

**TARRIF CINE & FINANCE LTD.**

# **ANNUAL REPORT**

## **2016 - 2017**

**TARRIF CINE & FINANCE LTD.**

# TARRIF CINE & FINANCE LIMITED

CIN: L65990MH1985PLC035268

Regd. Off. : Ground Floor, Binani Bhavan, 28/30, Anant Wadi, Bhuleshwar, Mumbai – 400 002.  
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## DIRECTORS' REPORT

The Members,

Your Directors are pleased to present the Thirty Second Annual Report of **M/s. Tarrif Cine & Finance Limited**, both on Standalone and Consolidated basis together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2017.

### 1. FINANCIAL RESULTS:

The Company's financial performance for the year under review along with previous year's figure is given hereunder:

(Amount in Rs.)

Particulars	2016-17	2015-16	2016-17	2015-16
	Consolidated		Standalone	
Income from operation and other Income	27,066,256	NA	6,075,092	287,452
Profit/(Loss) before Tax	4,768,754	NA	4,428,466	(101,895)
Add/ (Less): Current Tax	753,566	NA	679,593	Nil
Add/ (Less): MAT Credit Entitlement	(719,356)	NA	(6,49,964)	Nil
Add/ (Less): Deferred Tax Liability/ Assets	148,455	NA	Nil	Nil
Add/ (Less): Taxation of earlier years	4,751	NA	Nil	Nil
<b>Profit for the year before Minority Interest</b>	<b>4,581,338</b>	<b>NA</b>	<b>4,398,837</b>	<b>(101,895)</b>
Minority Interest	90,325	NA	NA	NA
<b>Profit for the year</b>	<b>4,491,013</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>



The Consolidated Statements provide the results of Tarrif Cine & Finance Limited together with its subsidiary.

## 2. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 (herein after referred to as "the Act") forms an integral part of this Report as "Annexure A".

## 3. STATE OF COMPANY'S AFFAIRS:

Tarrif Cine & Finance Limited is a Non-Banking Finance Company (NBFC) in India which deals in financing industrial or other enterprises and to make loans, give guarantees & provide security to other Companies.

Tarrif Cine & Finance Limited endeavors to combine technical and market experience with hard work and dedication to provide clients the ability to make informed investment decisions.

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

## 4. DIVIDEND:

In order to preserve funds for future activities, Board of Directors of your Company do not recommend any dividend for the Financial Year 2016-17.

## 5. SHARE CAPITAL:

During the year under review, the Company has not issued any shares with differential voting rights nor granted any stocks options or sweat equity. As on 31<sup>st</sup> March, 2017 none of the Directors of the Company holds instrument convertible into equity shares of the Company.

The details of Share capital of the Company is as under:

Particulars	As at 31 <sup>st</sup> March 2017		As at 31 <sup>st</sup> March 2016	
	Number of Shares	Amount (In Rs.)	Number of Shares	Amount (In Rs.)
<b>Authorised Capital:-</b> Equity Shares of Rs. 10/- each	250,000	2,500,000	250,000	2,500,000
<b>Issued Subscribed and Paid-Up Equity Share Capital Fully Paid-Up:-</b> Equity Shares of Rs. 10/- each	245,000	2,450,000	245,000	2,450,000





## MEETINGS OF THE BOARD:

During FY 2016-17 there were 4 (Four) Board Meetings held by the Company on 20<sup>th</sup> May, 2016, 13<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016 and 8<sup>th</sup> February, 2017. The intervening gap between the meetings was as prescribed under the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

### Attendance of Directors at Board Meetings held during the FY 2016-17:

Sr. No.	Name of the Directors	Attendance at Board Meetings held during FY 2016-17
1.	Navratan Damani	4
2.	Balkrishna Binani	4
3.	Harish Vaman Shenvi	4
4.	Sarladevi Damani	4
5.	Yashwant Jain	4
6.	Sanjay Mundra	4
7.	Rajendra Kumar Choudhary	4

A separate meeting of Independent Directors, pursuant to Schedule IV of the Companies Act, 2013 was held during the year under review.

## 6. MANAGEMENT DISCUSSIONS & ANALYSIS (MDA)

Management Discussions and Analysis (MDA) Report for the year under review as stipulated under Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is presented in a separate section forming part of the Annual Report.

## 7. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to provisions contained in Section 134(3)(c) & 134(5) of the Companies Act, 2013, your Directors confirm that:

- (a) That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;



- (b) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgments have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2017 and of the Profit of the company for the year ended on that date;
- (c) That proper and sufficient care has been taken 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;
- (d) That the annual financial statements have been prepared on a going concern basis;
- (e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (f) That systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **8. DECLARATION OF INDEPENDENCE**

The Company has received declaration from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedule and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations.

#### **9. DIRECTORS:**

In accordance with the provisions of Section 152 of the Act, and that of Articles of Association of the Company, Mr. Navratan Damani (DIN: 00057401) and Mrs. Sarladevi Damani (DIN: 00909888), Director of the Company retires by rotation at ensuing Annual General Meeting of the Company and being eligible, has offered themselves for re-appointment. Also the Board noted the resignation of Mr. Rajendra Kumar Nandkishore Choudhary from the post of Directorship with effect from 23<sup>rd</sup> June, 2017.

As stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements, Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India, the brief resume of the Director proposed to be appointed/re-appointed is given in the Notice convening the 32<sup>nd</sup> Annual General Meeting of the Company.





## 10. CORPORATE GOVERNANCE:

The Company has paid up share capital of Rs. 24,50,000/- being less than Rs. 10 Crore and the net worth of the Company at the end of the previous year 31<sup>st</sup> March, 2017 is Rs 13,273,571/- which is less than Rs. 25 Crores and therefore, the quarterly report on Corporate Governance pursuant to regulation 27 (2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is not applicable to the Company however the Company has been observing best governance practices and is committed to adhere to the corporate governance requirements on an ongoing basis.

Pursuant to Regulations 34 & 53 read with schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 Management Discussion and Analysis forms part of this Annual Report and is enclosed/annexed to this report.

## 11. AUDITORS:

At the 29<sup>th</sup> Annual General Meeting (AGM) of the Company, M/s. K K Khadaria & Co., Mumbai (FRN 105013W) was appointed as the Statutory Auditors to hold office till the conclusion of the 34<sup>th</sup> AGM of the Company subject to ratification at every Annual General Meeting. M/s. K K Khadaria & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and having confirmed their eligibility, offer themselves for re-appointment.

The Company has also received letter from M/s. K K Khadaria & Co., Chartered Accountants, Mumbai (FRN 105013W) to the effect that they are willing to continue as Statutory Auditors and their re-appointment if made would be within the limits prescribed under Section 139 and 142 of the Companies Act, 2013. Audit Committee and the Board of Directors recommends re-appointment of M/s. K K Khadaria & Co., Chartered Accountants as Statutory Auditors of the Company for the FY 2017-18, who shall hold office from conclusion of the Annual General Meeting of the Company to be held in the FY 2018-19.

No adverse remark/comments/observations are made by the Statutory Auditors in their report.

## 12. SECRETARIAL AUDITORS' AND AUDIT REPORT:

The Secretarial Auditor, Mrs. Priyanka Lahoti, Practicing Company Secretary, Mumbai (Certificate of Practice No. 8654) has issued Secretarial Audit Report for the Financial Year 2016-17 pursuant to provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is annexed as "Annexure B" and forms part of this Report.



The Secretarial Audit Report for the year under review contains certain remarks, the management's reply for the same is as mentioned below:

No.	Auditors' Remark/Observation	Management Reply
1.	<p>The Company is suspended from trading on BSE Limited w.e.f. 29<sup>th</sup> November, 2016 due to delay in submission of following:</p> <ul style="list-style-type: none"> <li>- Shareholding Pattern as required under Regulation 31, Investor Compliant as required under Regulation 13 (3) and submission of financial results to stock exchange as required under Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the quarter ended 31<sup>st</sup> March, 2016, 30<sup>th</sup> June, 2016 and 30<sup>th</sup> September, 2016</li> <li>- Company has not publish the Financial Results as approved in Board Meeting held on 20th May, 2016 and 5th November, 2016 as required as per LODR regulations;</li> <li>- delayed in submission of Share Transfer Agent certificate under Regulation 7(3), Certificate from PCS on Transfer/ Transmission/ Transposition under Regulation 40 (9) &amp; (10) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended 31st March, 2016 and 30th September, 2016;</li> <li>- delayed in submission of reconciliation of Share Capital Audit Report for the half year ended 31st March, 2016 and 30th September, 2016 as required</li> </ul>	<p>With reference to the observations made by the Secretarial Auditors in their Report, Directors wishes to state that due to insufficient man power and in-operative business activities of the Company certain delays happened in submitting Shareholding Pattern as required under Regulation 31, Investor Compliant as required under Regulation 13 (3) and submission of financial results to stock exchange as required under Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. Further the management could not comply with the provisions of Regulation 7(3), Regulation 40 (9) &amp; (10), Regulation 29 of SEBI (LODR), 2015 and Regulation 55A of the Securities and Exchange Board of India (Depositories and Participants) (Second Amendment) Regulations, 2003 due to the reason as mentioned above.</p> <p>However, on receipt of Notices from BSE in this regard the Company complied with all the regulations as mentioned above.</p> <p>Further the Company is under process of resolving the issue of suspension with BSE Limited &amp; necessary steps has already been taken for the same.</p>





	<p>under regulation 55A of the Securities and Exchange Board of India (Depositories and Participants) (Second Amendment) Regulations, 2003;</p> <p>- the company has not intimated to the stock exchange about the notice and period of closure of trading window for the Insiders for the board meeting held on 20th May, 2016, 13th August, 2016 and 5th November, 2016 as per regulation 29 of SEBI (LODR), 2015 in electronic mode however it has done through physical mode;</p>	
2.	<p>The Company does not have the net owned funds of two hundred lakh rupees as required pursuant to provisions contained in Chapter III of the Master Direction – Non Banking Financial Companies issued by Reserve Bank of India Act, 1934;</p>	<p>With reference to the observations made by the Secretarial Auditors in their Report, Directors wishes to state that in order to increase the net owned funds to two hundred lakh rupees, the management needs to infuse the funds by way of preferential allotment on private placement basis. But as per the requirement of Regulation 28 of SEBI (LODR), 2015 the listed entity shall obtain in-principle approval before issuing securities &amp; as the Company is suspended from BSE Limited it is not possible to obtain the same.</p> <p>Further the Company is under process of resolving the issue of suspension with BSE Limited &amp; necessary steps have already been taken for the same. The Company will infuse the funds as &amp; when the BSE revokes the suspension.</p>





3.	The Company has not filed Form MGT-14 for approval of annual accounts and Directors report for the financial year ended 31 <sup>st</sup> March, 2016 as per section 179 of the Companies Act, 2013;	With reference to the observations made by the Secretarial Auditors in their Report, Directors wishes to state that the Company did not file Form MGT-14 for approval of annual accounts and Directors report for the financial year ended 31 <sup>st</sup> March, 2016 due to the overlook of the provisions of section 179 of the Companies Act. However, the Company is under process of filing the compounding application for the same.
4.	The Company has not appointed Key Managerial Personnel i.e. Chief Executive Officer/ Managing Director/ Manager, Chief Financial Officer and Company Secretary as the compliance officer as per section 203 of the Companies Act, 2013 and regulation 6 of the Securities and Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations, 2015;	With reference to the observations made by the Secretarial Auditors in their Report, Directors wishes to state that the Company has taken corrective actions and appointed Mr. Balkrishna Binani as Managing Director, Ms. Nidhi Agarwal as Company Secretary & Mr. Deepak Patil as Chief Financial Officer of the Company w.e.f 30 <sup>th</sup> May, 2017, 1 <sup>st</sup> June, 2017 and 30 <sup>th</sup> May, 2017 respectively.
5.	The Company has delayed in submission of Form AOC-4 and MGT-7 as per section 137 and 92 of the Companies Act, 2013 with Registrar of Companies	With reference to the observations made by the Secretarial Auditors in their Report, Directors wishes to state the Company has taken corrective actions. The management has ensured that now onwards the utmost care will be taken with respect to the said compliance.
6.	The company has delayed in submitting to the stock exchange the outcome of the financial results at the board meeting held on 20 <sup>th</sup> May, 2016, 13 <sup>th</sup> August, 2016 and 5 <sup>th</sup> November, 2016 as per regulation 30 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015;	With reference to the observations made by the Secretarial Auditors in their Report, Directors wishes to state that due to insufficient man power and in-operative business activities of the Company certain delays happened in submitting financial results at the board meeting. Further the Company now submitted the financial results regularly on quarterly basis as per the provisions of Regulation 30 of Securities and Exchange Board of



		India (Listing Obligations & Disclosure Requirements), Regulations, 2015.
7.	The Company has delayed in submission of Annual report for the financial year ended 31 <sup>st</sup> March, 2016 to ROC as per section 121(1) of the Companies Act, 2013 read with rule 31(2) of Companies (Management and Administration) Rules, 2014] and to stock exchange as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015;	With reference to the observations made by the Secretarial Auditors in their Report, Directors wishes to state that the Company has taken corrective action and the management has ensured that now onwards the utmost care will be taken with respect to the said compliance.
8.	Website is not updated as per Regulation 46 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015;	With reference to the observations made by the Secretarial Auditors in their Report, Directors wish to state that the website of the Company has already been updated in accordance with the requirement of Regulation 46 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015.

### 13. INTERNAL AUDITORS:

During the financial year the Company has appointed **M/s. Kapadia Makwana & Associates, Chartered Accountants**, as Internal Auditors of the Company as per the provisions of Section 138 of Companies Act, 2013. The Report of Internal Auditor was yearly reviewed by Audit Committee.

### 14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY UNDER SECTION 186:

The details of Loan, Guarantees and Investments made by the Company under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to the Financial Statements.

### 15. DEPOSITS:

The following details of deposits, covered under Chapter V of the act:

(a) Deposits accepted during the period; - Nil





- (b) Remained unpaid or unclaimed as at the end of the period; - Nil
- (c) Whether there has been any default in repayment of deposits or payment of interest thereon during the period and if so, number of such cases and the amount involved-
  - i. At the beginning of the period - Nil
  - ii. Maximum during the period - Nil
  - iii. At the end of the period - Nil
- (d) The details of deposits which are not in compliance with the requirements of Chapter - Nil

#### **16. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES::**

The Company has one subsidiary i.e. Rashtriya Metal Industries Limited. During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiary. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and its subsidiary, which form part of the Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiaries in Form AOC-1 as "Annexure C" forms part of the financial statement attached to this report. The statement also provides the details of performance, financial positions of each of the subsidiary.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiary, are available on website of [www.tarrifcine.com](http://www.tarrifcine.com).

These documents will also be available for inspection during the business hours at the registered office of the Company.

The Company's policy on material subsidiary as approved by the Board is uploaded on the Company's website.

#### **17. RELATED PARTY TRANSACTION:**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. As provided under section 134(3)(h) of the Act and Rules made thereunder disclosure of particulars of material transactions with related parties entered into by the Company with related parties in the prescribed format annexed to this report as "Annexure D".

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: [www.tarrifcine.com](http://www.tarrifcine.com).



The details of the transaction with related parties are provided in the accompanying financial statements.

## **18. FINANCIAL HIGHLIGHTS AND COMPANY AFFAIRS:**

### **Consolidated Performance**

On Consolidated basis, the Company's performance is as stated herein below:

- Revenue from operations is Rs.25,905,651/-
- Net Profit for the year is Rs. 4,491,013/-
- Earnings per share is Rs. 18.33/-

### **Standalone Performance**

On Standalone basis, the Company's performance is as stated herein below:

- Revenue from operations decreased from Rs. 124,090/- to Rs 5,200,326/-
- The Company incurred a Net profit of Rs. 4,398,837/- in the current financial year as compared to the Net Loss of Rs. 101,895/- of the previous financial year.
- Earnings per share of the current financial year is 17.95/- as compared to Rs. (0.42)/- for the previous financial year.

### **Performance of the Subsidiary Companies:**

The highlights of the performance for the FY 2016-17 are as under:

- Revenue from operations increased from Rs. 2,583,223,715/- to Rs. 4,164,657,279/-.
- The Company earned a Net profit of Rs. 33,306,594/- in the current financial year as compared to the Net Profit of Rs. 197,992,190/- of the previous financial year.
- Earnings per share of the current financial year is Rs. 7.38/- as compared to Rs. 43.87/- for the previous financial year

## **19. AMOUNT TRANSFERRED TO RESERVES:**

The Board of the Company does not propose to transfer any amount to the reserves for the Financial Year 2016-17.

## **20. NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY:**

The Company being registered as a Non-Banking Financial Institution on 24<sup>th</sup> day of March, 1998 in terms of the provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. Your Company is categorized as a Non-deposit taking Non-





Banking Financial Company. The Company has not accepted any deposits from the public during the year pursuant to the provisions of Section 73 of the Companies Act, 2013.

## **21. MATERIAL CHANGES:**

During the Financial Year 2016-17 there are no material changes affecting the financial position of the Company and affecting Financials Statements.

## **22. COMMITTEES OF THE BOARD:**

Pursuant to the provision of Companies Act, 2013 and Listing Regulations the company has constituted the following committee of the board:

1. Audit Committee;
2. Nomination & Remuneration Committee; and
3. Stakeholders' Relationship Committee.

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the Director's Report.

## **23. AUDIT COMMITTEE & ITS COMPOSITION:**

Pursuant to Provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and on the recommendation of the audit committee the Board has adopted policy for selection and appointment of Directors, Senior Management and their remuneration.

### **i. Terms of Reference/ Policy:**

Apart from all the matters provided under Section 177 of the Companies Act, 2013, the Audit Committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company.

### **ii. Composition:**

The Audit Committee consists of following members as on 31<sup>st</sup> March, 2017.

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Category</b>	<b>Designation</b>
1.	Mr. Yashwant Rajmal Jain	Director	Chairman
2.	Mr. Sanjay Gopallal Mundra	Director	Member
3.	Mr. Rajendra Kumar Nandkishore Choudhary	Director	Member

During the financial year 2016-17 4 (Four) Meetings were held on 20<sup>th</sup> May, 2016, 13<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016, and 08<sup>th</sup> February, 2017.



Name of the Members	Category	No. of Meetings attended
Mr. Yashwant Rajmal Jain	Chairman (Independent Director)	4
Mr. Sanjay Gopallal Mundra	Member (Independent Director)	4
Mr. Rajendra Kumar Nandkishore Choudhary	Member (Non-Executive Director)	4

#### 24. NOMINATION AND REMUNERATION POLICY & ITS COMPOSITION:

Pursuant to Provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

##### i. Terms of Reference/Policy:

On recommendation of the Nomination and Remuneration Committee the Company has framed a policy as per Section 178 of the Companies Act, 2013 for selection and appointment of Directors, Senior Management and their remuneration.

##### ii. Composition:

The Nomination and Remuneration Committee consists of following members as on 31<sup>st</sup> March, 2017.

Sr. No.	Name of the Member	Category	Designation
1.	Mr. Yashwant Rajmal Jain	Director	Chairman
2.	Mr. Sanjay Gopallal Mundra	Director	Member
3.	Mr. Rajendra Kumar Nandkishore Choudhary	Director	Member





No meetings were held During the financial year 2016-17.

Name of the Members	Category	No. of Meetings
Mr. Yashwant Rajmal Jain	Chairman (Independent Director)	4
Mr. Sanjay Gopallal Mundra	Member (Independent Director)	4
Mr. Rajendra Kumar Nandkishore Choudhary	Member (Independent Non-Executive Director)	4

## 25. STAKEHOLDER RELATIONSHIP COMMITTEE & ITS COMPOSITION:

Pursuant to Provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

### i. Terms of Reference/Policy:

Apart from all the matters provided under Section 178 of the Companies Act, 2013, the Stakeholder Relationship Committee reviews the complaints received from the stakeholders of the Company as and when required and discusses their findings, suggestions, observations and other related matters.

### ii. Composition:

The Stakeholder Relationship Committee consists of following members as on 31<sup>st</sup> March, 2017.

Sr. No.	Name of the Member	Category	Designation
1.	Mr. Rajendra Kumar Nandkishore Choudhary	Director	Chairman
2.	Mr. Yashwant Rajmal Jain	Director	Member
3.	Mr. Sanjay Gopallal Mundra	Director	Member

During the financial year 2016-17 4 (four) Meetings were held on 20<sup>th</sup> May, 2016, 13<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016, and 08<sup>th</sup> February, 2017.



Name of the Members	Category	No. of Meetings attended
Mr. Rajendra Kumar Nandkishore Choudhary	Chairman	4
Mr. Yashwant Rajmal Jain	Member	4
Mr. Sanjay Gopallal Mundra	Member	4

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

#### **26. RISK MANAGEMENT POLICY:**

As per the provisions of the Companies Act, 2013 and as part of good corporate governance the Company has constituted the Risk Management Committee. The Committee has laid down the procedures to inform to the Board about the risk assessment and minimization procedures and Board shall be responsible for framing, implementing and monitoring the risk management plan and policy for the Company.

The main objective of this policy is to ensure sustainable business growth with stability and promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The Committee reviewed the risk trend, exposure and potential impact analysis carried out by the management. It was specifically confirmed to the Committee by the MD and the CFO that the mitigation plans are finalized and up to date, owners are identified and the progress of mitigation actions are monitored.

#### **27. PREVENTION OF INSIDER TRADING:**

The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for





implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code.

**28. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. An Internal Complaints Committee has also been set up to redress complaints received on sexual harassment.

During the financial year under review, the Company has not received any complaints from any of the employees of the Company

**29. PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

**30. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with rule 5 of the Companies (Acceptance and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report of Accounts are being sent to the Members and others entitled thereto, excluding the information of employee's particulars which is available for inspection by the Members at the Registered office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.





**31. DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED OR RESIGNED DURING THE YEAR:**

During the year ended 31<sup>st</sup> March, 2017 there has been no further change in the constitution of Board during the year under review.

**32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

Bombay Stock Exchange Limited (BSE) has suspended the trading of the Company due to penal provisions during the financial year, However there are no other significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

**33. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets commensurate with its size, scale and complexities of its operations. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

**34. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior of the company has adopted a vigil mechanism policy. This Policy can be viewed on the Company's website.

**35. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are as mentioned below:-



**Conservation of Energy:**

Steps taken or impact on conservation of energy	Not Applicable
Steps taken by the company for utilizing alternate sources of energy	
Capital investment on energy conservation equipments	

**Technology Absorption:**

Efforts made towards technology absorption	Considering the nature of activities of the Company, there is no requirement with regard to technology absorption.
Benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
Details of technology imported	Nil
Year of import	Not Applicable
Whether the technology has been fully absorbed	Not Applicable
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
Expenditure incurred on Research and Development	Nil

**C) Foreign Exchange Earnings and Outgo:**

Particulars	FY 2016-17	FY 2015-16
	Amount in Rs.	Amount in Rs.
Actual Foreign Exchange earnings	-	-
Actual Foreign Exchange outgo	-	-





### 36. ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from all our Clients, Financial Institutions, Bankers, Business Associates and the Government and other regulatory authorities and thanks all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operation of the Company. Your Directors would like to place on record their gratitude to all the employees who have continued their support during the year.

#### For Tarrif Cine & Finance Limited



(Balkrishna Binani)  
Managing Director  
DIN: 00175080

Address : 2, Birla House,  
R/175 Birla Lane, Juhu,  
Mumbai-400 049



(Harish Shenvi)  
Director  
DIN: 00332699

Address: C-102, 1st Floor,  
Shanti Complex, Tunga  
Village Powai Mumbai  
400072

Date: 14<sup>th</sup> August, 2017  
Place: Mumbai



## ANNEXURE A

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN as on financial year ended on 31.03.2017

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

## I REGISTRATION &amp; OTHER DETAILS:

i	CIN	L65990MH1985PLC035268
ii	Registration Date	1985-02-05
iii	Name of the Company	Tarrif Cine & Finance Limited
iv	Category/Sub-category of the Company	Company Limited By shares & Indian Non- government Company
v	Address of the Registered office & contact details	28/30, Anant Wadi Bhuleshwar Mumbai-400 002 Tel no: 022-22014001,22014003, Fax: 022-22069664, Website: www.tarrifcine.com. Email Id: www.tarrifcinefin@yahoo.com
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt. Ltd ,1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,Marol, Andheri (East),Mumbai,Maharashtra,400059

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Non-Banking Financial Company	6499	100.00%

## III PARTICULARS OF HOLDING , SUBSIDIARY &amp; ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Rashtriya Metal Industries Limited Sir M V Road J B Nagar Andheri East Mumbai 400059	U99999MH1946PLC005378	Subsidiary Company	50.51	2(87)(ii)





IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	0	84,407	84,407	34.45	0	84,407	84,407	34.45	
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	58,600	0	58,600	23.92	58,600	0	58,600	23.92	
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (1)</b>	<b>58,600</b>	<b>84,407</b>	<b>143,007</b>	<b>58.37</b>	<b>58,600</b>	<b>84,407</b>	<b>143,007</b>	<b>58.37</b>	<b>0</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter</b>									
<b>(A) = (A)(1)+(A)(2)</b>	<b>58,600</b>	<b>84,407</b>	<b>143,007</b>	<b>58.37</b>	<b>58,600</b>	<b>84,407</b>	<b>143,007</b>	<b>58.37</b>	
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central/ State govt	0	0	0	0	0	0	0	0	0
d) Venture Capital Fund	0	0	0	0	0	0	0	0	0
e) Insurance Companies	0	0	0	0	0	0	0	0	0
f) FIIs	0	0	0	0	0	0	0	0	0
g) Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
h) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(2) Non Institutions									
a) Bodies corporates	0				0				
i) Indian	0	78,343	78,343	31.98	0	78,343	78,343	31.98	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	400	23,250	23,650	9.65	400	23,250	23,650	9.65	0
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	
c) Others									
Clearing Member	0	0	0	0	0	0	0	0	0
Non- Resident Indians	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2):</b>	<b>400</b>	<b>101,593</b>	<b>101,993</b>	<b>41.63</b>	<b>400</b>	<b>101,593</b>	<b>101,993</b>	<b>41.63</b>	
<b>Total Public Shareholding</b>									
<b>(B) = (B)(1)+(B)(2)</b>	<b>400</b>	<b>101,593</b>	<b>101,993</b>	<b>41.63</b>	<b>400</b>	<b>101,593</b>	<b>101,993</b>	<b>41.63</b>	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>59,000</b>	<b>186,000</b>	<b>245,000</b>	<b>100</b>	<b>59,000</b>	<b>186,000</b>	<b>245,000</b>	<b>100</b>	





(ii) SHARE HOLDING OF PROMOTERS

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Change in Shareholding		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of shares	% of total shares of the company
1	Ashok Sharma	1	0	-	-	1	0
2	Gopal Krishna Babulal Mangal	1	0	-	-	1	0
3	Kirtilal Ratanla Sakhal	1	0	-	-	1	0
4	Prahladrai Pareek	1	0	-	-	1	0
5	Prashant R Joshi	1	0	-	-	1	0
6	Seema S.N.Bhasin	1	0	-	-	1	0
7	Shaji Varughese	1	0	-	-	1	0
8	Balkrishna Bhawanidas Binani	53,400	21.8	-	-	53,400	21.8
9	Aniruddh Balkrishna Binani	21000	8.57	-	-	21000	8.57
10	Aparna Madhur Somani	10000	4.08	-	-	10000	4.08
11	Binani Commercial Co. Pvt. Ltd	58600	23.92	-	-	58600	23.92
	<b>Total</b>	<b>143007</b>	<b>58.37</b>	<b>-</b>	<b>-</b>	<b>143007</b>	<b>58.37</b>

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (There is no change in Promoters Shareholding)

Sr. No.	Particulars	Share holding at the beginning of the Year		Change in Shareholding		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	Increase	decrease	No. of shares	% of total shares of the company
1	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECORS, PROMOTERS & HOLDERS OF GDRS & ADRS)

Sr. No.	Name of the Shareholder's	Shareholding at the beginning of the year		Change in Shareholding		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Increase	decrease	No of shares	% of total shares of the company
1	Pragdas Niathuradas (B) P Ltd	58,800	24	-	-	58,800	24
2	Pontiac Propeties (P) Ltd	19,543	7.98	-	-	19,543	7.98
3	Sharda Hemant Bhattar	7,000	2.86	-	-	7,000	2.86
4	Rajesh Kumar Rajratan Bagri	8,000	3.27	-	-	8,000	3.27
5	Sajjan Mitandand Poddar	600	0.24	-	-	600	0.24
6	Promod harlalka	300	0.12	-	-	300	0.12
7	Ashok M Pandya	250	0.1	-	-	250	0.1
8	Kiran Keshav Daga	200	0.08	-	-	200	0.08
9	Devkinandan Deora	200	0.08	-	-	200	0.08
10	Manju Deora	200	0.08	-	-	200	0.08
	<b>TOTAL</b>	<b>95,093</b>	<b>38.81</b>			<b>95,093</b>	<b>38.81</b>

(v) SHAREHOLDING OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

Sl. No	Name of the Directors & KMP	Shareholding at the beginning of the year		Change in Shareholding		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Increase	decrease	No of shares	% of total shares of the company
1	Navratan Bhairuratan Damani	0	0.00	-	-	0	0.00
2	Balkrishna Bhawanidas Binani	53,400	21.80	-	-	53,400	21.80
3	Harish Vaman Shenvi	0	0.00	0	0	0	0.00
4	Sarladevi Navratan Damani	0	0	0	0	0	0
5	Yashwant Rajmal Jain	400	0.16	0	0	400	0.16
6	Sanjay Gopallal Mundra	400	0.16	0	0	400	0.16
7	Rajendrakumar Nandkishor Chaudary	0	0	0	0	0	0





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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
	-	-	-	-
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
Additions	-	-	-	-
Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-



# VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		MD	WTD	Manager	
		Balkrishna Binani	NA	NA	
1	Gross salary	-	-	-	NA
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others (specify)	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act	-	-	-	-

## B. REMUNERATION TO OTHER DIRECTORS:

Sl.No	Particulars of Remuneration	Name of the Directors					Total Amount
		Navratan Bhairuratan Damani	Harish Vaman Shenvi	Sarladevi Navratan Damani	Yashwant Rajmal Jain	Sanjay Gopallal Mundra	
1	Independent Directors	-	-	-	-	-	-
	(a) Fee for attending board	-	-	-	-	-	-
	(b) Commission	-	-	-	-	-	-
	(c ) Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-
2	Other Non Executive Directors	-	-	-	-	-	-
	(a) Fee for attending	-	-	-	-	-	-
	(b) Commission	-	-	-	-	-	-
	(c ) Others, please specify.	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
3	Other Executive Directors	-	-	-	-	-	-
	Total (3)	-	-	-	-	-	-
	Total =(1+2+3)	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Cieling as per the Act.	-	-	-	-	-	-





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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total		
		CEO	Company Secretary	CFO			
1	Gross Salary	NA	Nidhi Agarwal	Deepak Patil			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-	-		
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-		
2	Stock Option	-	-	-	-		
3	Sweat Equity	-	-	-	-		
4	Commission	-	-	-	-		
	as % of profit	-	-	-	-		
	others, specify	-	-	-	-		
5	Others, please specify	-	-	-	-		
	<b>Total</b>	NA	NA	NA	NA	NA	NA



Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
<b>B. DIRECTORS</b>					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

For and on behalf of Board  
Tarrif Cine & Finance Limited

  
(Balkrishna Binani)  
Chairman  
DIN: 00175080

Date: 14th August, 2017  
Place: Mumbai





**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2017**

[PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT, 2013 AND RULE 9 OF THE COMPANIES  
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

To,  
The Members,  
TARRIF CINE & FINANCE LIMITED,  
Mumbai.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TARRIF CINE & FINANCE LIMITED (CIN:L65990MH1985PLC035268) and having its registered office at 28/30, Anant Wadi, Bhuleshwar, Mumbai 400002 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 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:

I 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, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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 (**Not applicable to the company during the audit period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the company during the audit period)**;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the company during the audit period)**;

(f) 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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the company during the audit period)**;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the company during the audit period)**; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) The Company has identified the Reserve Bank of India Act, 1934 with regard to Non-Banking Finance Company (NBFC), the other applicable law as specifically applicable to the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above **except below**:

1. *the Company is suspended from trading on BSE Limited w.e.f. 29<sup>th</sup> November, 2016 due to delay in submission of following:*
  - *Shareholding Pattern as required under Regulation 31, Investor Compliant as required under Regulation 13 (3) and submission of financial results to stock exchange as required under Regulation 33(3) of the Securities and Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations, 2015 for the quarter ended 31<sup>st</sup> March, 2016, 30<sup>th</sup> June, 2016 and 30<sup>th</sup> September, 2016*
  - *Company has not publish the Financial Results as approved in Board Meeting held on 20<sup>th</sup> May, 2016 and 5<sup>th</sup> November, 2016 as required as per LODR regulations;*
  - *delayed in submission of Share Transfer Agent certificate under Regulation 7(3), Certificate from PCS on Transfer/ Transmission/ Transposition under Regulation 40 (9) & (10) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended 31<sup>st</sup> March, 2016 and 30<sup>th</sup> September, 2016;*
  - *delayed in submission of reconciliation of Share Capital Audit Report for the half year ended 31<sup>st</sup> March, 2016 and 30<sup>th</sup> September, 2016 as required under regulation 55A of the Securities and Exchange Board of India (Depositories and Participants) (Second Amendment) Regulations, 2003;*
  - *the company has not intimated to the stock exchange about the notice and period of closure of trading window for the Insiders for the board meeting held on 20<sup>th</sup> May, 2016*





13th August, 2016 and 5th November, 2016 as per regulation 29 of SEBI (LODR), 2015 in electronic mode however it has done through physical mode;

2. the Company does not have the net owned funds of two hundred lakh rupees as required pursuant to provisions contained in Chapter III of the Master Direction – Non Banking Financial Companies issued by Reserve Bank of India Act, 1934;
3. the Company has not filed Form MGT-14 for approval of annual accounts and Directors report for the financial year ended 31<sup>st</sup> March, 2016 as per section 179 of the Companies Act, 2013;
4. the Company has not appointed Key Managerial Personnel i.e. Chief Executive Officer/ Managing Director/ Manager, Chief Financial Officer as per section 203 of the Companies Act, 2013 and Company Secretary as the compliance officer as per section 203 of the Companies Act, 2013 and regulation 6 of the Securities and Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations, 2015;
5. the Company has delayed in submission of Form AOC-4 and MGT-7 as per section 137 and 92 of the Companies Act, 2013 with Registrar of Companies;
6. the company has delayed in submitting to the stock exchange the outcome of the financial results at the board meeting held on 20th May, 2016, 13th August, 2016 and 5th November, 2016 as per regulation 30 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015;
7. the Company has delayed in submission of Annual report for the financial year ended 31<sup>st</sup> March, 2016 to ROC as per section 121(1) of the Companies Act, 2013 read with rule 31(2) of Companies (Management and Administration) Rules, 2014] and to stock exchange as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015;
8. website is not updated as per Regulation 46 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015;

#### **I 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 as per Companies Act, 2013. 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.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.



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

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.



**Priyanka Lahoti**  
**Practising Company Secretary**  
**M. No. 23930 CP No.: 8654**

**Place: Mumbai**





**Annexure A**

To,  
The Members,  
**TARRIF CINE & FINANCE LIMITED**  
Mumbai

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai



**Priyanka Lahoti**  
Practising Company Secretary  
M. No. 23930 CP No.: 8654



ANNEXURE C

FORM AOC – 1

Statement containing salient features of the financial statement of the Subsidiaries

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Part A : Subsidiaries

Sl. No.	Name Of The Subsidiary	Rashtriya Metal Industries Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-17
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
3	Share Capital	6,51,30,120
4	Reserves & Surplus	79,57,41,496
5	Total Assets	3,25,19,15,377
6	Total Liabilities	3,25,19,15,377
7	Investments	28,97,723
8	Turnover	3,77,87,21,884
9	Profit/(Loss) before taxation	6,21,02,812
10	Provision for taxation/ Deferred Tax	2,70,93,120
11	Profit/ (Loss) after taxation	3,33,06,594
12	Proposed Dividend	NA
13	% of shareholding	50.51%

- Names of subsidiaries which are yet to commence operations- NIL
- Names of subsidiaries which have been liquidated or sold during the year- NIL





**Part B: Associates & Joint Ventures**

1. Names of associates or joint ventures which are yet to commence operations- NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year- NIL

For and on behalf of the Board

  
Balkrishna Binani  
(Managing Director)  
DIN: 00175080

  
Harish Vaman Shenvi  
(Director)  
DIN: 00332699

Place: Mumbai  
Dated: 14<sup>th</sup> August, 2017



## ANNEXURE D

### Form AOC-2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

**A. Details of Contracts of Arrangements or Transactions not at Arm's Length Basis:**


There were no contracts or arrangement or transactions entered into with related parties during the year, which were not at arm's length basis.

**B. Details of material contracts or arrangements or transactions at Arm's length basis:**

a)	Name (s) of the related party & nature of relationship	Mr. Balkrishna Binani Managing Director
b)	Nature of contracts/arrangements/transaction	Purchase of Investments
c)	Duration of the contracts/arrangements/transaction	Ad hoc
d)	Salient terms of the Contracts or arrangements or transaction	Purchase Investments by the Company of M/s. Rashtriya Metal Industries Limited held by Mr. Balkrishna Binani
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	NA

By order of the Board

Place: Mumbai  
Date: 14<sup>th</sup> August, 2017

  
Balkrishna Binani  
DIN: 00175080  
Add: 2, Birla House, R/175  
Birla Lane, Juhu Mumbai 400 049

  
Harish Vaman Shenvi  
DIN: 00332699  
Add: C-102, 1st Floor, Shanti  
Complex, Tunga Village Powai  
Mumbai 400 072





# **K K KHADARIA & Co**

## **CHARTERED ACCOUNTANTS**

Office : 401 - A, Pearl Arcade, Opp. P. K. Jewellers, Off J. P. Road, Andheri (W), Mumbai - 400 058.  
Tel. : 022 - 26778155, 26797750, 26783178 • Telefax : 022 - 26781187

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF TARRIF CINE & FINANCE LIMITED**

##### **Report on the Standalone Financial Statements**

1. We have audited the accompanying standalone financial statements of Tarrif Cine & Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

2. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance & 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 Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of these standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

##### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143(11) of the Act.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.



7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, and its profit and its cash flows for the year ended on that date.

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

9. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i. The Company does not have any pending litigation which would impact its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts as at 31<sup>st</sup> March, 2017.





- iii. There has not been an occasion in case of the Company during the year under report to transfer any amounts to the Investor Education & Protection Fund and, therefore, the question of delay in transferring such amounts does not arise.
- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedure and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. Refer Note 20 to the financial statements.

**For K K Khadaria & Co**  
**Chartered Accountants**  
**Firm Regn No: 105013W**

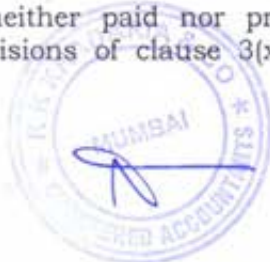


**Ajay Daga**  
**Partner**  
**M.No. 44162**

**Place : Mumbai**  
**Dated : 30<sup>th</sup> May, 2017**

**ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT**  
**(Referred to in paragraph (9) of our Report of even date)**

1. The Company does not have any fixed assets and hence reporting under clause 3(i)(a), (i)(b) & (i)(c) of the said order are not applicable to the Company.
2. As explained to us, inventory of shares & debentures in custody of the Company have been physically verified by the management at reasonable intervals. For shares held with the custodian and depository participant & for units of mutual funds, statement from them has been obtained on a regular basis. In our opinion, the frequency of verification is reasonable. No discrepancies have been noticed on reconciliation of physical inventories and those held with custodian & depository participant with the book records.
3. As informed to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the provisions of section 185 of the Act are not applicable to the Company. The Company has complied with the provisions of section 186 of the Act to the extent applicable.
5. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed thereunder to the extent notified.
6. Reporting under clause 3(vi) of the Order is not applicable as the Company's business activities are not covered by the Companies (Cost Records and Audit) Rules, 2014.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been regular in depositing undisputed statutory dues applicable to it.  
  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty & Value Added Tax that have not been deposited with the appropriate authorities on account of any dispute.
8. The Company has not taken any loans or borrowings from any financial institution or bank or Government nor has it issued any debentures as at the balance sheet date. Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the Company.
9. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. The Company has neither paid nor provided for any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.





12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard -18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
16. On examination of relevant records and according to the information and explanations given to us, the Company is required to be registered under section 45-IA of Reserve Bank of India Act, 1934 and holds a valid certificate of registration under the same.

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2017

**For K K KHADARIA & CO**  
**CHARTERED ACCOUNTANTS**  
**(FIRM REGN. NO. 105013W)**

**AJAY DAGA**  
**PARTNER**  
**M No. 44162**



## **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

**Referred to in paragraph 10(f) of the Independent Auditor's Report of even date to the members of Tarrif Cine & Finance Limited on the standalone financial statements for the year ended 31<sup>st</sup> March, 2017**

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

1. We have audited the internal financial controls over financial reporting of Tarrif Cine & Finance Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

2. 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 (the "Guidance Note"). 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 Act.

#### **Auditors' Responsibility**

3. 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 Standards on Auditing prescribed under section 143(10) of Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. 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.
4. 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.
5. 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**

6. 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**


7. 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.

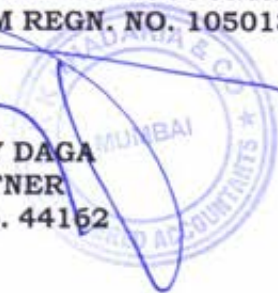
### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2017

**For K K KHADARIA & CO**  
**CHARTERED ACCOUNTANTS**  
**(FIRM REGN. NO. 105013W)**

  
**AJAY DAGA**  
**PARTNER**  
**M No. 44162**



## TARRIF CINE &amp; FINANCE LIMITED

## BALANCE SHEET AS AT 31st MARCH, 2017

	Note	As At 31.03.2017 Amt (Rs.)	As At 31.03.2016 Amt (Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	2,450,000	2,450,000
Reserves and Surplus	3	10,823,571	6,424,733
		<u>13,273,571</u>	<u>8,874,733</u>
<b>Current Liabilities</b>			
Other Current Liabilities	4	18,240,345	108,645
Short-term Provisions	5	667,754	874,670
		<u>18,908,099</u>	<u>983,315</u>
<b>TOTAL</b>		<u><u>32,181,669</u></u>	<u><u>9,858,048</u></u>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Non-current Investments	6	30,976,904	5,561,524
Long-term Loans and Advances	7	697,779	22,815
		<u>31,674,683</u>	<u>5,584,339</u>
<b>Current Assets</b>			
Inventories	8	209,581	2,694,942
Cash and Bank Balances	9	297,406	704,098
Short-term Loans & Advances	10	NIL	874,670
		<u>506,987</u>	<u>4,273,710</u>
<b>TOTAL</b>		<u><u>32,181,670</u></u>	<u><u>9,858,048</u></u>

Summary of Significant Accounting Policies

1

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

As per our report of even date

**For K K KHADARIA & CO**  
CHARTERED ACCOUNTANTS

For and on behalf of the board

AJAY DAGA

Partner

Place : Mumbai

Dated : 30th May, 2017

Balkrishna  
Binani  
Director  
00175080

Harish Vaman  
Shenvi  
Director  
00332699



# TARRIF CINE & FINANCE LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Note	Year ended 31.03.2017 Amt (Rs.)	Year ended 31.03.2016 Amt (Rs.)
<b>Revenue</b>			
Revenue from Operations	11	5,200,326	124,090
Other Income	12	874,766	163,362
<b>Total Revenue</b>		<b>6,075,092</b>	<b>287,452</b>
<b>Expenses</b>			
Changes-in-Inventories	13	81,491	NIL
Finance Costs	14	45,646	NIL
Other Expenses	15	1,519,489	389,347
<b>Total Expenses</b>		<b>1,646,626</b>	<b>389,347</b>
<b>Profit/(Loss) Before Tax</b>		<b>4,428,466</b>	<b>(101,895)</b>
Tax Expense:			
- Current Tax		679,593	NIL
- MAT Credit Entitlement		(649,964)	NIL
<b>Profit/(Loss) For The Year</b>		<b>4,398,837</b>	<b>(101,895)</b>
<b>Earnings per equity share of face value of Rs.10/-each</b>			
Basic and Diluted (Rs.)	19	17.95	(0.42)

Summary of Significant Accounting Policies

1

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

As per our report of even date

**For K K KHADARIA & CO**  
CHARTERED ACCOUNTANTS

**For and on behalf of the board**

**AJAY DAGA**  
Partner  
Place : Mumbai  
Dated : 30th May, 2017



*Handwritten signature*

**Balkrishna Binani**  
Director  
00175080

*Handwritten signature*

**Harish Vaman  
Shenvi**  
Director  
00332699





## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	As At 31.03.2017 Amt (Rs.)	As At 31.03.2016 Amt (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
a) NET PROFIT/(LOSS) BEFORE TAX AND EXTRAORDINARY ITEMS	4,428,466	(101,895)
ADJUSTMENTS FOR:		
Dividend Received	(83,721)	(124,090)
Gain on sale of Investments	(3,026,784)	NIL
Provision for Doubtful Debts no longer required w/back	(874,670)	NIL
Bad Debts	874,670	NIL
Interest on deferment of advance tax	43,976	NIL
Gain on sale of Investments in flats	NIL	(163,362)
<b>b) OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>	<b>1,361,937</b>	<b>(389,347)</b>
ADJUSTMENTS FOR:		
Increase /(Decrease) in Other Current Liabilities	18,131,700	(122,708)
Increase /(Decrease) in Short-term Provision	(874,670)	NIL
(Increase)/Decrease in Long-term Loans and advances	(25,000)	NIL
(Increase)/ Decrease in Inventories	2,485,361	NIL
(Increase)/ Decrease in Short-term Loans and advances	874,670	NIL
(Increase)/Decrease in Other Current Assets	NIL	195,000
<b>CASH GENERATED FROM OPERATIONS</b>	<b>21,953,998</b>	<b>(317,055)</b>
Income Tax Paid	(55,815)	NIL
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>21,898,183</b>	<b>(317,055)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
(Purchases)/Sale of Investments (net)	(22,388,596)	286,560
Dividend Received	83,721	124,090
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(22,304,875)</b>	<b>410,650</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>NIL</b>	<b>NIL</b>
<b>NET CASH FROM/(USED IN) FINANCIAL ACTIVITIES</b>	<b>NIL</b>	<b>NIL</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(406,691)</b>	<b>93,595</b>
<b>CASH AND CASH EQUIVALENTS AS AT 1.4.2016 (OPENING BALANCE)</b>	<b>704,096</b>	<b>610,501</b>
<b>CASH AND CASH EQUIVALENTS AS AT 31.3.2017 (CLOSING BALANCE)</b>	<b>297,405</b>	<b>704,096</b>

- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.
- Previous Year's figure have been regrouped/ rearranged, wherever necessary, to correspond with the current year's classification/disclosure.

As per our Report of even date

For K K KHADARIA & CO  
CHARTERED ACCOUNTANTSAJAY DAGA  
PARTNER

PLACE : MUMBAI

Dated : 30th May, 2017

For and on behalf of the board

Balkrishna  
Binani  
Director  
00175080Harish Vaman  
Shenvi  
Director  
00332699

**TARRIF CINE & FINANCE LTD.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**1. Summary of Significant Accounting Policies :-**

- a. These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention under accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or an addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority(NFRA), the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Till the NFRA is constituted, the Central Government in consultation with the National Advisory Committee on Accounting Standards has notified the Companies (Indian Accounting Standards) Rules, 2015 vide MCA's notification dated 16.02.15 as amended vide notification dated 30.03.16 which Accounting Standards are still not made applicable to the Company. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards including the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 (Companies (Accounting Standards), Rules, 2006, as amended) and other relevant provisions of the Companies Act, 2014.
- b. The Company follows the Prudential Norms for Assets Classification, Income Recognition, Accounting Standards, Provisioning for bad and doubtful debts as prescribed by the Reserve Bank of India for Non-Banking Financial Companies.
- c. Long-term investments are stated at cost after deducting provision made for permanent diminution in the value, if any. Current investments are stated at lower of cost & fair market value.
- d. Dividend are recorded when the right to receive payment is established.
- e. Stock in trade in the case of Quoted Scrips/Units of Mutual Funds are valued at lower of cost and market value, whereby aggregate cost of all scrips/Units of Mutual Fund is compared with their aggregate market value, category wise & in the case of Unquoted Shares the same are taken at lower of cost and break-up value.
- f. Staff benefits arising on retirement/death comprising contribution to Provident Fund, Superannuation and Gratuity scheme, and other post separation benefits are not accounted for as the same is not applicable to the Company.
- g. Income-tax expense comprises current tax and deferred tax charge or credit. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax asset arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax asset on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to reassess realisation.



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**TARRIF CINE & FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As At 31.03.17 Amt (Rs.)	As At 31.03.16 Amt (Rs.)
<b>(2) Share Capital</b>		
Authorised :		
250000 (P.Y. 250000) Equity Shares of Rs. 10/- each	2,500,000	2,500,000
Issued, Subscribed and Paid-up:		
245000 (P.Y. 245000) Equity Shares of Rs. 10/- each fully paid-up	2,450,000	2,450,000
	<u>2,450,000</u>	<u>2,450,000</u>

- a. The number of shares and amount outstanding at the beginning and at the end of the reporting year is the same.
- b. The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to same right based on the number of shares held.
- c. Shares in the Company held by each shareholders holding more than 5% shares:

No. of Shareholders each holding more than 5% of the share capital	No. of Shares Held Percentage of holding	No. of Shares Held Percentage of holding
Six shareholders (P.Y. Six shareholders)	189543 77.36%	189543 77.36%

**(3) Reserves & Surplus**

a. General Reserve		
(Opening & Closing Balance)	143,515	143,515
b. Special Reserve		
(Opening & Closing Balance)	1,053,124	1,053,124
c. Surplus in Statement of Profit and Loss		
Opening Balance	5,228,094	5,329,989
Add: Net Profit/(Loss) for the current year	4,398,837	(101,895)
	<u>9,626,932</u>	<u>5,228,094</u>
Closing Balance	<u>10,823,571</u>	<u>6,424,733</u>

**(4) Other Current Liabilities**

Statutory dues	18,685	3,150
Advance Received from Customers	18,000,000	NIL
Other Payables	186,174	70,009
Unpaid Dividend	35,486	35,486
	<u>18,240,345</u>	<u>108,645</u>



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## TARRIF CINE &amp; FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As At 31.03.2017 Amt (Rs.)	As At 31.03.2016 Amt (Rs.)
<b>(5) Short-term Provisions</b>		
Provision for Doubtful Assets	NIL	874,670
Provision for Income Tax (Net of TDS)	667,754	NIL
	<u>667,754</u>	<u>874,670</u>
<b>(6) Non-current Investments</b>		
<b><u>Non-trade Investments</u></b>		
<b><u>Quoted</u></b>		
a) <u>In Equity Shares</u>		
NIL(138) Eq. Sh. of Rs.10/- each of Hindalco	NIL	13,248
12(12) Eq. Sh. of Rs. 10/- each of Reliance Industries Ltd.	6,000	6,000
NIL(2) Eq. Sh. of Rs. 10/- each of Aditya Birla Nuvo Ltd.	NIL	1,586
NIL(183)Eq. Sh. of Rs. 10/-each of Power Finance Corporation Ltd.	NIL	15,555
NIL(953) Eq. Sh. of Rs. 10/- each of Indian Bank	NIL	86,723
	<u>6,000</u>	<u>123,112</u>
<b><u>Unquoted</u></b>		
a) <u>In Equity Instruments</u>		
<b><u>Investment in Subsidiary</u></b>		
2279410 (NIL) Eq. Sh. of Rs.10/-each of Rashtriya Metal Industries Ltd	30,219,950	NIL
	<u>30,219,950</u>	<u>NIL</u>
b) <u>In Units of Mutual Funds</u>		
NIL(126835) Units of BSL Income Plus Qtr. Dividend Reinvestment	NIL	1,508,768
34581.739(32856) Units of ICICI Prudential Short-term Plan Dividend Reinvest.	410,471	389,161
NIL(2246) Units of HDFC Equity Fund - Growth	NIL	500,000
NIL(48371) Units of HDFC MF Monthly Income Plan-Long-term Growth	NIL	1,000,000
24607(24607) Units of Kotak Life Select Focus Fund - Growth Plan	200,000	200,000
NIL(6668) Units of Reliance Diversified Power Sector Fund-Retail Growth	NIL	500,000
NIL(20000) Units of Reliance Equity Fund -Growth Plan	NIL	200,000
NIL(56447) Units of Birla Sun Life Dynamic Bond Fund Retail- Growth	NIL	1,000,000
	<u>610,471</u>	<u>5,297,929</u>
c) <u>In Bullion</u>		
24.56 (24.56) Kg. of Silver Utensils	140,483	140,483
	<u>140,483</u>	<u>140,483</u>
<b>Total Non-current Investments</b>	<u><b>30,976,904</b></u>	<u><b>5,561,524</b></u>
<b>Aggregate Book Value of Quoted Investments</b>	<u><b>6,000</b></u>	<u><b>123,112</b></u>
<b>Market Value of Quoted Investments</b>	<u><b>15,830</b></u>	<u><b>245,779</b></u>
<b>Aggregate Book Value of Unquoted Investments</b>	<u><b>30,830,421</b></u>	<u><b>5,297,929</b></u>
<b>Aggregate Book Value of Bullion</b>	<u><b>140,483</b></u>	<u><b>140,483</b></u>



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## TARRIF CINE &amp; FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As At 31.03.2017 Amt (Rs.)	As At 31.03.2016 Amt (Rs.)
<b>(7) Long-term Loans &amp; Advances</b>		
Mvat Deposit	25,000	NIL
Other Loans & Advances		
-- MAT credit entitlement	672,779	22,815
	<u>697,779</u>	<u>22,815</u>
<b>(8) Inventories</b>		
Stock in trade		
--Equity Shares	209,581	2,694,942
	<u>209,581</u>	<u>2,694,942</u>
<b>(9) Cash &amp; Bank Balances</b>		
Cash & Cash Equivalents		
--Cash on Hand	3,486	3,632
--Balance with Bank		
in Current Account	244,577	642,817
Other Bank Balances		
--in Unpaid Dividend Accounts	49,342	57,648
	<u>297,406</u>	<u>704,098</u>
<b>(10) Short-term Loans &amp; Advances</b>		
(Unsecured, considered doubtful)		
Bill Discounting	NIL	874,670
	<u>NIL</u>	<u>874,670</u>
	<b>For The Year Ended 31.03.2017 Amt (Rs.)</b>	<b>For The Year Ended 31.03.2016 Amt (Rs.)</b>
<b>(11) Revenue From Operations</b>		
Sale of shares	1,531,672	NIL
Dividend Income		
- On Current Investments	4,803	8,974
- On Non-current Investments	78,918	115,116
Interest Income	558,148	NIL
Gain on sale of Investments	3,026,784	NIL
	<u>5,200,326</u>	<u>124,090</u>
<b>(12) Other Income</b>		
Gain on sale of Investments in Flats	NIL	163,362
Misc. Income	96	NIL
Provision for Doubtful Debts no longer required w/back	874,670	NIL
	<u>874,766</u>	<u>163,362</u>
<b>(13) Changes-in-Inventories</b>		
Stock at commencement	2,694,942	2,694,942
Less: Conversion of Stock-in-Trade into Non-trade Investments	2,403,870	NIL
	<u>291,072</u>	<u>2,694,942</u>
Stock at close	209,581	2,694,942
	<u>81,491</u>	<u>NIL</u>



**TARRIF CINE & FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	For The Year Ended 31.03.2017 Amt (Rs.)	For The Year Ended 31.03.2016 Amt (Rs.)
<b>(14) Financial Costs</b>		
Interest on TDS	1,670	NIL
Interest on deferment of advance tax	43,976	NIL
	<u>45,646</u>	<u>NIL</u>
<b>(15) Other Expenses</b>		
Advertisement	28,709	37,556
Auditors' Remuneration		
- Audit Fees	46,000	22,900
- Income Tax Matters	2,875	2,850
- Certification Work	11,434	10,305
Listing Fees	229,000	224,748
Filing Fees	48,800	3,000
Depository & Registrar Charges	42,169	46,530
Profession Tax	2,500	7,500
Software Expenses	47,650	NIL
Legal & Professional Fees	181,660	NIL
Miscellaneous Expenses	4,022	33,958
Bad Debts	874,670	NIL
	<u>1,519,489</u>	<u>389,347</u>





# TARRIF CINE & FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### (16) Deferred Tax Asset

Deferred Tax Asset on account of carried forward losses is not recognised as there is no virtual certainty of its realisation.

### (17) Segment Reporting

The Company is engaged solely in investment activity during the year and all activities of the Company revolve around this activity. As such there are no reportable segment as defined by Accounting Standard-17 on Segment Reporting issued by the Institute of Chartered Accountants of India.

### (18) Related Party Disclosures

#### i. List of Related Parties with whom transaction have taken place & Relationship.

Name of the Related Party	
a. Balkrishna Binani	Key Management Personnel
b. Rashtriya Metal Industries Limited	Subsidiary from 30.03.2017

#### ii. Transaction with Related Parties during the year :-

	2016-17 Amt(Rs.)	2015-16 Amt(Rs.)
<b>a. Key Management Personnel</b>		
Purchase of Investment	27,746,080	NIL
<b>b. Subsidiary</b>		
Advance Received from Customers	18,000,000	NIL

#### iii. Balance outstanding at the year end is as under :

	As At 31.03.2017 Amt(Rs.)	As At 31.03.2016 Amt(Rs.)
<b>b. Subsidiary</b>		
Advance Received from Customers	18,000,000	NIL

### (19) Earnings Per Share (EPS)

	2016-2017	2015-2016
i) Weighted Average Number of Equity Shares outstanding during the year	245000	245000
ii) Net Profit/(Loss) after tax available for Equity Shareholders (Rs.)	4,398,837	(101,895)
iii) Basic and Diluted Earnings Per Share (Rs.)	17.95	(0.42)
iv) Nominal Value Per Share (Rs.)	10/-	10/-

The Company does not have any outstanding dilutive potential equity shares.



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**TARRIF CINE & FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**(20) Disclosure in respect of Specified Bank Notes (SBNs) held and transacted:**

(In Rs.)

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand on November 8, 2016	NIL	3,586	3,586
(+) Permitted receipts	NIL	-	-
(-) Permitted payments	NIL	-	-
(-) Amount deposited in banks	NIL	-	-
Closing cash in hand on December 30, 2016	NIL	-	-

\* For the purpose of this clause, the term "Specified Bank Notes" (SBNs) is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

The disclosures with respects to 'Permitted Receipts', 'Permitted Payments', 'Amount Deposited in Banks' and 'Closing Cash in Hand as on 30th December, 2016' is understood to be applicable in case of SBNs only.

**(21) Previous year figures**

Previous Year's figures have been regrouped/reclassified, wherever necessary, to correspond with the current year's classification/disclosures.

As per our report of even date  
For **K K KHADARIA & CO**  
**CHARTERED ACCOUNTANTS**

**AJAY DAGA**  
**PARTNER**  
PLACE : MUMBAI  
Dated : 30th May, 2017



For and on behalf of the board

*M Minani*

**Balkrishna Binani**  
Director  
00175080

*Harish Vaman Shenvi*

**Harish Vaman Shenvi**  
Director  
00332699





**TARRIF CINE & FINANCE LIMITED**

**GROUPINGS TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017**

	<b>As At 31.03.2017 Amt (Rs.)</b>	<b>As At 31.03.2016 Amt (Rs.)</b>
<b><u>GROUPING - 1</u></b>		
<b><u>OTHER CURRENT LIABILITIES</u></b>		
<u>Statutory Dues</u>		
TDS Payable	18,685	3,150
	<u>18,685</u>	<u>3,150</u>
<u>Advance Received from Customers</u>		
Rashtriya Metal Industries Ltd.	18,000,000	NIL
	<u>18,000,000</u>	<u>NIL</u>
<u>Other Payables</u>		
K K Khadaria & Co	48,543	70,009
Vijendra Vinod Verma	5,000	NIL
Shiv Hari Jalan	132,631	NIL
	<u>186,174</u>	<u>70,009</u>
<u>Unpaid Dividend</u>		
F. Y. 2011-12	35,486	35,486
	<u>35,486</u>	<u>35,486</u>
<b><u>GROUPING - 2</u></b>		
<b><u>BANK BALANCES</u></b>		
<u>in Current A/c</u>		
Central Bank of India	244,577	642,817
	<u>244,577</u>	<u>642,817</u>
<u>In Unpaid Dividend Accounts</u>		
Kotak Mahindra Bank- (2006-07)	7,857	7,857
Central Bank of India - (2007-08)	NIL	8,306
Central Bank of India - (2011-12)	41,485	41,485
	<u>49,342</u>	<u>57,648</u>
<b><u>GROUPING - 5</u></b>		
<b><u>MISCELLANEOUS EXPENSES</u></b>		
Bank Charges	599	1,029
Maintenance of Flats	NIL	32,600
Securities Transaction Tax	3,102	NIL
Other Miscellaneous Expenses	321	329
	<u>4,022</u>	<u>33,958</u>

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# **K K KHADARIA & Co**

## **CHARTERED ACCOUNTANTS**

Office : 401 - A, Pearl Arcade, Opp. P. K. Jewellers, Off J. P. Road, Andheri (W), Mumbai - 400 058.  
Tel. : 022 - 26778155, 26797750, 26783178 • Telefax : 022 - 26781187

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF TARRIF CINE & FINANCE LIMITED**

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

1. We have audited the accompanying consolidated financial statements of Tarrif Cine & Finance Limited (hereinafter referred to as "the Holding Company") and its subsidiary Rashtriya Metal Industries Limited (collectively referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017, Consolidated Statement of Profit and Loss and Consolidated Cash Flow for the period then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

2. The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms with section 134(5) of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position and consolidated financial performance of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

##### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143(11) of the Act.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the



auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

### **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors on separate financial statements, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the period ended on that date.

### **Other Matters**

9. We did not audit the financial statements/ financial information of its subsidiary company, Rashtriya Metal Industries Limited, whose financial statements / financial information reflect total assets of Rs. 325.19 lacs as at 31st March, 2017 and total revenues of Rs. 38065.72 lacs for the year ended on that date, as considered in the Consolidated Financial Statements.
10. The above mentioned financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.
11. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

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


12. As required by Section 143(3) of the Act, we report that, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- b) In our opinion, proper books of account as required by law have been kept by the constituents of the Group so far as it appears from our examination of books of the Holding Company and the report of the other auditors.
- c) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company & its subsidiary including the relevant records relating to preparation of the Consolidated Financial Statements.



- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the report of the auditors of its subsidiary company none of the director of the Group Companies is disqualified as on 31st March, 2017 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 Group and the operating effectiveness of such controls, refer to our separate Report in Annexure "A" and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact, if any, of pending litigations as on 31<sup>st</sup> March, 2017 on the consolidated financial position. Refer Note 19 to the consolidated financial statements.
  - ii. The Group did not have any foreseeable losses in respect of derivative contracts. The Group has not entered into any long-term contracts requiring provision for material foreseeable losses.
  - iii. There has not been an occasion in case of the Group during the year under report to transfer any amounts to the Investor Education & Protection Fund and, therefore, the question of delay in transferring such amounts does not arise.
  - iv. The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedure and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. Refer Note 30 to the consolidated financial statements.

**For K K Khadaria & Co**  
**Chartered Accountants**  
**Firm Regn No: 105013W**

  
**Ajay Daga**  
**Partner**  
**M.No. 44162**

**Place : Mumbai**  
**Dated : 30<sup>th</sup> May, 2017**



## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Tarrif Cine & Finance Limited on the consolidated financial statements for the year ended 31<sup>st</sup> March, 2017**

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Tarrif Cine & Finance Limited (hereinafter referred to as "the Holding Company") and its Subsidiary, as of that date.

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

2. The respective Board of Directors of the Holding Company & its Subsidiary which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective 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 the respective 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 ("the Act").

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Holding Company's and its Subsidiary's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. 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.
5. We believe that the audit evidence we have obtained and audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting.





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

6. 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**

7. 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**

8. In our opinion, the Holding Company and its Subsidiary have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company and its Subsidiary considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI.

### **Other Matters**

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal control over financial reporting insofar as it relates to its Subsidiary, is based on the corresponding report of the auditor of such company. Our opinion is not qualified in the respect of this matter.

**For K K KHADARIA & CO  
CHARTERED ACCOUNTANTS  
(FIRM REGN. NO. 105013W)**

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2017

**AJAY DAGA  
PARTNER  
M No. 44162**



## CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2017

	Note	As At 31.03.2017 Amt (Rs.)
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' Funds</b>		
Share Capital	2	2,450,000
Reserves and Surplus	3	403,847,986
		406,297,986
<b>Minority Interest</b>		437,627,250
<b>Non-current Liabilities</b>		
Long-term Borrowings	4	270,228,065
Deferred Tax Liability		98,498,088
Other Long-term Liabilities	5	22,442,294
Long-term Provisions	6	5,177,967
		396,346,414
<b>Current Liabilities</b>		
Short-term Borrowings	7	661,467,527
Trade Payables	8	1,188,762,247
Other Current Liabilities	9	131,801,216
Short-term Provisions	10	13,574,458
		1,995,605,449
<b>TOTAL</b>		3,235,877,098
<b>ASSETS</b>		
<b>Non-current Assets</b>		
<b>Fixed Assets</b>		
Tangible Assets	11	988,748,655
Intangible Assets		3,138,071
Capital WIP		20,978,911
		1,012,865,638
Non-current Investments	12	3,654,677
Long-term Loans and Advances	13	81,280,474
		1,097,800,789
<b>Current Assets</b>		
Inventories	14	1,136,418,696
Trade Receivables	15	627,277,099
Cash and Bank Balances	16	190,163,572
Short-term Loans & Advances	17	176,292,203
Other Current Assets	18	7,924,737
		2,138,076,307
<b>TOTAL</b>		3,235,877,098

Summary of Significant Accounting Policies

1

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

As per our report of even date

For K K KHADARIA & CO  
CHARTERED ACCOUNTANTS

AJAY DAGA

Partner

Place : Mumbai

Dated : 30th May, 2017

For and on behalf of the board

mm =

Harish Vaman

Balkrishna Binani Shenvi

Director

Director

00175080

00332699



## TARRIF CINE &amp; FINANCE LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2017

	Note	Year ended 31.03.2017 Amt (Rs.)
<b>Revenue</b>		
Revenue from Operations	20	25,905,651
Other Income	21	1,160,605
<b>Total Revenue</b>		<b>27,066,256</b>
<b>Expenses</b>		
Cost of Raw Materials Consumed		17,562,076
Purchases of goods traded		106,257
Changes-in-Inventories	22	(1,456,521)
Employee Benefits Expenses	23	637,422
Finance Costs	24	1,194,318
Depreciation and Amortisation Expenses	11	334,340
Other Expenses	25	3,919,611
<b>Total Expenses</b>		<b>22,297,502</b>
<b>Profit/(Loss) Before Tax</b>		<b>4,768,754</b>
Tax Expense:		
- Current Tax		753,566
- MAT Credit Entitlement		(719,356)
- Deferred Tax		148,455
- Prior Period Tax Adjustments		4,751
<b>Profit For The Year Before Minority Interest</b>		<b>4,581,338</b>
Minority Interest		90,325
<b>Profit For The Year</b>		<b>4,491,013</b>
<b>Earnings per equity share of face value of Rs.10/-each</b>		
Basic and Diluted (Rs.)	29	18.33

Summary of Significant Accounting Policies

1

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

As per our report of even date

**For K K KHADARIA & CO**  
CHARTERED ACCOUNTANTS

AJAY DAGA

Partner

Place : Mumbai

Dated : 30th May, 2017

For and on behalf of the board

Balkrishna Binani

Director

00175080

Harish Vaman

Shenvi

Director

00332699





**TARRIF CINE & FINANCE LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2017**

	As At 31.03.2017 Amt (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>	
a) NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	4,768,754
ADJUSTMENTS FOR:	
Pre-acquisition profit	61,762,522
Dividend Received	(101,396)
Gain on sale of Investments	(3,026,784)
Provision for Doubtful Debts no longer required w/back	(874,670)
Bad Debts	1,379,054
Interest on deferment of advance tax	43,976
Interest Paid	209,632,688
Interest received	(13,559,357)
Depreciation	61,017,023
Licence Fees, Profit on sale of Immovable Asset/Investment & compensation received	(14,273,194)
<b>b) OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>306,768,616</b>
ADJUSTMENTS FOR:	
Increase /(Decrease) in Other Current Liabilities	131,700
Increase /(Decrease) in Short-term Provisions	(874,670)
Increase /(Decrease) in Trade and Other Payables	672,100,805
(Increase)/Decrease in Long-term Loans and Advances	(25,000)
(Increase)/ Decrease in Inventories	(368,671,497)
(Increase)/ Decrease in Short-term Loans and Advances	874,670
(Increase)/ Decrease in Trade Receivables and Other Receivables	(410,823,520)
(Increase)/Decrease in Other Current Assets	
<b>CASH GENERATED FROM OPERATIONS</b>	<b>199,481,104</b>
Income Tax Paid	(1,758,913)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>197,722,191</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>	
Purchase of Fixed Assets & Capital Work in progress	(37,987,701)
(Purchases)/Sale of Investments (net)	(17,093,223)
Dividend Received	101,396
Interest Received	13,559,357
License Fees and Compensation Received	11,078,690
Rent Received	660,000
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(29,681,481)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>	
Proceeds from Borrowings	42,716,967
Interest Paid	(209,632,688)
<b>NET CASH FROM/(USED IN) FINANCIAL ACTIVITIES</b>	<b>(166,915,721)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,124,994</b>
<b>CASH AND CASH EQUIVALENTS AS AT 1.4.2016 (OPENING BALANCE)</b>	<b>2,686,500</b>
<b>CASH AND CASH EQUIVALENTS AS AT 31.3.2017 (CLOSING BALANCE)</b>	<b>3,811,494</b>



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1. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.
2. Previous Year's figure have been regrouped/ rearranged, wherever necessary, to correspond with the current year's classification/disclosure.

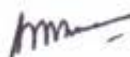
As per our Report of even date

For K K KHADARIA & CO  
CHARTERED ACCOUNTANTS

  
**AJAY DAGA**  
PARTNER  
PLACE : MUMBAI  
Dated : 30th May, 2017



For and on behalf of the board



**Balkrishna  
Binani**  
Director  
00175080



**Harish Vaman  
Shenvi**  
Director  
00332699





**TARRIF CINE & FINANCE LTD.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST  
MARCH, 2017**

**1. Summary of Significant Accounting Policies :-**

- a. The Consolidated Financial Statements of Tarrif Cine and Finance Limited ('Holding Company') together with its Subsidiary (collectively termed as 'the Group') are prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention under accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or an addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority(NFRA), the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply till the NFRA is constituted, the Central Government in consultation with the National Advisory Committee on Accounting Standards has notified the Companies (Indian Accounting Standards) Rules, 2015 vide MCA's notification dated 16.02.15 as amended vide notification dated 30.03.16 which Accounting Standards are still not made applicable to the Company. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards including the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 (Companies (Accounting Standards), Rules, 2006, as amended) and other relevant provisions of the Companies Act, 2014.
- b. Principles of Consolidation :
- i) The financial statements of the Holding Company and its Subsidiary have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits.
- ii) Minorities' interest in the net profit of consolidated Subsidiary for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Group. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same are accounted for by the Group.
- iii) The difference between the cost of investment in the Subsidiary, over the net assets at the time of acquisition of shares in the Subsidiary is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- iv) The Consolidated Financial Statements for the year ended March 31, 2017 have been prepared on the basis of the financial statements of the following Subsidiary:

Name of the Subsidiary	Country of Incorporation	% Interest in the Subsidiary (31st March, 2017)
Rashtriya Metal Industries Ltd.	India	50.51%



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**TARRIF CINE & FINANCE LTD.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2017**

- c. The Company follows the Prudential Norms for Assets Classification, Income Recognition, Accounting Standards, Provisioning for bad and doubtful debts as prescribed by the Reserve Bank of India for Non-Banking Financial Companies.
- d. Long-term investments are stated at cost after deducting provision made for permanent diminution in the value, if any. Current investments are stated at lower of cost & fair market value. Investment in Immovable property is stated at cost less depreciation.
- e. i) Dividends are recorded when the right to receive payment is established.  
ii) Sales & Services (Job work) are accounted on despatch of products and are inclusive of excise duty but excludes sales tax and VAT. The risk and rewards in the goods pass to the buyer on despatch of goods. Sales exclude recovery of charges separately collected from customers like transport, packing etc.  
iii) Income from operating lease on property given on lease is accounted as per the terms of agreement on period basis.
- f. Stock in trade in the case of Quoted Scrips/Units of Mutual Funds are valued at lower of cost and market value, whereby aggregate cost of all scrips/Units of Mutual Fund is compared with their aggregate market value, category wise & in the case of Unquoted Shares the same are taken at lower of cost and break-up value.

For Manufacturing Business, inventories are valued as follows:

- i) Raw materials, Packing material, Stores, Spares & consumables are valued at lower of cost, calculated on "First in First Out" basis, and net realisable value.
- ii) Work-in-progress at lower of cost including related overheads or net realisable value.
- iii) Finished goods at lower of weighted average cost or net realisable value. Cost includes related overheads and excise duty paid/payable on such goods.
- g. Staff benefits arising on retirement/death comprising contribution to Provident Fund, Superannuation and Gratuity scheme, and other post separation benefits are not accounted for as the same is not applicable to the Holding Company.  
In case of Subsidiary: Liability is provided for retirement benefits of Provident Fund, Superannuation Fund, Gratuity and Compensated Absences in respect of all eligible employees of the Company. The Company has covered its liability towards employee's superannuation under Group Superannuation Scheme of Life Insurance Corporation of India (LIC). Gratuity liability is provided as per Actuarial Valuation using projected unit credit method. Compensated Absences Liability has been provided as per Actuarial Valuation using Projected Unit Credit Method.
- h. Income-tax expense comprises current tax and deferred tax charge or credit. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax asset arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax asset on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to reassess realisation.



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**TARRIF CINE & FINANCE LTD.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST  
MARCH, 2017**

- i. i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the transaction date.  
ii) Monetary assets and liabilities in foreign currencies remaining unsettled at the year end are translated at the year end exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit & Loss.  
iii) Exchange gains / losses on settlement / conversion are recognised in the Statement of Profit and Loss of the year.  
iv) The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit & Loss in the period in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of such forward contract is also recognised as income or expense for the period. The Company uses foreign currency forward contracts to hedge its actual underlying exposures and not for trading or speculation purpose. The use of these forward contracts reduces the risk and/or cost to the company.
- j. Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. Interest & Finance cost incurred during construction period on projects under implementation included in capital work in progress. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.
- k. Fixed Assets are stated at cost less accumulated depreciation, impairment losses. Cost comprise of purchase price, freight, non refundable taxes and duties and any attributable cost of bringing the asset to its working condition for its intended use. Finance costs related to acquisition of fixed assets which take substantial period of time to get ready for use are included to the extent they relate to the period till such assets are ready for intended use.
- m. i) Depreciation on all the depreciable Fixed Assets acquired upto 30th June, 1979 are provided on Written Down Value Method and additions made subsequent thereto are provided on Straight Line Method. Depreciation on Tangible Fixed Assets is provided over the useful life of the assets as prescribed under Schedule II to the Companies Act, 2013.  
ii) Depreciation on additions to the assets during the year is provided on pro-rata basis from the date of acquisition / installation.  
iii) Depreciation on assets sold or discarded during the year is provided on pro-rata basis upto the date on which such assets are sold or discarded.  
iv) Assets costing upto Rs 5,000/- each are depreciated fully in the year of purchase.  
v) The Management has considered the life for Buildings, Plant & Machinery, Furniture Fittings & Office Equipments as per Schedule II to the Companies Act, 2013.
- n. Intangible Assets are written off over a period of four years.
- l. Capital Work In Progress includes expenditure during construction period incurred on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion / commencement of commercial production.



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**TARRIF CINE & FINANCE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2017**

	<b>As At 31.03.17 Amt (Rs.)</b>
<b>(2) Share Capital</b>	
Authorised :	
250000 (P.Y. 250000) Equity Shares of Rs. 10/- each	2,500,000
Issued, Subscribed and Paid-up:	
245000 (P.Y. 245000) Equity Shares of Rs. 10/- each fully paid-up	2,450,000
	<u>2,450,000</u>

a. The number of shares and amount outstanding at the beginning and at the end of the reporting year is the same.

b. The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to same right based on the number of shares held.

c. Shares in the Company held by each shareholders holding more than 5% shares:

<b>No. of Shareholders each holding more than 5% of the share capital</b>	<b>No. of Shares Held Percentage of holding</b>
Six shareholders (P.Y. Six shareholders)	189543 77.36%

**(3) Reserves & Surplus**

a. General Reserve		
(Opening & Closing Balance)		143,515
b. Special Reserve		
(Opening & Closing Balance)		1,053,124
c. Surplus in Statement of Profit and Loss		
Opening Balance	5,228,094	
Add: Net Profit for the current year	4,491,013	9,719,107
d. Capital Reserve		
Opening Balance	Nil	
Add: On consolidation of Subsidiary	392,932,239	392,932,239
Closing Balance		<u>403,847,986</u>

**(4) Long-term Borrowings**

Secured

-- Term Loan from SBI *	180,000,000
-- Term Loan from Fullerton India Credit Company Limited **	85,591,285
	265,591,285
Less: Amount disclosed under the head Other Current Liabilities (Refer Note 9)	48,203,479
	<u>217,387,806</u>

-- Vehicle Loans from HDFC	1,487,288
Less: Amount disclosed under the head Other Current Liabilities (Refer Note 9)	553,725
	<u>933,563</u>

Unsecured

Loan from related parties	51,906,696
	<u>270,228,065</u>

\* Secured by factory land and building and plant and machinery.

\*\* Secured by way of 1st charge by mortgage of commercial premises.

Current Maturity of loan due and payable within a year is classified as Other Current Liabilities (Note 9).



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## TARRIF CINE &amp; FINANCE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2017

	As At 31.03.17 Amt (Rs.)
<b>(5) Other Long-term Liabilities</b>	
-Security Deposits received	22,442,294
	<u>22,442,294</u>
<b>(6) Long-term Provisions</b>	
<u>Provision for Employee Benefits</u>	
a) For Gratuity (funded)	1,000,000
b) For Compensated Absences (non-funded)	4,177,967
	<u>5,177,967</u>
<b>(7) Short-term Borrowings</b>	
<u>Secured</u>	
Loan Repayable on Demand	
Rupee Bank Loan*	482,364,380
<u>Unsecured</u>	
Loans and Deposits	179,103,147
	<u>661,467,527</u>
* Secured against hypothecation of stock-in-trade and book debts and charge on factory land & buildings and plant & machinery.	
<b>(8) Trade Payables</b>	
Other Trade Payables (including Acceptances)	1,188,762,247
	<u>1,188,762,247</u>
<b>(9) Other Current Liabilities</b>	
Current Maturity of Long-term Debt	48,203,479
Current Maturity of Vehicle Loan	553,725
Unpaid Dividend	52,748
Other Payables	82,991,264
	<u>131,801,216</u>
<b>(10) Short-term Provisions</b>	
Provision for Employees Benefits	3,477,912
Other Provisions	10,096,546
	<u>13,574,458</u>



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TARRIF CINE & FINANCE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2017

(11) FIXED ASSETS

Assets	GROSS BLOCK		DEPRECIATION/AMORTISATION		NET BLOCK	
	As at 01.04.2016	Additions during the year	Deductions/ Adjustments during the year	As at 31.03.2017	As at 01.04.2016	As at 31.03.2017
<b>Tangible Assets:</b>						
Freehold Land	768,582	-	-	768,582	-	768,582
Leasehold Land	46,234,881	-	-	46,234,881	516,591	46,234,881
Buildings	231,769,689	-	-	231,769,689	8,539,280	186,759,347
Plant & Machinery & Electrical Installations	1,133,387,117	14,419,677	-	1,147,806,793	342,017,243	791,369,874
Furniture, Fittings & Office Equipments	12,495,506	345,273	-	12,840,779	9,360,839	3,134,667
Vehicles	5,946,212	1,977,374	-	7,923,586	2,895,697	4,151,953
<b>TOTAL</b>	<b>1,430,601,986</b>	<b>16,742,324</b>	<b>-</b>	<b>1,447,344,310</b>	<b>399,284,121</b>	<b>1,031,317,865</b>
<b>Intangible Assets</b>	<b>5,829,992</b>	<b>192,727</b>	<b>-</b>	<b>6,022,719</b>	<b>1,252,897</b>	<b>3,138,071</b>
<b>Capital Work In Progress</b>	<b>-</b>	<b>20,978,911</b>	<b>-</b>	<b>20,978,911</b>	<b>-</b>	<b>20,978,911</b>
Tangible Assets (Previous Year)	1,346,164,245	86,025,283	1,070,946	1,431,118,577	344,119,504	1,031,317,865
Intangible Assets (Previous Year)	1,486,708	4,343,284	-	5,829,992	1,026,489	4,577,095
CWIP (Previous Year)	41,191,263	43,953,212	85,144,475	-	-	-



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## TARRIF CINE &amp; FINANCE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2017

	As At 31.03.17 Amt (Rs.)
<b>(12) Non-current Investments</b>	
<b><u>Non-trade Investments</u></b>	
<b>a) Investment in Immovable Property</b>	
Gross Value of Immovable Property (at cost)	3,955,740
Less: Accumulated Depreciation	1,060,517
Depreciated Value of Immovable Property	2,895,223
<b>b) Investment in Equity Instruments</b>	
<b>Quoted</b>	
<u>In Equity Shares</u>	
12 Eq. Sh. of Rs. 10/- each of Reliance Industries Ltd.	6,000
	6,000
<b>Unquoted</b>	
<u>In Equity Shares</u>	
250 Eq. Sh. of Rs.10/-each of Rashtriya Metal Industries Employees' Consumers Co-Op Society Ltd share of Rs.10/- each	2,500
	2,500
<b>c) In Units of Mutual Funds</b>	
34581.739 Units of ICICI Prudential Short-term Plan Dividend Reinvest.	410,471
24607 Units of Kotak Life Select Focus Fund - Growth Plan	200,000
	610,471
<b>d) In Bullion</b>	
24.56 Kg. of Silver Utensils	140,483
	140,483
<b>Total Non-current Investments</b>	3,654,677
<b>Aggregate Book Value of Quoted Investments</b>	6,000
<b>Market Value of Quoted Investments</b>	15,830
<b>Aggregate Book Value of Unquoted Investments</b>	610,471
<b>Aggregate Book Value of Bullion</b>	140,483



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**TARRIF CINE & FINANCE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2017**

	<b>As At 31.03.17 Amt (Rs.)</b>
<b>(13) Long-term Loans &amp; Advances</b>	
(Unsecured and Considered Good)	
Capital Advances	948,215
Security Deposits	2,452,420
Advances recoverable in cash or in kind or for value to be received	1,752,030
Other Loans & Advances	76,127,809
	<u>81,280,474</u>
<b>(14) Inventories</b>	
-- Stores & Spare Parts	23,828,640
-- Raw Materials	120,822,482
-- Work in Process	635,670,351
-- Finished Goods	350,725,323
-- Stock-In-Transit	5,162,320
-- Equity Shares	209,580
	<u>1,136,418,696</u>
<b>(15) Trade Receivables</b>	
(Unsecured, considered good)	
Outstanding for a period exceeding six months from the date they are due for payment	48,483,488
Other Debts	578,793,611
	<u>627,277,099</u>
<b>(16) Cash &amp; Bank Balances</b>	
Cash & Cash Equivalents	
--Cash on Hand	129,328
--Balance with Bank in Current Account	3,632,823
Other Bank Balances	
--in Unpaid Dividend Accounts	70,506
--Balances held as margin money	186,330,914
	<u>190,163,572</u>
<b>(17) Short-term Loans &amp; Advances</b>	
(Unsecured, considered doubtful)	
Other Loans & Advances	176,292,203
	<u>176,292,203</u>
<b>(18) Other Current Assets</b>	
Accrued Interest on deposits	7,916,141
Interest Receivable	8,596
	<u>7,924,737</u>
<b>(19) Contingent Liabilities and Commitments</b>	
a. Outstanding Bank guarantees - Rs. 461531528/-.	
b. Capital contracts to be executed not provided (Net of advances) - Rs. 3634669/-.	
c. Arrears of dividend on Preference Shares - Rs. 2400000/-.	
d. There are certain disputed excise, sales tax and service tax show cause notices. The same are in appeals at various levels. The Company foresees no liability in the above cases as the management believes that it has strong case in the appeal. - Rs. 16832198/-.	



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## TARRIF CINE &amp; FINANCE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2017

	For The Period Ended 31.03.17 Amt (Rs.)
<b>(20) Revenue from Operations</b>	
Sale of Goods and Services	22,820,040
Sale of Shares	1,531,672
Dividend Income	
- on Current Investments	4,803
- on Non-current Investments	78,918
Interest Income	558,148
Gain on sale of Investments	3,026,784
<b>Revenue from Operations (Gross)</b>	28,020,365
Less: Excise Duty	2,114,714
<b>Revenue from Operations (Net)</b>	25,905,651
<b>(21) Other Income</b>	
Dividend on Non-current Investments	97
Interest on Bank Deposits	64,115
Interest on Security Deposits	6,065
Interest on Overdue Trade Receivables	4,118
Rent Received	3,616
License Fees	60,482
Profit on Sale of Investments	13,888
Incentive received	5
Insurance Claim Received	217
Provision for Doubtful Debts no longer required w/back	874,670
Misc. Income	96
Gain on Foreign Exchange fluctuation	133,235
	1,160,605
<b>(22) Changes-in-Inventories</b>	
Stock at commencement	6,590,123
Less: Conversion of Stock-in-Trade into Non-trade Investments	2,403,870
	4,186,253
Stock at close	5,642,774
	(1,456,521)



## TARRIF CINE &amp; FINANCE LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2017

	For The Period Ended 31.03.17 Amt (Rs.)
<b>(23) Employees Benefits Expenses</b>	
Salaries, Wages & Bonus	558,753
Contribution to Provident and Other Funds	45,789
Welfare Expenses	32,880
	<u>637,422</u>
<b>(24) Financial Costs</b>	
Interest on Borrowing Costs	1,148,672
Interest on TDS	1,670
Interest on Deferment of Advance tax	43,976
	<u>1,194,318</u>
<b>(25) Other Expenses</b>	
Advertisement	28,709
Auditors' Remuneration	
- Audit Fees	47,507
- Income Tax Matters	2,875
- Certification Work	11,522
Listing Fees	229,000
Filing Fees	48,800
Legal and Professional Fees	181,660
Depository & Registrar Charges	42,169
Profession Tax	2,500
Software Expenses	47,650
Miscellaneous Expenses	126,801
Commission on Sales	113,675
Consumption of Packing Materials	56,264
Consumption of Stores and Spare Parts	365,824
Directors' Fees	68
Donations	132
Excise Duty paid on Finished Stock	93,070
Insurance	14,655
Labour Charges	157,634
Bad Debts written off	897,510
Managerial Remuneration	30,179
Office & Communication Expenses	45,731
Power and Fuel	1,007,714
Professional & Consultancy Expenses	34,538
Rates & Taxes	13,766
Repairs to Plant & Machinery	147,639
Repairs to Roads & Buildings	3,756
Selling Expenses	146,152
Water Charges	22,110
	<u>3,919,611</u>



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**TARRIF CINE & FINANCE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2017**

(26) The Gratuity liability as per Actuarial Valuation has been duly provided.

The Gratuity Funds for the employees are administered by Life Insurance Corporation of India under Group Gratuity Scheme. Liability of Gratuity has been valued by an independent actuary as on 31st March, 2017 and has been provided accordingly.

The disclosure in respect of the defined Gratuity Plan are given below:

	<b>2016-17</b>
<b>a. Assumptions :</b>	
Retirement Age	58 years
Attrition Rate	2%
Future Salary Rise	5%
Rate of Discounting	7.12% / 7.39%
Monthly Table	LIC (1994-96) Ultimate
<b>b. Table Showing change in Benefit Obligation :</b>	<b>Rs.</b>
Liability at the beginning of the year	10,753,131
Interest Cost	837,741
Current Service Cost	724,326
Benefits Paid	-
Actuarial (gain)/loss on obligations	316,393
Liability at the end of the year	12,631,591
	<b>2016-17</b>
	<b>Rs.</b>
<b>c. Table Showing fair value of plan Assets :</b>	
Fair Value of Plan Assets at the beginning of the year	8,774,435
Expected Return on Plan Assets	678,565
Contribution	215,147
Benefits Paid	-
Actuarial (gain)/loss on Plan Assets	(56,225)
Fair Value of Plan Assets at the end of the year	9,611,922
Total Actual (Gain)/Loss to be Recognised	372,618
<b>d. Actual Return on Plan Assets :</b>	
Expected Return on Plan Assets	678,565
Actuarial gain/(loss) on Plan Assets	(56,225)
Actual Return on Plan Assets	622,340
<b>e. Amount Recognised in Balance Sheet :</b>	
Liability at the end of the year	(12,631,591)
Fair Value of Plan Assets at the end of the year	9,611,922
Funded Status (Shortfall) / Excess	(3,019,669)
Net Assts / (Liability) Recognised in Balance Sheet	(3,019,669)
<b>f. Expenses Recognised in Statement of Profit &amp; Loss :</b>	
Current Service Cost	724,326
Interest Cost	837,741
Expected Return on Plan Assets	(678,565)
Net Actuarial (Gain) or Loss recognised in the year	372,618
Expenses Recognised in Statement of Profit & Loss	1,256,120
<b>g. Balance Sheet Reconciliation :</b>	
Opening Net Liability	1,978,696
Expenses as above	1,256,120
Employer's Contribution	(215,147)
Amount Recognised in Balance Sheet	3,019,669



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**TARRIF CINE & FINANCE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2017**

**(27) Segment Reporting**

The Group has identified business segments as its primary segment. The Group has identified two reportable business segments viz. investment and manufacturing segment.

**Primary Segment Disclosure**

Particulars	Investment activities	Manufacturing activities	Consolidated Total
	2016-17	2016-17	2016-17
i) <b>Segment Revenue</b>			
Operating income	5,200,326	20,705,325	25,905,651
Less: Inter-segment revenue	Nil	Nil	Nil
Net Revenue from Operations	5,200,326	20,705,325	25,905,651
ii) <b>Results</b>			
Segment Result before interest and tax	4,474,112	1,488,962	5,963,074
Less: Finance Costs	45,646	1,148,672	1,194,318
Profit before Tax	4,428,466	340,289	4,768,755
Less : Taxes	29,629	157,787	187,416
<b>Net Profit</b>	4,398,837	182,502	4,581,337
iii) <b>Other Information</b>			
Segment Assets	1,961,719	3,233,915,377	3,235,877,096
Segment Liabilities	908,099	2,391,043,761	2,391,951,860
Capital Expenditure	Nil	37,913,962	37,913,962
Depreciation and Amortisation	Nil	334,340	334,340

**Secondary Segment Disclosure- Geographical Segment**

	India	Outside India	Total
Revenue from Operations (Gross)	22,701,462	5,318,904	28,020,366

**(28) Related Party Disclosures**

**i. List of Related Parties with whom transactions have taken place & Relationship :**

<u>Name of the Related Party</u>	<u>Relationship</u>
<b>Key Management Personnel</b>	
Balkrishna Binani	Managing Director
<b>Relative of Key Management Personnel</b>	
Shashi Binani	Relative of Key Management Personnel
Anirudh Binani	Relative of Key Management Personnel
Devpriya Bihani	Relative of Key Management Personnel
Pragati Bihani	Relative of Key Management Personnel

**Enterprises over which Key Management Personnel are able to exercise significant influence**

Pragdas Mathuradas (Bom) Pvt. Ltd  
The Binani Commercial Co. Pvt Ltd  
Vasundhara Developers

**ii. Transaction with Related Parties during the year :-**

	2016-17 Amt(Rs.)
<b>Key Management Personnel and Relative of Key Management Personnel</b>	
Purchase of Investments	27746080/-
Remuneration Paid	7333236/-
Interest Paid	1896329/-
Rent Paid	324000/-
<b>Enterprises over which Key Management Personnel are able to exercise significant influence</b>	
Interest Paid	558148/-
Purchase of Goods/Materials/Services	516810/-
Rent Paid	516000/-



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**TARRIF CINE & FINANCE LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2017**

iii. Balance outstanding at the year end is as under :

	As At
	31.03.2017
	Amt(Rs.)
<b>Key Management Personnel and Relative of Key Management Personnel</b>	
Long-term Borrowings	51906696/-
Sundry Creditors	162000/-
<b>Enterprises over which Key Management Personnel are able to exercise significant influence</b>	
Sundry Creditors	37,415

(29) Earnings Per Share (EPS)	2016-2017
i) Weighted Average Number of Equity Shares outstanding during the year	245000
ii) Net Profit after tax available for Equity Shareholders (Rs.)	4491013/-
iii) Basic and Diluted Earnings Per Share (Rs.)	18.33
iv) Nominal Value Per Share (Rs.)	10/-

The Company does not have any outstanding dilutive potential equity shares.

(30) Disclosure in respect of Specified Bank Notes (SBNs) held and transacted:

(In Rs.)

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand on November 8, 2016	295,500	436,082	731,582
(+) Permitted receipts	NIL	-	-
(-) Permitted payments	NIL	-	-
(-) Amount deposited in banks	295,500	-	-
Closing cash in hand on December 30, 2016	NIL	-	-

\* For the purpose of this clause, the term "Specified Bank Notes" (SBNs) is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

The disclosures with respects to 'Permitted Receipts', 'Permitted Payments', 'Amount Deposited in Banks' and 'Closing Cash in Hand as on 30th December, 2016' is understood to be applicable in case of SBNs only.

(31) Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary:

31 st March, 2017				
Name of Enterprise	Net Assets (Total Assets - Total Liabilities)		Share in Profit or Loss	
	As % of consolidated net assets	Amount (Rs.)	As % of consolidated profit or loss	Amount (Rs.)
<b>Parent</b>				
- Tarrif Cine and Finance Limited	3.27%	13,273,571	97.95%	4,398,837
<b>Subsidiary</b>				
- Rashtriya Metal Industries Limited	211.88%	860,871,616	4.06%	182,502
<b>Minority Interest in Subsidiary</b>	-107.71%	(437,627,250)	-2.01%	(90,325)
<b>Total</b>	107.44%	436,517,937	100%	4,491,014
Consolidation Adjustments	7.44%	30,219,950	NIL	NIL
Net Amount	100%	406,297,987	100%	4,491,014

As per our report of even date

For K K KHADARIA & CO  
CHARTERED ACCOUNTANTS

AJAY DAGA  
PARTNER  
PLACE : MUMBAI  
DATE : 30/05/2017

For and on behalf of the board

Balkrishna  
Binani  
Director  
00175080

Harish Vaman  
Shenvi  
Director  
00332699



**TARRIF CINE & FINANCE LTD.**

