceeding six months</b>		
-From Related parties	-	-
-From Others	-	3,320,098
<b>Others</b>		
-From Related parties	-	-
-From Others	-	1,802,888
<b>TOTAL</b>	<b>-</b>	<b>5,122,985</b>

## Note 13 : Cash & Cash Equivalents

(Amt. in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
Cash in hand	25,237,509	23,596,078
Balances with banks in current account	-	17,792
FD against Bank Guarantee	356,394	334,986
IPO Amount Receivable (Escrow)	-	4,616,000
<b>TOTAL</b>	<b>25,593,903</b>	<b>28,564,855</b>

## Note 14 : Short Terms Loans and Advances

(Amt. in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Unsecured, Considered Good</b>		
Advances to Related Parties	444,040	-
Advances to Others	20,500,000	200,000
<b>TOTAL</b>	<b>20,944,040</b>	<b>200,000</b>



# CKP LEISURE LIMITED

## Note 15 : Other Current Assets

(Amt. in Rs.)

Particulars	As at 31st March 2019	As at 31st March 2018
Advance to Suppliers	-	7,117,593
Prepaid Insurance	-	81,396
Prepaid License fee	-	660,000
Receivable on account of Slump Sale	3,957,168	-
Balance with Revenue Authorities	13,179	-
<b>TOTAL</b>	<b>3,970,347</b>	<b>7,858,989</b>

## Note 16 : Revenue from Operations

(Amt. in Rs.)

Particulars	2018-19	2017-18
Sales	12,656,493	98,039,689
	-	-
<b>TOTAL</b>	<b>12,656,493</b>	<b>98,039,689</b>

## Note 17 : Other Income

(Amt. in Rs.)

Particulars	2018-19	2017-18
Interest on FD and RD	23,787	22,348
Interest on Loan	-	304,802
Sponsorship Income	-	1,514,060
Miscellaneous Income	-	12,492
Unused Debit Balance	62,231	581,551
Sundry Creditors Written Back	328	1,511
<b>TOTAL</b>	<b>86,346</b>	<b>2,436,764</b>

## Note 18 : Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

(Amt. in Rs.)

Particulars	2018-19	2017-18
Opening Stock	9,004,812	1,978,631
Less: Closing Stock	-	9,004,811
<b>TOTAL</b>	<b>9,004,812</b>	<b>(7,026,180)</b>

## Note 19 : Employment Benefit Expenses

(Amt. in Rs.)

Particulars	2018-19	2017-18
Salary	4,801,332	7,717,327
Director Remuneration	-	449,998
Contribution to ESIC	74,272	254,139
Contribution to PF	152,464	508,806
Service Charge (Staff)	377,800	1,984,193
Staff Welfare Expenses	-	34,420
<b>TOTAL</b>	<b>5,405,868</b>	<b>10,948,882</b>



# CKP LEISURE LIMITED

## Note 20 : Finance Cost

	(Amt. in Rs.)	
Particulars	2018-19	2017-18
Interest on Delayed Payment of Taxes	303,587	537,074
<b>TOTAL</b>	<b>303,587</b>	<b>537,074</b>

## Note 21 : Depreciation and Amortization Cost

	(Amt. in Rs.)	
Particulars	2018-19	2017-18
Depreciation	7,126,545	11,302,817
<b>TOTAL</b>	<b>7,126,545</b>	<b>11,302,817</b>

## Note 22 : Other Expenses

	(Amt. in Rs.)	
Particulars	2018-19	2017-18
Administrative Expenses	9,855	24,177
Artist Fees	43,637	1,331,458
Audit Fees	210,000	175,000
Bank Charges	188,285	627,375
Bouncer/Casuals	685,300	2,098,601
Club Operating Expenses	124,616	691,407
Computer Expenses	-	6,500
Consumable W/off	-	882,955
Electricity Expenses	470,908	1,040,377
Fine and Confiscations	41,600	120,000
Insurance Premium	81,396	105,776
Legal & Professional Fees	1,118,164	7,653,945
Management Fees	112,000	3,064,540
Marketing & Promotion Expense	785,528	1,229,267
Miscellaneous Expenses	82,505	60,965
Parking Charges	789,300	2,657,653
Penalty on TDS	-	126,400
Photography Expenses	2,000	42,000
Printing & Stationary	19,500	45,942
Rates & Taxes	719,834	1,437,729
Rent	7,987,622	20,223,246
Repair & Maintenance	662,880	966,360
Security Charges	332,813	644,891
Telephone & Internet Expenses	39,404	124,276
Travelling & Conveyance Expenses	251,849	777,444
<b>TOTAL</b>	<b>14,758,996</b>	<b>46,158,283</b>

## Note 23 : Tax Expenses

	(Amt. in Rs.)	
Particulars	2018-19	2017-18
<b>Current Tax</b>		
Provision For Income Tax	-	4,176,179
<b>Deferred Tax</b>		
Related to Depreciation	724,558	1,027,958



## CKP LEISURE LIMITED

**Note 24 : Earnings Per Share**

<b>Particulars</b>	<b>(Amt. in Rs.)</b>	
	<b>2018-19</b>	<b>2017-18</b>
Profit for the period attributable to Equity Shareholder (including extra ordinary items)	<b>(60,567,326)</b>	<b>10,912,822</b>
No of weighted average equity shares outstanding during the year	9,634,400	8,310,477
Earning per share (including extraordinary items)	(6.29)	1.31
Profit for the period attributable to Equity Shareholder (excluding extra ordinary items)	<b>(25,689,074)</b>	<b>10,912,822</b>
No of weighted average equity shares outstanding during the year	9,634,400	8,310,477
Earning per share (excluding extraordinary items)	(2.67)	1.31
Nominal Value of Equity Share	<b>10</b>	<b>10</b>





## CKP LEISURE LIMITED

### Note 25 : Related Party Transactions

(Amt. in Rs.)

Name	Relationship	Nature of Transaction	Amount of Transaction in 2018-19	Amount outstanding as on 31st March 2019	Amount of Transaction in 2017-18	Amount outstanding as on 31st March 2018
Alay Vaghani	Director	Service Charges	35,641	-	143,908	47,477
		Director Remuneration	343,628		240,000	
Chanakya Dhanda	Director	Allotment of shares	-	-	12,000,000	99,760
		Loan taken	5,244,309		65,553,816	
		Loan Given	5,344,069		65,454,056	
Prafulla Bhat	Director	Allotment of shares	-	-	12,000,000	-
		Loan taken	11,397,125		85,079,559	
		Loan Given	11,397,125		85,079,559	
Prafulla Bhat & Associates	Associate Concern	Loan taken	-	-	5,725,304	-
		Loan Given	-		5,725,304	
Shradha Dhanda	Relative of Director	Salary Given	611,716	(259,500)	-	-
Heta Vashi	Key Management Personnel	Salary Given	648,000	(52,984)	594,000	(47,397)
Chirag Sidhpura	Key Management Personnel	Salary Given	324,193	-	416,935	(49,800)
CKP Financial Servies Private Limited	Associate Concern	Loan taken	-	-	2,600,250	-
		Loan Given	-		2,600,250	
Silver Key Developers Private Limited (Formerly known as Atal Buildcon Private Limited)	Associate Concern	Deposit given	2,690,000	47,390,200	44,700,200	44,700,200
Standard Garments	Associate Concern	Transfer in slump sale	1,339,225	-	-	1,339,225
		Loan Given	-		1,339,225	
Spin Knit Fibers	Associate Concern	Transfer in slump sale	1,341,845	(1,341,845)	-	1,341,845
		Loan Given	-		1,341,845	



# CKP LEISURE LIMITED

## Note 26 - Auditors remuneration includes:

Particulars	(Amt. in Rs.)	
	2018-19	2017-18
Statutory Audit	2,10,000	1,25,000
GST Audit Fees	-	25,000
VAT Audit fees	-	25,000
<b>Total</b>	<b>2,10,000</b>	<b>1,75,000</b>

**Note 27 - Segment information:** The Company mainly operates nightclubs, which is considered to be a single business segment since this is subject to similar risks and rewards. The Company operates in a single geographical segment i.e within the limits of India.

**Note 28 -** The company has made slump sale of Club "SIRKUS" vide agreement dated October 31, 2018 as a going concern and it was the only component in the company as stated in AS 24. However Management has no intention to liquidate the company in the near future so the financials have been drawn on a going concern basis.

**Note 29 -** AS 24 requires the company to draw financial results for continuing as well discontinuing operations separately, however Club "SIRKUS" was the only component in the company which has been transferred through slump sale so separate column showing profit / (loss) from continuing operations have not been drawn. However the profit & loss includes some administrative expenses which have been incurred post slump sale in order to keep the company functional.

## Note 30 - Contingent Liability

Contingent Liabilities and commitments - (to the extent not provided for) - Nil

**Note 31 -** Figures for previous year have been regrouped / reclassified wherever necessary to make it comparable with current year figures

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As per our report of even date  
**FOR R T JAIN & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**(FRN NO. 103961W/W100182)**

**For and on behalf of the Board**

**Shradha Manoj Dhanda**  
**(Whole Time Director)**  
**DIN: 06604513**

**Chanakya Dhanda**  
**(Director)**  
**DIN: 02709047**

**CA BANKIM JAIN**  
**PARTNER**  
**M No-139447**

**Mumbai, July 2, 2019**

**Akshay Suresh Tambe**  
**(CFO)**

**Heta Vashi**  
**(Company Secretary)**



# CKP LEISURE LIMITED

## CEO AND CFO CERTIFICATION

Compliance Certificate in Terms of Regulation 17(8) Of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To,  
The Board of Directors  
CKP Leisure Limited**

I, the undersigned, in my capacities as Chief Financial Officer of CKP Leisure Limited ('the Company'), to the best of my knowledge and belief certify that:

- A. I have reviewed financial statements and the cash flow statement for the Financial Year ended March 31, 2019 and that to the best of my knowledge and belief, I state that:
- (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 listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. I am responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. I have indicated, based on our evaluation, 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 made 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 we have become aware and the involvement therein, if any, of the management or an employee having a having a significant role in the Company's internal control system over financial reporting

**Date : August 27, 2019  
Place: Mumbai**

**Sd/-  
Akshay Suresh Tambe  
(Chief Financial Officer)  
PAN: AIPT3352L**



## **CKP LEISURE LIMITED**

**DECLARATION BY THE WHOTE TIME DIRECTOR UNDER SCHEDULE V (D) OF THE LISTING REGULATIONS REGARDING ADHERENCE TO THE CODE OF CONDUCT:**

**I, Shradha Dhanda, Whole time Director of CKP Leisure Limited, hereby declare that all the Board Members and Senior Management Personnel have affirmed their compliance and adherence with the provisions of the Code of Conduct for the Financial Year ended March 31, 2019.**

**Sd/-  
Shradha Dhanda  
Whole time Director  
(DIN: 07840687)**

**Date: August 27, 2019  
Place: Mumbai**



**CKP LEISURE LIMITED**

Shop No. 3, Second Floor, Xth Central Mall, Near D  
Mart, Mahavir Nagar, Kandivali (West),  
Mumbai-400067.

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