

TARRIF CINE & FINANCE LIMITED

CIN: L65990MH1985PLC035268

Regd. Off. : Ground Floor, Binani Bhavan, 28/30, Anant Wadi, Bhuleshwar, Mumbai – 400 002.
Tel: 2201 4001, Fax: 2201 4003 Email Id: tarrifcinefin@yahoo.com, BSE CODE NO. 512221
Website: www.tarrifcine.com

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

Scrip Code: 512221

Sub: Submission of Annual Report of the Company

Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir,

With reference to the captioned subject, please find enclosed Annual Report of the Company duly approved by the shareholders at the 33rd Annual General Meeting of the Company held on 28th September, 2018 at 28/30, Anant Wadi, Bhuleshwar, Mumbai-400002.

You are requested to kindly take the same on record.

FOR TARRIF CINE & FINANCE LIMITED

DDPatil

Deepak Patil

CFO

PAN: AUUPP4323K

Place: Mumbai

Date: 28th September, 2018





33RD ANNUAL REPORT

2017-18

TARRIF CINE & FINANCE LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS	: Mr. Balkrishna Binani (Managing Director)
	: Mr. Harish Vaman Shenvi (Non-Independent & Non-Executive Director)
	: Mrs. Sarladevi Navratan Damani (Woman Director)
	: Mr. Yashwant Rajmal Jain (Independent Director)
	: Mr. Sanjay Gopallal Mundra (Independent Director)
	: Mr. Navratan Bhairuratan Damani (Non-Independent & Non-Executive Director)
	: Mr. Rajendra Kumar Choudhary (Resigned w.e.f. 23rd June, 2017)
REGISTERED OFFICE	: 28/30, Anant Wadi Bhuleshwar Mumbai 400 002.
STATUTORY AUDITORS	: M/s .K K Khadaria & Co Chartered Accountants, Mumbai
REGISTRAR AND SHARE TRANSFER AGENT	: Bigshare Services Pvt. Ltd 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra-400 059
CHIEF FINANCIAL OFFICER	: Mr. Deepak Dnyandeo Patil (Chief Financial Officer)
COMPANY SECRETARY AND COMPLIANCE OFFICER	: Mrs. Snehal Prashant Pawar (Appointed w.e.f 11th May, 2018)



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty Third Annual General Meeting of the Members of Tarrif Cine & Finance Limited will be held on 28th September, 2018 at the Registered office of the Company situated at 28/30, Anant Wadi Bhuleshwar Mumbai-400 002, at 04:00 P.M. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018, together with the Reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Harish Vaman Shenvi (DIN: 00332699), who retires by rotation and, being eligible, offers himself for re-appointment;
3. To appoint a Director in place of Mr. Navratan Bhairuratan Damani (DIN: 00057401), who retires by rotation and, being eligible, offers himself for re-appointment;

SPECIAL BUSINESS:

4. SALE OR DISPOSAL OF THE ASSETS BY THE SUBSIDIARY COMPANY

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“LODR”) and further pursuant to the provision of Section 180 (1)(a) of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications and amendments and subject to the Memorandum and Articles of Association of the Company, the requisite approvals, if any, of any relevant regulatory or government authorities, and further subject to such terms and conditions as may be prescribed by any of the aforesaid authorities while granting such approvals, the consent of the Members of the company be and are hereby accorded to sell or otherwise dispose of the Assets of its material subsidiary, Rashtriya Metal Industries Limited (“RMIL”).

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company, be and are hereby severally authorized to make, sign and execute and file necessary applications, forms, papers, documents and information as may be considered necessary or expedient including appointing attorney/s or authorized representatives under appropriate Letter/s of Authority/ies, to appear before the office of the Ministry of Corporate Affairs / Registrar of Companies, Stock

Exchange(s) where securities of the Company are listed and other Regulatory or Statutory Authority/ies, as may be required from time to time and to do all such acts, deeds and things including settling and finalizing all issues that may arise in this regard in order to give effect to the abovementioned resolution and to delegate all or any of the powers conferred herein as they may, in their absolute discretion, deem fit.”

Date : 13th August, 2018
Place : Mumbai

By Order of the Board

Sd/-

Regd. Office :28/30, Anant Wadi Bhuleshwar,
Mumbai-400 002

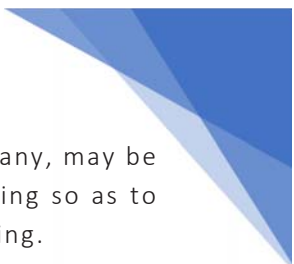
Snehal Pawar
(Company Secretary)

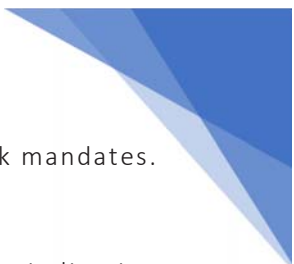
NOTES TO NOTICE

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form MGT-11 is sent herewith.

Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

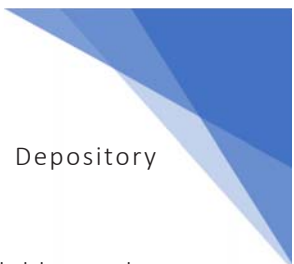
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
3. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (herein after referred to as "the Act", in respect of item 4 is annexed hereto. As required in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, relevant information in respect of the Directors seeking appointment and re-appointment at the AGM is annexed hereto.
4. The Register of Members and the Share Transfer books of the Company will remain closed from Saturday, 22nd September, 2018 to Friday, 28th September 2018 (both days inclusive) for annual closing for the financial year 2017-18.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Registrar and Share Transfer Agent M/s. Bigshare Services Private Limited.

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6. Queries on financial statements and operations of the Company, if any, may be sent to the Company Secretary seven days in advance of the meeting so as to enable the Management to keep the information ready at the meeting.
 7. All transfer deeds, requests for change of address, bank particulars /mandates /ECS mandates, PAN should be lodged with Company's Registrar and Share Transfer Agent M/s. Bigshare Services Private Limited, in case of shares held in physical form on or before Thursday, 20th September, 2018. The above details in respect of the shares held in electronic form should be sent to the respective Depository Participants by the members well in time.
 8. In case of joint holders attending the Meeting, only such joint holder who is high in the order of names in the Register of Members will entitled to vote.
 9. Members are also requested to note that the Company has entered into Tripartite Agreement with NSDL and CDSL towards Dematerialization of shares. Members are requested to send all their requests towards Dematerialization to their respective DP's.
 10. Members are requested to advise immediately about any change of address:
 - a) To their Depository Participants (DPs) in respect of their electronic share accounts.
 - b) To the Company's Registrar & Share Transfer Agents M/s. Big Share Services Private Limited in respect of their physical share folios if, any.
 11. Under Section 72 of the Act, members are entitled to make nomination in respect of shares held by them in physical mode. Members desirous of making nominations are requested to send their request in Form No. SH.13 to the Company's Registrar and Share Transfer Agent.
 12. As a measure of economy, Members are requested to bring their copy of Annual Report to the meeting. Members / Proxies should bring the attendance slip duly filled in and signed for attending the meeting. **MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.**
 13. The Annual Report of the Company circulated to the members of the Company will be made available on the Company's website at **www.tarrifcine.com**
 14. The Company or its Registrars and Transfer Agents, Bigshare Services Private Limited cannot act on any request received directly from the Members holding



shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.

15. Electronic copy of the Notice of the AGM of the Company inter alia indicating the process and manner of e-voting along with the Attendance slip and Proxy form is being sent to all the members whose email IDs are registered with the Company/Depository participants(s) for communication purpose unless any member has requested for a hard copy of the same. For the members who have not registered their email address, physical copies of the notice of the AGM of the Company inter alia indicating the process and manner of e-voting along with the Attendance slip and proxy form is being sent in the permitted mode.
16. SEBI has notified that requests for effecting transfer of securities shall not be processed by listed entities unless the securities are held in the dematerialized form with a depository in view of the above and to avail various other benefits of dematerialization like easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries, members are advised to dematerialize shares held by them in physical form.
17. To support green initiative of the Government in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in the following manner:
 - a) In respect of electronic holdings with the Depository through their concerned Depository Participants.
 - b) Members who hold shares in physical form are requested to register their e-mail ID with tarrifcinefin@yahoo.com quoting your name and folio number.
18. Procedure for voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM




(“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Tuesday, 25th September, 2018 (9:00 am) and ends on Thursday, 27th September, 2018 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 21st September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1: Log-in to NSDL e-Voting system

- I. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
- II. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- III. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- IV. Your User ID details will be as per details given below:
 - a) For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).



b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).

c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).

V. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

VI. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

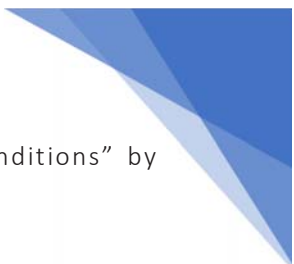
VII. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

a) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

b) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

c) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

d) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

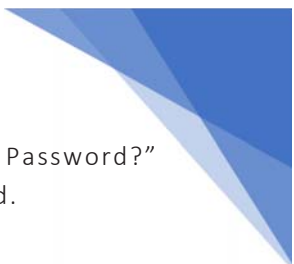
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- VIII. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 - IX. Now, you will have to click on “Login” button.
 - X. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

- I. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- II. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- III. Select “EVEN” of the Company.
- IV. Now you are ready for e-Voting as the Voting page opens.
- V. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- VI. Upon confirmation, the message “Vote cast successfully” will be displayed.
- VII. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- VIII. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

- a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail (jajodiaassociate@gmail.com) to with a copy marked to evoting@nsdl.co.in.
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through




the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

Please note the following:

- A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith

Other information:

- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
19. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.
20. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

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21. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Friday 21st September, 2018.
 22. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. Friday 21st September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or evoting@ladderup.com. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com.
 23. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 24. M/s. Jajodia & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 25. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 26. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 1.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
 27. This Notice has been updated with the instructions for voting through electronic means as per the Amended Rules 2015.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS

In Conformity with the provisions of Section 102(1) of the Companies Act, 2013 the following Explanatory Statement sets out all the material facts relating to the special business of the Notice and the same should be taken as forming part of the notice.

Item No. 4

The members be informed that in Compliance with the requirement of the Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("LODR") and further pursuant to the provision of Section 180 (1)(a) of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications and amendments and subject to the Memorandum and Articles of Association of the Company, the requisite approvals, if any, of any relevant regulatory or government authorities, and further subject to such terms and conditions as may be prescribed by any of the aforesaid authorities while granting such approvals, the consent of the Members of the company is hereby sought to sell or otherwise dispose of the Assets of its material subsidiary, Rashtriya Metal Industries Limited ("RMIL") based on terms and conditions as may be approved by the Board of Director of Subsidiary Company.

The Board of Directors recommends the Special Resolution set out in the Notice for approval of members, as they feel the same to be in the interest of the Company.

Except in their capacity as shareholder of the Company, none of the directors, key managerial personnel or their relatives, have any concern or interest, financial or otherwise, in passing of the said resolution.

Date : 13th August, 2018

Place : Mumbai

By Order of the Board

Sd/-

**Regd. Office : 28/30, Anant Wadi Bhuleshwar,
Mumbai-400 002**

**Snehal Pawar
(Company Secretary)**



ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

The details pertaining to appointment or re-appointment of the Directors as required to be provided pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are as follows:

Name of the Director	Mr. Harish Shenvi
Date of Birth	01 st March, 1946
Date of Appointment	30 th April, 2002
Expertise in specific functional area	Finance
Qualification	DME, DOM, DIE
List of outside Directorship held as on 31st March, 2018 (Excluding Private Limited Companies and Foreign Companies)	NIL
Chairman/Member of the Committee of Board of Directors of the Company as on 31st March, 2018	NIL
No of Shares held in the Company as on 31st March, 2018	0

Name of the Director	Mr. Navratan Damani
Date of Birth	28 th February, 1948
Date of Appointment	16 th February, 1999
Expertise in specific functional area	Finance
Qualification	B.Com.
List of outside Directorship held as on 31st March, 2018 (Excluding Private Limited Companies and Foreign Companies)	NIL
Chairman/Member of the Committee of Board of Directors of the Company as on 31st March, 2018	NIL
No of Shares held in the Company as on 31st March, 2018	0

ROUTE MAP OF THE VENUE OF THE AGM



Prominent Landmark: Anant Wadi

DIRECTORS' REPORT

To

The Members,

Your Directors are pleased to present the Thirty Third 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 31st March, 2018.

1. FINANCIAL RESULTS:

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

(Amount in lacs)

Particulars	2017-18	2016-17	2017-18	2016-17
	Consolidated		Standalone	
Income from operation and other Income	43962.42	269.33	1004.62	60.75
Profit/(Loss) before Tax	1134.04	47.69	(21.10)	44.28
Add/ (Less): Current Tax	255.00	7.54	-	6.80
Add/ (Less): MAT Credit Entitlement	(156.02)	(7.19)	-	(6.50)
Add/ (Less): Deferred Tax Liability/ Assets	301.66	1.48	-	Nil
Add/ (Less): Taxation of earlier years	3.47	0.05	-	Nil
Profit for the year before Minority Interest	705.93	45.66	(21.10)	43.99
Minority Interest	359.81	0.90	-	NA
Profit for the year	346.13	44.75	(21.10)	43.99

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

DIRECTORS' REPORT

2. FINANCIAL HIGHLIGHTS AND COMPANY AFFAIRS:

Standalone Performance:

Your Company has earned total revenue of INR. 1004.62 lakh in financial year 2017-18 as compared to INR. 60.75 lakh in financial year 2016-17. The Company incurred a Net loss of INR. 21.10 lakh in the current financial year as compared to the Net Profit of INR. 43.99 lakh of the previous financial year.

Consolidated Performance:

Your Company has earned total revenue of INR. 43,962.42 lakh in financial year 2017-18 as compared to INR. 269.33 lakh in financial year 2016-17. The Company Net Profit increased to INR. 346.13 lakh in the current financial year as compared to the Net Profit of Rs. 44.75 lakh of the previous financial year.

Subsidiary Company :

RASHTRIYA METAL INDUSTRIES LIMITED

Unlike the previous financial year, 2017-18 turned out to be a good year for the capital market. The revenue from operations increased from INR. 41646.57 lakh to INR. 44281.48 lakh during the financial year 2017-18. The Company earned a Net profit of INR. 751.03 lakh in the current financial year as compared to the Net Profit of INR. 333.07 lakh of the previous financial year.

3. 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" and same is available on the website of the Company and its web link is:-www.tarrifcine.com.

4. 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.

DIRECTORS' REPORT

5. DIVIDEND:

Since the company has incurred loss during the current financial year the company do not recommend any divided for the Financial Year 2017-18.

6. 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 31st March, 2018 none of the Directors of the Company holds instrument convertible into equity shares of the Company.

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

Particulars	As at 31 st March 2018		As at 31 st March 2017	
	Number of Shares	Amount (In Rs.)	Number of Shares	Amount (In Rs.)
Authorised Capital:- Equity Shares of Rs. 10/- each	250,000	2,500,000	250,000	2,500,000
Issued Subscribed and Paid-Up Equity Share Capital Fully Paid-Up:- Equity Shares of Rs. 10/- each	245,000	2,450,000	245,000	2,450,000

7. MEETINGS OF THE BOARD:

During FY 2017-18 there were 6 (Six) Board Meetings held by the Company on 30th May, 2017, 23rd June, 2017, 14th August, 2017, 13th November, 2017, 17th January, 2018 and 13th February, 2018. 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 2017-18:

DIRECTORS' REPORT

Sr. No.	Name of the Directors	Attendance at Board Meetings held during FY 2017-18
1.	Navratan Damani	6
2.	Balkrishna Binani	6
3.	Harish Vaman Shenvi	6
4.	Sarladevi Damani	6
5.	Yashwant Jain	6
6.	Sanjay Mundra	6
7.	*Rajendra Kumar Choudhary	1

*Mr. Rajendra Kumar Choudhary has resigned from the Board w.e.f. 23rd June, 2017.

8. 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 as "Annexure B".

9. 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

DIRECTORS' REPORT

view of the state of affairs of the company as at 31st March, 2018 and of the Loss 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.

10. 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.

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

11. 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 Mr. Harish Shenvi (DIN: 00332699), 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 (approved) the resignation of Mr. Rajendra Kumar Nandkishore Choudhary from the post of Directorship with effect from 23rd 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 33rd Annual General Meeting of the Company.

12. 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 31st March, 2017 is Rs 13,27,357/- which is less than Rs. 25 Crores and therefore,

DIRECTORS' REPORT

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.

13. AUDITORS & AUDITORS' REPORT

a) STATUTORY AUDITORS & STATUTORY AUDITORS' REPORT:

At the Annual General Meeting of the Company held on 29th September, 2014, M/s. K K Khadaria & Co, Chartered Accountants, Mumbai (**Firm Registration Number 105013W**), were appointed as statutory auditors of the Company for a term of five years [i.e., till the conclusion of Annual General Meeting to be held in FY 2019-2020].

Section 139 of the Act has been amended vide the Companies (Amendment) Act, 2017 by the Ministry of Corporate Affairs on May 7, 2018 and has done away with the requirement of seeking ratification of Members for appointment of Auditors at every AGM. Accordingly, no Resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM. Under Sections 139 and 141 of the Act and Rules framed thereunder confirmed that they are not disqualified from continuing as Statutory Auditors of the Company and furnished a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under Regulation 33 of the Listing Regulations.

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

b) 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 2017-18 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 C**" 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:

DIRECTORS' REPORT

Sr. No.	Auditors' Remark/Observation	Management Reply
1.	<i>The Company is suspended from trading on BSE Limited w.e.f. 29th November, 2016.</i>	With reference to the observations made by the Secretarial Auditors in their Report, Directors wishes to state that the Company has complied with all the earlier non- compliance and the Company is under the process of resolving the issue of suspension with BSE Limited.
2.	<i>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;</i>	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 & as the Company is suspended from BSE Limited it is not possible to obtain the same. Further, the Company is under the process of resolving the issue of suspension with BSE Limited & necessary steps have already been taken for the same. The Company will infuse the funds as & when the BSE revokes the suspension.
3.	<i>The Company has not intimated name of the Principal Officer and has not registered with the FIU-IND Financial Intelligence Unit-India and has not complied with Nil report filing i.e. CTR / NTR with FIU-IND under</i>	With reference to the observations made by the Secretarial Auditors in their Report, The Company has initiated the process towards the registration under FIU-IND Financial Intelligence Unit- India and has also registered the name of Principal Officer. Further the company is

DIRECTORS' REPORT

<i>provisions of Sec 12(1)(b) of PMLA, 2002 read with Rule 3(A), 3(B), 3(BA) and 8(1) of PML (Maintenance of Records) Rules. Further, In view of the same the company has been categorized as 'High Risk Financial Institutions' (by FIU-IND) on account of non-compliance with PMLA and PML Rules, i.e. non registration of Principal Officer (PO) as on 31.01.2018</i>	under the process of filing the required FIU return and removing the name from 'High Risk Financial Institutions' (by FIU-IND) on account of non-compliance with PMLA and PML Rules, i.e. non registration of Principal Officer (PO) as on 31.01.2018
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c) 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. 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 subsidiary in Form AOC-1 as "**Annexure D**" 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 Act as amended by the Companies Amendment Act, 2017, the audited the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiary are available on the website of www.tarrifcine.com.

DIRECTORS' REPORT

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 i.e. www.tarrifcine.com.

16. 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 E".

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

17. AMOUNT TRANSFERRED TO RESERVES:

The Board of the Company does not propose to transfer any amount to the reserves for the Financial Year 2017-18.

18. NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY:

The Company being registered as a Non-Banking Financial Institution on 24th 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. The 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.

19. MATERIAL CHANGES:

During the Financial Year 2017-18 there are no material changes affecting the financial position of the Company and affecting Financials Statements.

20. 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;

DIRECTORS' REPORT

2. Nomination & Remuneration Committee; and
3. Stakeholders' Relationship Committee.
4. Risk Management Committee.

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

21. 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.

The Terms of Reference, Composition and Meetings and Attendance is as below:

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 31st March, 2018.

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
4.	Mr. Balkrishna Binani w.e.f 23 rd June, 2017	Managing Director	Member

DIRECTORS' REPORT

iii. Meetings and Attendance:

During the financial year 2017-18, 5 (Five) Meetings were held on 30th May, 2017, 23rd June, 2017, 14th August, 2017, 13th November, 2017, and 13th February, 2018.

*Mr. Rajendra Kumar Choudhary has been resigned from the Board w.e.f. 23rd June, 2017.

Name of the Members	Category	No. of Meetings attended
Mr. Yashwant Rajmal Jain	Chairman	5
Mr. Sanjay Gopallal Mundra	Member	5
*Mr. Rajendra Kumar Nandkishore Choudhary	Member	1
Mr. Balkrishna Binani w.e.f 23 rd June, 2017	Member	4

22. 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.

The Terms of Reference, Composition and Meetings and Attendance is as below:

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 31st March, 2018.

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
4.	Mr. Navratan Bhairuratan Damani	Director	Member

DIRECTORS' REPORT

iii. Meetings and Attendance:

During the financial year 2017-18, 2 (Two) Meetings were held on 30th May, 2017 and 23rd June, 2017.

*Mr. Rajendra Kumar Choudhary has been resigned from the Board w.e.f. 23rd June, 2017.

Name of the Members	Category	No. of Meetings attended
Mr. Yashwant Rajmal Jain	Chairman	2
Mr. Sanjay Gopallal Mundra	Member	2
*Mr. Rajendra Kumar Nandkishore Choudhary	Member	2
Mr. Navratan Bhairuratan Damani	Member	0

23. STAKEHOLDER RELATIONSHIP COMMITTEE & ITS COMPOSITION:

Pursuant to Provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Terms of Reference, Composition and Meetings and Attendance is as below:

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 31st March, 2018.

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
4.	Mr. Balkrishna Binani	Managing Director	Member

DIRECTORS' REPORT

iii. Meetings and Attendance:

During the financial year 2017-18, 4 (Four) Meetings were held on 30th May, 2017, 14th August, 2017, 13th November, 2017, and 13th February, 2018.

*Mr. Rajendra Kumar Choudhary has been resigned from the Board w.e.f. 23rd June, 2017.

Name of the Members	Category	No. of Meetings attended
*Mr. Rajendra Kumar Nandkishore Choudhary	Chairman	1
Mr. Yashwant Rajmal Jain	Chairman	4
Mr. Sanjay Gopallal Mundra	Member	4
Mr. Balkrishna Binani	Member	3

24. RISK MANAGEMENT COMMITTEES & ITS COMPOSITION (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.

The Composition, Terms of Reference and Meetings and Attendance is as below:

i. Composition:

The Stakeholder Relationship Committee consists of following members as on 31st March, 2018.

Sr. No.	Name of the Member	Category	Designation
1.	Mr. Yashwant Rajmal Jain	Director	Member

DIRECTORS' REPORT

2.	Mr. Sanjay Gopallal Mundra	Director	Member
3.	Mr. Balkrishna Binani	Managing Director	Member

ii. Terms of Reference:

Terms of Reference of the Risk Management Committee are as outlined in Regulation 21 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

iii. Meetings and Attendance:

During the financial year ended 31st March, 2018, One Meeting of the Committee was held on 13th February, 2018.

Name of the Members	Category	No. of Meetings attended
Mr. Yashwant Rajmal Jain	Chairman	1
Mr. Sanjay Gopallal Mundra	Member	1
Mr. Balkrishna Binani	Member	1

25. SEPARATE MEETING OF INDEPENDENT DIRECTORS :

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder and Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Independent Directors of the Company met once during a year, without the attendance of Non-Independent Directors and Members of the Management.

The Independent Directors reviewed performance of Non-Independent Directors, Chairman of the Company and the performance of the Board as a whole. The Independent Directors also discussed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The feedback of the Meeting was shared with the Chairman of the Company.

26. 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

DIRECTORS' REPORT

Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

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 Section 178 of the Companies Act, 2013 and Regulation 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.

DIRECTORS' REPORT

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 31st March, 2018 Mr. Rajendra Kumar Choudhary has been resigned from the Board w.e.f. 23rd June, 2017, Ms. Prerna Mall, Company Secretary and Compliance Officer of the Company who was appointed on 30th May, 2018 has resigned vide his letter dated 1st June, 2017 from the post of Company Secretary and Compliance Officer of the Company and the company has appointed Ms. Nidhi Agarwal as Company Secretary and Compliance Officer of the Company w.e.f 01st June, 2017.

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

BSE Limited has suspended the trading of the Company due to penal provisions, the company has paid the total Suspension fees of INR. 26,95,120 (Twenty-Six lakh Nineteen Five thousand One hundred twenty only) via NEFT/RTGS amounting INR.19,50,540 (Nineteen lakhs Fifty thousand Five hundred Forty only) dated 17th January, 2018 and INR. 7,44,580 (Seven lakh Forty-Four thousand Five hundred Eighty only).

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.

DIRECTORS' REPORT

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. i.e. www.tarrifcine.com.

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:-

i. 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	

DIRECTORS' REPORT

ii. 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

iii. Foreign Exchange Earnings and Outgo:

Particulars	FY 2017-18	FY 2016-17
	Amount in Rs.	Amount in Rs.
Actual Foreign Exchange earnings	-	-
Actual Foreign Exchange outgo	-	-

36. MD/CFO Certification

The MD and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

DIRECTORS' REPORT

37. GREEN INITIATIVES

To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically. With regard to the same, Members whose email IDs are registered with our Registrar and Share Transfer Agent, viz. Bigshare Services Pvt. Ltd, shall also receive a communication from our Registrar wherein Members shall be informed about the Service of Documents to them in electronic mode and in case, they wish to register a different email ID, they can update the same with their Depository Participant in case of shares held in demat mode and with the Registrar and Share Transfer Agent in case of shares held in physical mode.

38. 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.

Date : 13th August, 2018

For and on behalf of the Board

Place : Mumbai

Sd/-

Sd/-

Regd. : 28/30, Anant Wadi Bhuleshwar

(Balkrishna Binani)

(Harish Vaman Shenvi)

Office : Mumbai -400 002

Managing Director

Director

DIN: 00175080

DIN: 00332699

ANNEXURE A					
FORM NO. MGT 9					
EXTRACT OF ANNUAL RETURN as on financial year ended on 31.03.2018					
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.					
I REGISTRATION & OTHER DETAILS:					
i	CIN	L65990MH1985PLC035268			
ii	Registration Date	05/02/1985			
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 & ASSOCIATE COMPANIES					
SI 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 OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, 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 Mathuradas (Bombay)LLP	58,800	24	-	-	58,800	24
2	Pontiac Properties LLP	19,543	7.98	-	-	19,543	7.98
3	Sharda Hemant Bhattar	7,000	2.86	-	-	7,000	2.86
4	Rajesh Kimar Rajratan Bagri	8,000	3.27	-	-	8,000	3.27
5	Sajjan Mitand Poddar	600	0.24	-	-	600	0.24
6	Sanjay Shrigoyal Mindhra	400	0.16	-	-	400	0.16
7	Promod harlalka	300	0.12	-	-	300	0.12
8	Ashok M Pandya	250	0.1	-	-	250	0.1
9	Kiran Keshav Daga	200	0.08	-	-	200	0.08
10	Devkinandan Deora	200	0.08	-	-	200	0.08
TOTAL		95,293	38.89			95,293	38.89
(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 (Resigned w.e.f 23rd June, 2017)	0	0	0	0	0	0

V INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
Additions	Nil	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

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 Ceiling 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 (Appointed w.e.f. 23.06.2018)	Prerna Mall (Appointed on 30.05.2018 & Resigned w.e.f. 01.06.2018)	Deepak Patil		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	144,000	-	481,075	625,075	
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	15,751	15,751	
	(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	NA	144,000	NA	496,826	640,826	

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES					
Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	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. DIRECTORS					
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
C. OTHER OFFICERS IN DEFAULT					
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
Date : 13th August, 2018 Place : Mumbai Regd. Office : 28/30, Anant Wadi Bhuleshwar Mumbai -400 002			For and on behalf of the Board Sd/- (Balkrishna Binani) <i>Managing Director</i> DIN: 00175080		
			Sd/- (Harish Vaman Shenvi) <i>Director</i> DIN: 00332699		

MANAGEMENT DISCUSSION AND ANALYSIS

TARRIF CINE & FINANCE LIMITED IN FINANCIAL YEAR 2017-18 – BUSINESS & FINANCIAL PERFORMANCE

TARRIF CINE & FINANCE LIMITED (TCF)

TCF being registered as NBFC with RBI has been primarily engaged into:

A) Investing in securities of listed and unlisted companies and B) Lending activities.

The investment portfolio of your company is diversified across various sectors such as financial services, healthcare, retail, packaging, information technology, real estate, etc. Your Company as in the last few years continues to evaluate investment opportunities in asset based transactions with good growth prospects. Further the Company is also looking at evaluating lending activities in a selective manner.

For Financial Year 2017-18 on a standalone basis, the Company's profit for the year stood at Rs. (2,110,000)/- as against Profit of Rs. 43,98,837/- in the previous year thereby an increase in profits as compared to the previous year.

➤ ECONOMIC & INDUSTRY OVERVIEW:

The projection for GDP growth for 2018-19 has been retained at 7.4% as projected in the April policy of Monetary Policy Committee (MPC) of Reserve Bank of India (RBI). India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. According to Central Statistics Office (CSO), the Indian economy posted a growth rate of 7.7% during Q4 – January – March 2018, enabling the country to retain its position as the fastest growing major economy. The RBI has estimated GDP Growth in a range from 7.4% to 7.9% for FY 2019-20. India has positioned itself as the most dynamic emerging economy among the largest countries and is expected to remain the fastest growing on the back of

robust private consumption and noteworthy domestic reforms gradually being implemented by the Government.

The Indian Economic growth is projected to strengthen to above 7%, gradually recovering from the transitory adverse impact of rolling out the Goods and Services Tax ('GST') and demonetisation. In the longer run, GST will boost corporate investment, productivity and growth by creating a single market and reducing the cost of capital equipment. After suffering from a temporary setback, the economy is bouncing back and consumption is driving growth.

While a fiscal deficit of 3.5% of the GDP was achieved in 2017-18 higher than 3.2% budgeted last year. The fiscal deficit has been projected at 3.3% of GDP for the year 2018-19, higher than the fiscal consolidation target of 3%.

India's current account deficit (CAD) for 2017-18 has widened on the back of a higher trade deficit. According to the RBI data, the CAD for last fiscal widened to 1.9 percent of the GDP (Gross Domestic Product) from 0.6 percent in 2016-17.

The economic activity is expected to gather pace in FY 2018-19, benefitting from a conducive domestic and global environment. The key drivers supporting growth will largely be domestic and policy driven. The economy is poised to benefit from receding implementation troubles on Goods and Service Tax ("GST") resulting in higher tax collections, the re-capitalisation of public sector banks and the resolution of distressed assets under the Insolvency and Bankruptcy Code, 2016. Given that this is a run up to the election year, the Government's thrust on Rural and Infrastructure sectors could rejuvenate Rural demand as well as Infrastructure and Consumer spending.

The problem of Non-Performing Assets ("NPA") in the banking sector is expected to peak by March 2019 at approximately 11% of gross banking advances. This will constrain the banking system from growing in aggregate. The changing behaviour of the retail consumer is reflected in credit off-take becoming increasingly broad-based and Financialisation of savings. All of these factors augur well for Non - Banking Finance Companies ("NBFC").

Inflation decline in the month of February 2018 was only temporary and inflation is expected to remain within RBI's tolerance limits. RBI is, hence, expected to remain neutral on the policy rate front for most part of FY 2018-19, unless there is clearly an oil price based shock to inflation.

➤ **FINANCIAL SERVICES INDUSTRY:**

India's diversified financial services sector is undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises of commercial banks, non-banking financial companies, co-operatives, pension funds, insurance companies, mutual funds and other financial entities. A fast-growing economy, rising income levels, higher financial savings, greater propensity to spend and improving life expectancy rates are some of the encouraging factors that are likely to boost growth in the sector in the coming years. Over the past few years, the Reserve Bank of India (the RBI) has been steadily implementing technology to deepen and broaden financial services in India. Innovative steps like introduction of small finance banks and specialized payment banks have been implemented.

The Mutual Fund (MF) industry in India has seen rapid growth in Assets Under Management (AUM). Total AUM of the industry stood at Rs 23.26 lakh crore (US\$ 360.90 billion) as of April 2018. At the same time the number of Mutual fund (MF) equity portfolios reached a record high of 2.27 billion in February 2018.

Another crucial component of India's financial industry is the insurance industry. The insurance industry has been expanding at a fast pace. The total first year premium of life insurance companies grew 17.35 per cent year-on-year to reach US\$ 25.44 billion during April 2017-February 2018

Going forward, reforms in foreign direct investment, implementation of goods and services tax (GST), and revival in external demand are likely to contribute to a better growth outlook.

➤ **NON-BANKING FINANCE COMPANY (NBFC):**

Coming to Non-banking finance company (NBFC) industry, India Ratings and Research (Ind-Ra) has maintained a stable outlook on the NBFC sector and on the major NBFCs rated by it for Financial Year 2018. The sector is expected to continue expanding the assets classes and take higher market share at the cost of mid-sized banks.

Since the past few years, NBFCs have been experiencing a double digit growth, leading to stabilization of the economy on account of bridging the financial gap. Loans and advances grew at 6.6% in first half of FY17-18, as against 12.7 in FY16-17. NBFCs are estimated to grow at a moderate rate of 16-18% in FY17-18, higher than 15% in FY16-17. This growth is driven by rise in SME credit and other key target asset classes. The growth pressure of NBFC sector, is likely to be from Loans Against Property (LAP) and SME segment, which constitute 25% of the total retail NBFC credit.

Data published by the RBI in its Financial Stability Reports dated 30th June 2017 and 21st December 2017 show that the NBFCs have outperformed scheduled commercial banks (SCBs) on growth in advances, asset quality and profitability. This growth momentum of NBFCs should result in their share in the financial services sector increasing in the near future.

With banking sector moving towards recapitalization, and Indian banks facing the challenge of increased Non-Performing Assets (NPAs) in their books, the NBFC sector is expected to get a boost. As the state-run banks will control their lending activities, NBFC sector is anticipated to grow, as more people will start coming to NBFCs for their credit requirements. The NBFC sector is expected to grow at a faster rate by 2020 and the NBFC sector's share in Indian credit market, is expected to grow at 19% by 2020 as against 12% in 2014. (Source: CRISIL)

➤ **OPPORTUNITIES:**

The sentiment in the Indian financial market has changed considerably over the past few years; the economic growth, though subdued for last couple of years, is likely to show positive momentum over the coming years. This has presented opportunities for lending to Indian corporate and investments in the vibrant secondary as well as primary markets. The following factors present specific opportunities across our businesses include:

- i. Growing Corporate activities and related need for investments;
- ii. Credit penetration in India is low as compared to other economies. On similar benchmarks, the non-bank finance penetration in India is even lower;
- iii. Growing midsize segment of corporate activity where the need for customised solution is particularly high;
- iv. Low penetration of financial services and products in India along with unique nature of credit demand makes difficult traditional bank lending;
- v. Digital trends in consumer and MSME to offer new disruptive opportunities for innovation and partnerships;
- vi. Deepening of wholesale debt markets to provide easier access to funds
- vii. Regulatory reforms including policy framework aiding greater participation by all class of investors;
- viii. Growing Financial Services industry's share of wallet for disposable income;
- ix. Wealth management business is transforming from mere wealth safeguarding to growing wealth;

- x. Emerging technology to enable best practices and processes;
- xi. Size of the Indian capital market and favourable demographics like huge middle class, relatively large younger population with disposable income and investible surplus and risk taking abilities of the youth.

➤ **THREATS:**

Despite great opportunities, there are significant factors presenting threats to our businesses viz.

- i. Impact on economic growth of the rising prices of oil and industrial raw materials, decelerating investment demand and high inflation;
- ii. Regulatory changes impacting the landscape of business;
- iii. Increased competition from local and global players operating in India;

However, your Company is well aware of the above threats and has worked steadily to strengthen its business operations by putting appropriate policies and measures in place and well positioned to counter any adverse threat successfully.

➤ **RISK MANAGEMENT:**

The risk for the Company arises mainly out of the risks associated with the operations we carry. Experienced professionals review and monitor risks in our Company. We have comprehensive risk management policies and processes for risk identification, risk assessment and risk mitigation planning for business, strategic, operational and financial and compliance related issues. The management also periodically reviews the policies and procedures and formulates plans for control of identified risks and improvements in the systems.

A risk/compliance update report is regularly placed before the Audit Committee /Board of Directors of the Company. The Directors/ Audit Committee review the risk/ compliance update reports and the course of action taken or to be taken, to mitigate and manage the risks is taken.

➤ **HUMAN RESOURCES:**

The Human Resources initiative focuses on structured training programs (both in-house and external) intended to equip employees at all levels, with the necessary knowledge and experience in order to demonstrate high levels of performance.

The Company believes in taking care of its employees and ensuring that their career aspirations are met through professional growth, personal development and fair economic rewards.

Our organization is committed and focused on identifying and retaining the right talent to meet the overall business strategy and objective. The broad range of activity includes viz. robust manpower planning process in line with the business objective, enhancement of employee skill-sets by identifying training and development needs, retention programs, reward and recognition, learning and development.

➤ **INTERNAL CONTROL AND THEIR ADEQUACY:**

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations.

The Company being in lending and investment industry has put in place an adequate internal control system to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance.

The Company's internal control system is commensurate with the size, nature and operations of the Company.

➤ **OUTLOOK:**

The year 2017-18 saw rapid macroeconomic changes, fast changing business conditions, evolving consumer preferences and increasingly disruptive market environment that drove corporations to significantly rethink the manner in which they operate. After languishing for five consecutive quarters, economic activity in India is quickening. Growth is strengthening as indicated by strong sales growth by corporations, depleting finished goods inventories and restart of investment in fixed assets by corporations and expected record food grain output.

Equity markets extended their gains in H1:2017-18 into H2, with the Sensex closing at a historic high of 36,283 on January 29, 2018 on account of various factors including strengthening macroeconomic conditions; revival of corporate sales and improving prospects for future earnings; the announcement of PSU banks' recapitalization; a jump in India's ranking in the World Bank's ease of doing business index; the ratings upgrade by Moody's; sustained net investment by domestic institutional investors; and positive cues from global equity markets.

All major components of capital flows, viz., foreign direct investments (FDI), foreign portfolio investments (FPI), nonresident Indian (NRI) deposits and external commercial borrowings (ECBs), recorded net inflows during Q3:2017-18. Gross as well as net FDI flows to India slowed in Q3 relative to preceding quarters.

However, the concerns with regard to deterioration in public finances, rising international crude oil prices, rising interest rates, uncertainties and volatility in financial markets emanating from trade protectionism and trade wars may have adverse impact on growth prospects in terms of cutbacks on public capital expenditure, rising input cost of domestic production and services etc.

➤ **CAUTIONARY STATEMENT:**

The Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

The Company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

[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 31st March, 2018 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 31st March, 2018 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;
- 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 was suspended from trading on Bombay stock exchange w.e.f. 29th November, 2016 due to the penal provisions;*
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 intimated name of the Principal Officer and has not registered with the FIU-IND Financial Intelligence Unit- India and has not complied with Nil report filing i.e. CTR / NTR with FIU-IND under provisions of Sec 12(1)(b) of PMLA, 2002 read with Rule 3(A), 3(B), 3(BA) and 8(1) of PML (Maintenance of Records) Rules. Further, In view of the same the company has been categorized as 'High Risk Financial Institutions' (by FIU-IND) on account of non-compliance with PMLA and PML Rules, i.e. non registration of Principal Officer (PO) as on 31.01.2018*

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.

We further report that during the audit period the Board has:

- a) Approved Resignation of Mrs. Purna Mall as a Company Secretary & Compliance Officer with effect from 01st June, 2017 and Appointment of Ms. Nidhi Agarwal in his place as a Company Secretary & Compliance Officer with effect from 01st June, 2017;

- b) The Company has initiated the process towards the registration under FIU-IND Financial Intelligence Unit- India and has also registered the name of Principal Officer. Further the company is under the process of filing the required FIU return and removing the name from 'High Risk Financial Institutions' (by FIU-IND) on account of non-compliance with PMLA and PML Rules, i.e. non registration of Principal Officer (PO) as on 31st January, 2018;
- c) The Company's subsidiary company has executed Memorandum of Understanding for sale of its immovable property.

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.

Sd/-

Priyanka Lahoti

Practising Company Secretaries

M. No. 23930 & CP No.: 8654

Place: Mumbai

Date: 13th August, 2018

'Annexure A'

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

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we 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.

Sd/-

Priyanka Lahoti

Practicing Company Secretaries

M. No. 23930 & CP No.: 8654

Place: Mumbai

Date: 13th August, 2018

ANNEXURE D

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

Sr. 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 st March, 2018
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	870,844,451
5	Total Assets	3,224,485,756
6	Total Liabilities	2,291,335,169
7	Investments	28,23,984
8	Turnover	4,325,916,569
9	Profit/(Loss) before taxation	115,513,280
10	Provision for taxation/ Deferred Tax	30,165,754
11	Profit/ (Loss) after taxation	75,102,953
12	Proposed Dividend	NA
13	% of shareholding	50.51%

1. Names of subsidiaries which are yet to commence operations- NIL
2. 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**

Date : 13th August, 2018

For and on behalf of the Board

Place : Mumbai

Sd/-

Sd/-

Regd. Office : 28/30, Anant Wadi Bhuleshwar
Mumbai -400 002

(Balkrishna Binani)

(Harish Shenvi)

Managing Director

Director

DIN: 00175080

DIN: 00332699

ANNEXURE E

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	Rashtriya Metal Industries Limited - Subsidiary Company
b)	Nature of contracts / arrangements / transaction	Sale
c)	Transactions Value (Amount in Rupees)	99,460,781
d)	Duration of the contracts/ arrangements/transaction	April 2017 - March 2018
e)	Salient terms of the Contracts or arrangements or transaction	The related party transactions (RPTs) entered during the year were in the ordinary course of business and on arm's length basis

f)	Date of approval by the Board	Since these RPTs are in the ordinary course of business and are at arms length basis, approval of the Board is not applicable.
g)	Amount paid as advances, if any	NA

Date : 13th August, 2018

For and on behalf of the Board

Place : Mumbai

Sd/-

Sd/-

Regd. Office : 28/30, Anant Wadi
Bhuleshwar Mumbai -400 002

(Balkrishna Binani)
Managing Director

(Harish Shenvi)
Director

DIN: 00175080

DIN: 00332699

DECLARATION BY THE MANAGING DIRECTOR

I, Balkrishna Binani, Managing Director of Tarrif Cine & Finance Limited, hereby declare that all the members of the Board of Directors and the Management Personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the Listing Regulations for the year ended 31st March, 2018.

For Tarrif Cine & Finance Limited

Sd/-

**Balkrishna Binani
Managing Director**

Date : 13th August, 2018

Place : Mumbai

DIN: 00175080

MD/CFO CERTIFICATION

To,
The Board of Directors,
Tarrif Cine & Finance Limited
28/30, Anant Wadi Bhuleshwar,
Mumbai 400 002

We hereby certify that for the financial year ended 31st March, 2018 on the basis of the review of the financial statements and to the best of our knowledge and belief that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the designs or operations of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

5. We further certify that:

- a. There have been no significant changes in internal control during the year ended, 31st March, 2018.
- b. There have been no significant changes in accounting policies during the year ended 31st March, 2018.
- c. There have been no instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Date : 13th August, 2018

For and on behalf of the Board

Place : Mumbai

Sd/-

Sd/-

Regd. Office : 28/30, Anant Wadi
Bhuleshwar Mumbai -400 002

(Balkrishna Binani)

(Harish Shenvi)

Managing Director

Director

DIN: 00175080

DIN: 00332699

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, 2018, 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 31st March, 2018, and its loss 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, 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 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 31st March, 2018.
- 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.

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

Place : Mumbai
Dated: 30th May, 2018

Ajay Daga
Partner
M.No. 44162

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, Goods and Service Tax & 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. Based on audited financial statements for the year, the Company as per the asset test is engaged, conciously and majority, in the business of making financial sector investment but as per the income test is not engaged in such activities and, therefore, is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934 though it holds a valid certificate of registration under the same.

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

Place : Mumbai
Dated: 30th May, 2018

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 31st March, 2018

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, 2018 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, 2018, 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.

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

Place : Mumbai
Dated: 30th May, 2018

Ajay Daga
Partner
M.No. 44162

TARRIF CINE & FINANCE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2018

	Note	As At 31.03.2018 Amt (Rs.)	As At 31.03.2017 Amt (Rs.)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	2,450,000	2,450,000
Reserves and Surplus	3	8,713,929	10,823,571
		11,163,929	13,273,571
Current Liabilities			
Trade Payables	4		
- Due to Micro & Small Enterprises		NIL	NIL
- Due to Others		22,389,858	NIL
Other Current Liabilities	5	1,099,223	18,240,345
Short-term Provisions	6	NIL	667,754
		23,489,081	18,908,099
TOTAL		34,653,010	32,181,670
ASSETS			
Non-current Assets			
Non-current Investments	7	30,793,396	30,976,904
Long-term Loans and Advances	8	1,086,634	697,779
		31,880,030	31,674,683
Current Assets			
Inventories	9	212,430	209,581
Cash and Bank Balances	10	2,560,550	297,406
		2,772,980	506,987
TOTAL		34,653,010	32,181,670

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, 2018

**Balkrishna
Binani**
Managing Director
00175080

**Harish Vaman
Shenvi**
Director
00332699

TARRIF CINE & FINANCE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Note	Year ended 31.03.2018 Amt (Rs.)	Year ended 31.03.2017 Amt (Rs.)
Revenue			
Revenue from Operations	11	100,038,183	5,200,325
Other Income	12	424,120	874,766
Total Revenue		100,462,304	6,075,092
Expenses			
Purchases of stock-in-trade		98,478,736	NIL
Changes-in-Inventories	13	(2,849)	81,491
Employee Benefits Expenses	14	642,868	NIL
Finance Costs	15	384,966	45,646
Other Expenses	16	3,068,224	1,519,489
Total Expenses		102,571,945	1,646,626
Profit/(Loss) Before Tax		(2,109,642)	4,428,466
Tax Expense:			
- Current Tax		NIL	679,593
- MAT Credit Entitlement		NIL	(649,964)
Profit/(Loss) For The Year		(2,109,642)	4,398,837
Earnings per equity share of face value of Rs.10/-each			
Basic and Diluted (Rs.)	20	(8.61)	17.95
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, 2018

**Harish Vaman
Shenvi**
Managing Director
00175080
Director
00332699

TARRIF CINE & FINANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	As At 31.03.2018 Amt (Rs.)	As At 31.03.2017 Amt (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
a) NET PROFIT/(LOSS) BEFORE TAX AND EXTRAORDINARY ITEMS	(2,109,642)	4,428,466
ADJUSTMENTS FOR:		
Dividend Received	(25,519)	(83,721)
Gain on sale of Investments	(551,883)	(3,026,784)
Provision for Doubtful Debts no longer required w/back	NIL	(874,670)
Bad Debts	NIL	874,670
Interest on deferment of advance tax	31,349	43,976
	(2,655,695)	1,361,937
b) OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		
ADJUSTMENTS FOR:		
Increase /(Decrease) in Other Current Liabilities	(17,141,122)	18,131,700
Increase /(Decrease) in Short-term Provision	NIL	(874,670)
Increase /(Decrease) in Trade Payables	22,389,858	NIL
(Increase)/Decrease in Long-term Loans and advances	(346,443)	(25,000)
(Increase)/ Decrease in Inventories	(2,849)	2,485,361
(Increase)/ Decrease in Short-term Loans and advances	NIL	874,670
CASH GENERATED FROM OPERATIONS	2,243,749	21,953,998
Income Tax Paid	(741,515)	(55,815)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	1,502,234	21,898,183
B. CASH FLOW FROM INVESTING ACTIVITIES:		
(Purchases)/Sale of Investments (net)	735,391	(22,388,596)
Dividend Received	25,519	83,721
Realisation/(payment) in Unclaimed Dividend A/c	NIL	8,306
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	760,911	(22,296,569)
C. CASH FLOW FROM FINANCIAL ACTIVITIES	NIL	NIL
NET CASH FROM/(USED IN) FINANCIAL ACTIVITIES	NIL	NIL
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,263,144	(398,386)
CASH AND CASH EQUIVALENTS AS AT 1.4.2017 (OPENING BALANCE)	248,063	646,449
CASH AND CASH EQUIVALENTS AS AT 31.3.2018 (CLOSING BALANCE)	2,511,208	248,063
RECONCILIATION OF CASH AND CASH EQUIVALENTS WITH BALANCE SHEET		
Cash & Bank Balances (refer Note 10)	2,560,550	297,406
Less: Bank Balance in Unclaimed Dividend A/cs	49,342	49,342
Cash & Cash Equivalents	2,511,208	248,064

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

For and on behalf of the board

AJAY DAGA
PARTNER
PLACE : MUMBAI
Dated : 30th May, 2018

**Balkrishna
Binani**
Managing Director
00175080

**Harish Vaman
Shenvi**
Director
00332699

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As At 31.03.17 Amt (Rs.)	As At 31.03.16 Amt (Rs.)
(2) Share Capital		
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	9,626,932	5,228,094
Add: Net Profit/(Loss) for the current year	<u>(2,109,642)</u>	<u>4,398,837</u>
	7,517,290	9,626,932
Closing Balance	<u>8,713,929</u>	<u>10,823,571</u>

(4) Trade Payables		
Other Trade Payables	22,389,858	NIL
	<u>22,389,858</u>	<u>NIL</u>

(5) Other Current Liabilities		
Statutory dues	21,620	18,685
Advance Received from Customers - Related Party	NIL	18,000,000
Other Payables	1,042,117	186,174
Unclaimed Dividend	35,486	35,486
	<u>1,099,223</u>	<u>18,240,345</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As At 31.03.2018 Amt (Rs.)	As At 31.03.2017 Amt (Rs.)
(6) Short-term Provisions		
Provision for Income Tax (Net of TDS)	NIL	667,754
	NIL	667,754
(7) Non-current Investments		
<u>Non-trade Investments</u>		
<u>Quoted</u>		
a) <u>In Equity Shares</u>		
12(12) Eq. Sh. of Rs. 10/- each of Reliance Industries Ltd.	6,000	6,000
	6,000	6,000
<u>Unquoted</u>		
a) <u>In Equity Shares</u>		
Investment in Subsidiary		
2279410 (2279410) Eq. Sh. of Rs.10/-each of Rashtriya Metal Industries Ltd	30,219,950	30,219,950
	30,219,950	30,219,950
b) <u>In Units of Mutual Funds</u>		
35907.078(32856) Units of ICICI Prudential Short-term Plan Dividend Reinvest	426,963	410,471
NIL(24607) Units of Kotak Life Select Focus Fund - Growth Plan	NIL	200,000
	426,963	610,471
c) <u>In Bullion</u>		
24.56 (24.56) Kg. of Silver Utensils	140,483	140,483
	140,483	140,483
Total Non-current Investments	30,793,396	30,976,904
Aggregate Book Value of Quoted Investments	6,000	6,000
Market Value of Quoted Investments	10,594	15,830
Aggregate Book Value of Unquoted Investments	30,646,913	30,830,421
Aggregate Book Value of Bullion	140,483	140,483

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As At 31.03.2018 Amt (Rs.)	As At 31.03.2017 Amt (Rs.)
(8) Long-term Loans & Advances		
Mvat Deposit	25,000	25,000
Other Loans & Advances		
-- MAT credit entitlement	672,779	672,779
-- GST Credit Receivable	346,443	NIL
-- Advance Tax and TDS	42,412	NIL
	<u>1,086,634</u>	<u>697,779</u>
(9) Inventories		
Stock in trade		
--Equity Shares	212,430	209,581
	<u>212,430</u>	<u>209,581</u>
(10) Cash & Bank Balances		
Cash & Cash Equivalents		
--Cash on Hand	921	3,486
--Balance with Bank in Current Account	2,510,287	244,577
Other Bank Balances		
--in Unpaid Dividend Accounts	49,342	49,342
	<u>2,560,550</u>	<u>297,406</u>
	For The Year Ended 31.03.2018 Amt (Rs.)	For The Year Ended 31.03.2017 Amt (Rs.)
(11) Revenue From Operations		
Sales	99,460,781	1,531,672
Dividend Income		
- On Current Investments	8,896	4,803
- On Non-current Investments	16,624	78,918
Interest Income	NIL	558,148
Gain on sale of Investments		
- On Current Investments	NIL	23,481
- On Non-current Investments	551,883	3,003,303
	<u>100,038,183</u>	<u>5,200,325</u>
(12) Other Income		
Misc. Income	2	96
Interest on Overdue Trade Receivables	424,118	NIL
Provision for Doubtful Debts no longer required w/back	NIL	874,670
	<u>424,120</u>	<u>874,766</u>
(13) Changes-in-Inventories		
Stock at commencement	209,581	2,694,942
Less: Conversion of Stock-in-Trade into Non-trade Investments	NIL	2,403,870
	<u>209,581</u>	<u>291,072</u>
Stock at close	212,430	209,581
	<u>(2,849)</u>	<u>81,491</u>

TARRIF CINE & FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	For The Year Ended 31.03.2018 Amt (Rs.)	For The Year Ended 31.03.2017 Amt (Rs.)
(14) Employee Benefits Expenses		
Salary	625,075	NIL
Staff Welfare Expenses	17,793	NIL
	<u>642,868</u>	<u>NIL</u>
(15) Financial Costs		
Interest on TDS	845	1,670
Fee for delayed filing of TDS return	9,200	NIL
Interest on deferment of advance tax	31,349	43,976
Interest paid to Supplier	343,572	NIL
	<u>384,966</u>	<u>45,646</u>
(16) Other Expenses		
Advertisement	47,772	28,709
Auditors' Remuneration		
- Audit Fees	40,000	46,000
- Income Tax Matters	10,000	2,875
- Certification Work	NIL	11,434
BSE Listing and Other Fees	2,571,500	229,000
Filing Fees	11,100	48,800
Depository & Registrar Charges	43,670	42,169
Profession Tax	2,500	2,500
Software Expenses	NIL	47,650
Legal & Professional Fees	280,000	181,660
Miscellaneous Expenses	5,396	4,022
Bad Debts	NIL	874,670
Website Expenses	56,286	NIL
	<u>3,068,224</u>	<u>1,519,489</u>

TARRIF CINE & FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(17) Deffered Tax Asset

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

(18) Segment Reporting

The Company is engaged solely in trading 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.

(19) Related Party Disclosures

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

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

ii. Transaction with Related Parties during the year :-

	2017-18	2016-17
	Amt(Rs.)	Amt(Rs.)
a. Key Management Personnel		
Purchase of Investments	NIL	27,746,080
Salary	481,075	NIL
Staff Welfare	17,793	NIL
b. Subsidiary		
Advance Received from Customers	NIL	18,000,000
Interest on Overdue Trade Receivables	424,118	NIL
Sales	99,460,781	NIL

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

	As At	As At
	31.03.2018	31.03.2017
	Amt(Rs.)	Amt(Rs.)
a. Key Management Personnel		
Salary Payable	46,874	NIL
b. Subsidiary		
Advance Received from Customers	NIL	18,000,000

(20) Earnings Per Share (EPS)

	2017-18	2016-17
i) Weighted Average Number of Equity Shares outstanding during the year	245000	245000
ii) Net Profit/(Loss) after tax available for Equity Shareholders (Rs.)	(2,109,642)	4,398,837
iii) Basic and Diluted Earnings Per Share (Rs.)	(8.61)	17.95
iv) Nominal Value Per Share (Rs.)	10/-	10/-

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

(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

For and on behalf of the board

AJAY DAGA
PARTNER
 PLACE : MUMBAI
 Dated : 30th May, 2018

Balkrishna Binani
 Managing Director
 00175080

Harish Vaman Shenvi
 Director
 00332699

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 (collectively referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2018, 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 Holding 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, 2018, of their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

9. We did not audit the financial statements/ financial information of the subsidiary, whose financial statements / financial information reflect total assets of Rs. 32273.10 lacs as at 31st March, 2018 and total revenues of Rs. 43561.02 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 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 report 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 report 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, 2018 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, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy and the operating effectiveness of the international financial controls over financial reporting with reference to these consolidated financial statements of the holding company and its subsidiary, a company incorporated in India, 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 31st March, 2018 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.

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

Place : Mumbai
Dated: 30th May, 2018

Ajay Daga
Partner
M.No. 44162

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 31st March, 2018

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 Tarrif Cine & Finance Ltd. as of and for the year ended March 31, 2018, 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 which is company incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company & its Subsidiary which is a company 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 Act.

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting with reference to these consolidated financial statements 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 which is a company incorporated in India, 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, 2018, 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 in so far as it relates to its Subsidiary which is a company incorporated in India, 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: 30th May, 2018**

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

TARRIF CINE & FINANCE LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2018

	Note	As At 31.03.2018 Amt (Rs.)	As At 31.03.2017 Amt (Rs.)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	2,450,000	2,450,000
Reserves and Surplus	3	438,460,606	403,847,985
		<u>440,910,606</u>	<u>406,297,985</u>
Minority Interest		476,007,941	437,627,250
Non-current Liabilities			
Long-term Borrowings	4	224,103,996	270,228,065
Deferred Tax Liability		128,663,842	98,498,088
Other Long-term Liabilities	5	272,806,436	22,442,294
Long-term Provisions	6	2,521,630	5,177,967
		<u>628,095,904</u>	<u>396,346,414</u>
Current Liabilities			
Short-term Borrowings	7	678,056,725	661,467,527
Trade Payables	8	892,660,459	1,188,762,247
Other Current Liabilities	9	104,751,773	131,801,216
Short-term Provisions	10	11,259,389	13,574,458
		<u>1,686,728,346</u>	<u>1,995,605,449</u>
TOTAL		<u><u>3,231,742,798</u></u>	<u><u>3,235,877,099</u></u>
ASSETS			
Non-current Assets			
Fixed Assets	11		
Tangible Assets		957,264,611	988,748,655
Intangible Assets		2,733,291	3,138,071
Capital WIP		9,936,696	20,978,911
		<u>969,934,598</u>	<u>1,012,865,637</u>
Non-current Investments	12	3,397,430	3,654,677
Long-term Loans and Advances	13	94,661,696	81,280,474
		<u>1,067,993,724</u>	<u>1,097,800,788</u>
Current Assets			
Inventories	14	1,102,061,348	1,136,418,696
Trade Receivables	15	609,692,187	627,277,099
Cash and Bank Balances	16	156,110,315	190,163,572
Short-term Loans & Advances	17	284,760,188	176,292,203
Other Current Assets	18	11,125,038	7,924,737
		<u>2,163,749,076</u>	<u>2,138,076,307</u>
TOTAL		<u><u>3,231,742,798</u></u>	<u><u>3,235,877,099</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, 2018

Balkrishna Binani
Director
00175080

**Harish Vaman
Shenvi**
Director
00332699

TARRIF CINE & FINANCE LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Note	Year ended 31.03.2018 Amt (Rs.)	Period ended 31.03.2017 Amt (Rs.)
Revenue			
Revenue from Operations	20	4,326,493,972	25,905,650
Other Income	21	69,748,005	1,160,605
Total Revenue		4,396,241,977	27,066,256
Expenses			
Cost of Raw Materials Consumed		3,395,442,526	17,562,076
Purchases of goods traded		97,670,729	106,257
Changes-in-Inventories	22	(23,130,610)	(1,456,521)
Employee Benefits Expenses	23	128,249,351	637,422
Finance Costs	24	213,442,147	1,194,318
Depreciation and Amortisation Expenses	11	60,401,895	334,340
Other Expenses	25	410,762,300	3,919,611
Total Expenses		4,282,838,338	22,297,502
Profit Before Tax		113,403,639	4,768,754
Tax Expense:			
- Current Tax		25,500,000	753,566
- MAT Credit Entitlement		(15,602,373)	(719,356)
- Deferred Tax		30,165,754	148,455
- Prior Period Tax Adjustments		346,946	4,751
Profit For The Year Before Dividend and Minority Interest		72,993,312	4,581,337
Dividend on Cumulative Pref Shares		2,400,000	15,828
Profit For The Year Before Minority Interest		70,593,312	4,565,509
Minority Interest		35,980,691	90,325
Profit For The Year		34,612,621	4,475,184
Earnings per equity share of face value of Rs.10/-each			
Basic and Diluted (Rs.)	29	141.28	18.27

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, 2018

Balkrishna Binani

Director

00175080

Harish Vaman

Shenvi

Director

00332699

TARRIF CINE & FINANCE LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	As At 31.03.2018 Amt (Rs.)	As At 31.03.2017 Amt (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
a) NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	113,403,639	4,768,754
ADJUSTMENTS FOR:		
Pre-acquisition profit	NIL	61,762,522
Dividend Received	(25,519)	(101,396)
Provision for Doubtful Debts no longer required w/back	NIL	(874,670)
Bad Debts	837,592	1,379,054
Interest on deferment of advance tax	31,349	43,976
Interest Paid	213,400,753	209,632,688
Interest received	(12,306,804)	(13,559,357)
Depreciation	60,401,895	61,017,023
Licence Fees, Profit on sale of Immovable Asset/Investment & compensation received	(18,430,197)	(17,299,978)
b) OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	357,312,708	306,768,616
ADJUSTMENTS FOR:		
Increase /(Decrease) in Other Current Liabilities	(27,049,443)	131,700
Increase /(Decrease) in Short-term Provisions	(1,647,314)	(874,670)
Increase /(Decrease) in Long-term Provisions	(2,656,337)	NIL
Increase /(Decrease) in Trade and Other Payables	(296,101,788)	672,100,805
Increase /(Decrease) in Short-term Borrowings	16,589,198	NIL
(Increase)/Decrease in Long-term Loans and Advances	(13,338,810)	(25,000)
(Increase)/ Decrease in Inventories	34,357,348	(368,671,497)
(Increase)/ Decrease in Short-term Loans and Advances	(108,467,985)	874,670
(Increase)/ Decrease in Trade Receivables and Other Receivables	16,747,320	(418,885,583)
(Increase)/Decrease in Other Current Assets	(3,200,301)	NIL
CASH GENERATED FROM OPERATIONS	(27,455,405)	191,419,041
Income Tax Paid	(10,986,088)	(1,758,913)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(38,441,493)	189,660,128
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets & Capital Work in progress	(11,683,484)	(37,987,701)
(Purchases)/Sale of Investments (net)	809,130	(17,093,223)
Advance received against Sale of Factory Land	250,000,000	NIL
Dividend Received	25,519	101,396
Interest Received	12,306,804	13,559,357
License Fees and Compensation Received	11,430,942	11,078,690
Rent Received	660,000	660,000
Proceeds from/(investment in bank deposits	35,829,800	8,062,063
Realisation/(payment) in Unclaimed Dividend A/c	10,907	8,306
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	299,389,619	(21,611,112)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceeds from Borrowings	(45,759,927)	42,716,967
Interest Paid	(213,400,753)	(209,632,688)
NET CASH FROM/(USED IN) FINANCIAL ACTIVITIES	(259,160,680)	(166,915,721)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,787,446	1,133,299
CASH AND CASH EQUIVALENTS AS AT 1.4.2017 (OPENING BALANCE)	3,762,152	2,628,853
CASH AND CASH EQUIVALENTS AS AT 31.3.2018 (CLOSING BALANCE)	5,549,601	3,762,152
RECONCILIATION OF CASH AND CASH EQUIVALENTS WITH BALANCE SHEET		
Cash & Bank Balances (refer Note 16)	156,110,315	190,163,572
Less: Bank Balance in Unclaimed Dividend A/cs	59,600	70,506
Balance held as margin money	150,501,114	186,330,914
Cash & Cash Equivalents	5,549,601	3,762,152

-
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

For and on behalf of the board

AJAY DAGA
PARTNER
PLACE : MUMBAI
Dated : 30th May, 2018

Balkrishna Binani	Harish Vaman
Director	Director
00175080	00332699

TARRIF CINE & FINANCE LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

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, 2013.
- b. Principles of Consolidation :
- i) The consolidation of the accounts of the holding company with the subsidiary is prepared in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statement". The financial statements of the parent company and its Subsidiary are combined on line-by-line basis by adding together 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 of the subsidiary at the time of acquisition of its shares is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- iv) The Subsidiary company considered in the consolidated financial statements is :

Name of the Company	Country of Incorporation	% Interest in the Subsidiary (31st March, 2018)	% Interest in the Subsidiary (31st March, 2017)
Rashtriya Metal Industries Ltd.	India	50.51%	50.51%

The financial statements of the subsidiary company used in the consolidation are drawn upto the same reporting date as of the holding company i.e. year ended March 31, 2018.

TARRIF CINE & FINANCE LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

- c. The Holding 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. Sale of shares and securities are recorded on the date of transaction and the transaction charges and STT are accounted separately.
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.

The subsidiary company values its inventories 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 & net realisable value.
 - iii) Finished goods at lower of weighted average cost & 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 by 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 and 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.

TARRIF CINE & FINANCE LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

- 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 on settlement or translation are recognised in the Statement of Profit & Loss.
 - iii) 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. Foreign currency forward contracts are used to hedge actual underlying exposures and not for trading or speculation purpose. The use of these forward contracts reduces the risk and/or cost.

- 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 costs incurred during construction period on projects under implementation are 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.

- l. Intangible Assets are written off over a period of four years.

- m. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As At 31.03.18 Amt (Rs.)	As At 31.03.17 Amt (Rs.)
(2) Share Capital		
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 Holding 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 Holding 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	9,703,279		5,228,094	
Add: Net Profit for the current year	<u>34,612,621</u>		<u>4,475,184</u>	
		44,315,900		9,703,279
d. Capital Reserve				
Opening Balance	392,948,067		Nil	
Add: On consolidation of Subsidiary	NIL	392,948,067	392,948,067	392,948,067
Closing Balance		<u>438,460,606</u>		<u>403,847,985</u>

(4) Long-term Borrowings

<u>Secured</u>				
-- Term Loan from SBI *		130,000,000		180,000,000
-- Term Loan from Fullerton India Credit Company Limited **		93,659,091		85,591,285
		<u>223,659,091</u>		<u>265,591,285</u>
Less: Amount disclosed under the head Other Current Liabilities (Refer Note 9)		<u>51,944,769</u>		<u>48,203,479</u>
		<u>171,714,322</u>		<u>217,387,806</u>
-- Vehicle Loans from HDFC		3,456,829		1,487,288
Less: Amount disclosed under the head Other Current Liabilities (Refer Note 9)		<u>1,067,806</u>		<u>553,725</u>
		<u>2,389,023</u>		<u>933,563</u>
<u>Unsecured</u>				
Loan from related parties		50,000,651		51,906,696
		<u>224,103,996</u>		<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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As At 31.03.18 Amt (Rs.)	As At 31.03.17 Amt (Rs.)
(5) Other Long-term Liabilities		
-Advance against sale of Factory Land	250,000,000	NIL
-Security Deposits received	22,806,436	22,442,294
	<u>272,806,436</u>	<u>22,442,294</u>
(6) Long-term Provisions		
<u>Provision for Employee Benefits</u>		
a) For Gratuity (funded)	NIL	1,000,000
b) For Compensated Absences (non-funded)	2,521,630	4,177,967
	<u>2,521,630</u>	<u>5,177,967</u>
(7) Short-term Borrowings		
<u>Secured</u>		
Loan Repayable on Demand		
Rupee Bank Loan*	357,832,381	482,364,380
<u>Unsecured</u>		
Loans and Deposits	320,224,344	179,103,147
	<u>678,056,725</u>	<u>661,467,527</u>
* Secured against hypothecation of subsidiary's stock-in-trade and book debts and charge on factory land & buildings and plant & machinery.		
(8) Trade Payables		
Other Trade Payables (including Acceptances)	892,660,459	1,188,762,247
	<u>892,660,459</u>	<u>1,188,762,247</u>
(9) Other Current Liabilities		
Current Maturity of Long-term Debt (Refer Note 4)	51,944,769	48,203,479
Current Maturity of Vehicle Loan (Refer Note 4)	1,067,806	553,725
Unclaimed Dividend	44,522	52,748
Other Payables	51,694,676	82,991,264
	<u>104,751,773</u>	<u>131,801,216</u>
(10) Short-term Provisions		
Provision for Employee Benefits	2,069,191	3,477,912
Other Provisions	9,190,198	10,096,546
	<u>11,259,389</u>	<u>13,574,458</u>

TARRIF CINE & FINANCE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(11) FIXED ASSETS

Assets	GROSS BLOCK				DEPRECIATION/AMORTISATION			NET BLOCK		
	As at 01.04.2017	Additions during the year	Deductions/ Adjustments during the year	As at 31.03.2018	As at 01.04.2017	For the year	Deductions/ Adjustments during the year	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Tangible Assets:										
Freehold Land	768,582	-	-	768,582	-	-	-	-	768,582	768,582
Leasehold Land	46,234,881	-	-	46,234,881	516,591	516,591	-	1,033,182	45,201,699	45,718,290
Buildings	231,769,689	-	-	231,769,689	53,549,622	8,539,086	-	62,088,708	169,680,981	178,220,067
Plant & Machinery & Electrical Installations	1,147,806,793	25,305,026	11,604,214	1,161,507,605	389,854,009	48,402,575	11,304,175	426,952,408	734,555,185	757,952,784
Furniture, Fittings & Office Equipments	12,840,779	483,268	-	13,324,047	10,903,800	663,304	-	11,567,104	1,756,942	1,936,979
Vehicles	7,923,586	2,828,160	2,117,365	8,634,381	3,771,633	929,435	1,367,910	3,333,159	5,301,222	4,151,953
TOTAL	1,447,344,310	28,616,454	13,721,579	1,462,239,185	458,595,655	59,050,992	12,672,086	504,974,561	957,264,611	988,748,655
Previous Year Total	1,430,601,986	16,742,324	-	1,447,344,310	399,284,121	59,311,534	-	458,595,655	988,748,655	1,031,317,865
Intangible Assets	6,022,719	1,388,977	-	7,411,696	2,884,648	1,793,757	-	4,678,405	2,733,291	3,138,071
Intangible Assets (Previous Year)	5,829,992	192,727	-	6,022,719	1,252,897	1,631,751	-	2,884,648	3,138,071	4,577,095
Capital Work In Progress	20,978,911	10,491,005	21,533,220	9,936,696	-	-	-	-	9,936,696	20,978,911
CWIP (Previous Year)		20,978,911		20,978,911					20,978,911	
GRAND TOTAL	1,474,345,940	40,496,436	35,254,799	1,479,587,576	461,480,303	60,844,749	12,672,086	509,652,966	969,934,598	1,012,865,637
GRAND TOTAL (Previous Year)	1,436,431,978	37,913,962	-	1,474,345,940	400,537,018	60,943,284	-	461,480,302	1,012,865,638	1,035,894,960

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As At 31.03.18 Amt (Rs.)	As At 31.03.17 Amt (Rs.)
(12) Non-current Investments		
<u>Non-trade Investments</u>		
a) In Immovable Property		
Gross Value of Immovable Property (at cost)	3,955,740	3,955,740
Less: Accumulated Depreciation	1,134,256	1,060,517
Depreciated Value of Immovable Property	<u>2,821,484</u>	<u>2,895,223</u>
b) In Equity Instruments		
Quoted		
12 Eq. Sh. of Rs. 10/- each of Reliance Industries Ltd.	6,000	6,000
	<u>6,000</u>	<u>6,000</u>
Unquoted		
250 Eq. Sh. of Rs.10/-each of Rashtriya Metal Industries Employees' Consumers Co-op Society Ltd	2,500	2,500
	<u>2,500</u>	<u>2,500</u>
c) In Units of Mutual Funds		
35907.078(32856)Units of ICICI Prudential Short-term Plan Dividend Reinvest.	426,963	410,471
NIL (24607) Units of Kotak Life Select Focus Fund - Growth Plan	NIL	200,000
	<u>426,963</u>	<u>610,471</u>
d) In Bullion		
24.56 Kg. of Silver Utensils	140,483	140,483
	<u>140,483</u>	<u>140,483</u>
Total Non-current Investments	<u>3,397,430</u>	<u>3,654,677</u>
Aggregate Book Value of Quoted Investments	<u>6,000</u>	<u>6,000</u>
Market Value of Quoted Investments	<u>10,594</u>	<u>15,830</u>
Aggregate Book Value of Unquoted Investments	<u>429,463</u>	<u>612,971</u>
Aggregate Book Value of Bullion	<u>140,483</u>	<u>140,483</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	As At 31.03.18 Amt (Rs.)	As At 31.03.17 Amt (Rs.)
(13) Long-term Loans & Advances		
(Unsecured and Considered Good)		
Capital Advances	NIL	948,215
Security Deposits	923,910	2,477,420
Prepaid Expenses	1,426,724	1,535,005
Advances recoverable in cash or in kind or for value to be received	1,752,030	1,752,030
Mat Credit Entitlement	90,170,177	74,567,804
GST Credit Receivable	346,443	NIL
Advance Tax and TDS	42,412	NIL
	<u>94,661,696</u>	<u>81,280,474</u>
(14) Inventories		
-- Stores & Spare Parts	27,839,967	23,828,640
-- Raw Materials	59,323,196	120,822,482
-- Work in Process	936,386,631	635,670,351
-- Finished Goods	78,299,124	350,725,323
-- Stock-In-Transit	NIL	5,162,320
-- Equity Shares	212,430	209,580
	<u>1,102,061,348</u>	<u>1,136,418,696</u>
(15) Trade Receivables		
(Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered Good	9847305	48483488
- Considered Doubtful	837592	NIL
Other Debts	599,844,882	578,793,611
	<u>610,529,779</u>	<u>627,277,099</u>
Less: Provision for Doubtful Debts	837,592	NIL
	<u>609,692,187</u>	<u>627,277,099</u>
(16) Cash & Bank Balances		
Cash & Cash Equivalents		
--Cash on Hand	374,377	129,328
--Balance with Bank		
in Current Account	5,087,224	3,632,823
--Cheque on Hand	88,000	NIL
Other Bank Balances		
--in Unpaid Dividend Accounts	59,600	70,506
--Balances held as margin money	150,501,114	186,330,914
	<u>156,110,315</u>	<u>190,163,572</u>
(17) Short-term Loans & Advances		
(Unsecured, considered good)		
Loans and advances to employees	456,972	311,080
Prepaid expenses	14,515,748	12,445,725
Balances with government authorities	135,431,102	54,356,839
Security Deposits	4,029,949	3,861,949
Duty Free Entitlement of Imports	20,790,506	6,589,399
Duty Drawback Receivable	25,870,694	12,635,437
VAT Refund Receivable	21,103,223	27,370,334
Income Tax Refund Receivable	599,490	1,499,491
Advances to Suppliers	61,960,442	57,219,887
Other Loans & Advances	2,062	2,062
	<u>284,760,188</u>	<u>176,292,203</u>
(18) Other Current Assets		
Accrued Interest on deposits	11,116,442	7,916,141
Interest Receivable	8,596	8,596
	<u>11,125,038</u>	<u>7,924,737</u>
(19) Contingent Liabilities and Commitments		
a. Outstanding Bank guarantees - Rs. 531559231 /- (PY Rs. 461531528/-).		
b. Capital contracts to be executed not provided (Net of advances) - Rs. NIL (PY Rs. 3634669/-).		
c. Arrears of dividend on Preference Shares - Rs. 48,00,000/- (PY 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 Subsidiary Company foresees no liability in the said cases as its management believes that it has strong case in the appeal. - Rs. 23103644/-(PY Rs. 16832198/-).		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	For The Year Ended 31.03.18 Amt (Rs.)	For The Period Ended 31.03.17 Amt (Rs.)
(20) Revenue from Operations		
Sale of Goods and Services	4,428,147,930	22,820,040
Sales of Shares	NIL	1,531,672
Dividend Income		
- on Current Investments	8,896	4,803
- on Non-current Investments	16,624	78,918
Interest Income	NIL	558,148
Gain on sale of Investments		
- on Current Investments	NIL	23,481
- on Non-current Investments	551,883	3,003,303
Revenue from Operations (Gross)	4,428,725,333	28,020,365
Less: Excise Duty	(102,231,361)	2,114,714
Revenue from Operations (Net)	4,326,493,972	25,905,650
(21) Other Income		
Dividend on Non-current Investments	NIL	97
Interest on Bank Deposits	11,542,579	64,115
Interest on Security Deposits	48,913	6,065
Interest on Overdue Trade Receivables	715,312	4,118
Rent Received	660,000	3,616
License Fees	11,430,942	60,482
Profit on Sale of Investments	NIL	13,888
Incentive received	NIL	5
Insurance Claim Received	NIL	217
Provision for Doubtful Debts no longer required w/back	NIL	874,670
Misc. Income	2	96
Profit on Sale of Fixed Assets	5,787,372	NIL
Gain on Foreign Exchange fluctuation	39,562,885	133,235
	69,748,005	1,160,605
(22) Changes-in-Inventories		
Stock at commencement	991,767,575	6,590,123
Less: Conversion of Stock-in-Trade into Non-trade Investments	NIL	2,403,870
	991,767,575	4,186,253
Stock at close	1,014,898,185	5,642,774
	(23,130,610)	(1,456,521)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	For The Year Ended 31.03.18 Amt (Rs.)	For The Period Ended 31.03.17 Amt (Rs.)
(23) Employees Benefits Expenses		
Salaries, Wages & Bonus	113,468,856	558,753
Contribution to Provident and Other Funds	8,589,355	45,789
Welfare Expenses	6,191,140	32,880
	<u>128,249,351</u>	<u>637,422</u>
(24) Financial Costs		
Interest on Borrowing Costs	213,400,753	1,148,672
Interest on TDS	845	1,670
Interest on deferment of Advance tax	31,349	43,976
Fee for delayed filing of TDS return	9,200	NIL
	<u>213,442,147</u>	<u>1,194,318</u>
(25) Other Expenses		
Advertisement	47,772	28,709
Auditors' Remuneration		
- Audit Fees	265,000	47,507
- Income Tax Matters	10,000	2,875
- Certification Work	2,500	11,522
BSE Listing and Other Fees	2,571,500	229,000
Filing Fees	11,100	48,800
Legal and Professional Fees	280,000	181,660
Depository & Registrar Charges	43,670	42,169
Profession Tax	2,500	2,500
Software Expenses	NIL	47,650
Website Expenses	56,286	NIL
Miscellaneous Expenses	5,396	126,801
Commission on Sales	40,390,296	113,675
Consumption of Packing Materials	18,846,507	56,264
Consumption of Stores and Spare Parts	50,380,758	365,824
Directors' Fees	22,500	68
Donations	1,029,705	132
Excise Duty paid on Finished Stock	(36,659,007)	93,070
Insurance	3,240,707	14,655
Labour Charges	33,380,071	157,634
Bad Debts written off	837,592	897,510
Managerial Remuneration	5,669,190	30,179
Office & Communication Expenses	7,990,242	45,731
Power and Fuel	189,768,714	1,007,714
Professional & Consultancy Expenses	5,947,035	34,538
Rates & Taxes	4,418,176	13,766
Repairs to Plant & Machinery	26,734,963	147,639
Repairs to Roads & Buildings	1,833,733	3,756
Selling Expenses	30,829,209	146,152
Water Charges	4,269,991	22,110
Miscellaneous Expenses	18,195,663	NIL
Cash Discount on Sales	340,531	NIL
	<u>410,762,300</u>	<u>3,919,611</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(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, 2018 and has been provided accordingly.

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

	2017-18	2016-17
a. Assumptions :		
Retirement Age	58 years	58 years
Attrition Rate	2%	2%
Future Salary Rise	5%	5%
Rate of Discounting	7.12% / 7.39%	7.12% / 7.39%
Monthly Table	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
b. Table Showing change in Benefit Obligation :		
	Rs.	Rs.
Liability at the beginning of the year	12,631,591	10,753,131
Interest Cost	915,731	837,741
Current Service Cost	911,350	724,326
Benefits Paid	2,000,000	-
Actuarial (gain)/loss on obligations	(4,274,627)	316,393
Liability at the end of the year	1,241,446	12,631,591
c. Table Showing fair value of plan Assets :		
Fair Value of Plan Assets at the beginning of the year	9,611,922	8,774,435
Expected Return on Plan Assets	694,036	678,565
Contribution	6,085,561	215,147
Benefits Paid	2,000,000	-
Actuarial (gain)/loss on Plan Assets	(57,514)	(56,225)
Fair Value of Plan Assets at the end of the year	18,334,005	9,611,922
Total Actual (Gain)/Loss to be Recognised	(4,217,113)	372,618
d. Actual Return on Plan Assets :		
Expected Return on Plan Assets	694,036	678,565
Actuarial gain/(loss) on Plan Assets	(57,514)	(56,225)
Actual Return on Plan Assets	636,522	622,340
e. Amount Recognised in Balance Sheet :		
Liability at the end of the year	(13,425,491)	(12,631,591)
Fair Value of Plan Assets at the end of the year	12,059,378	9,611,922
Funded Status (Shortfall) / Excess	(1,366,113)	(3,019,669)
Net Assts / (Liability) Recognised in Balance Sheet	(1,366,113)	(3,019,669)
f. Expenses Recognised in Statement of Profit & Loss :		
Current Service Cost	911,350	724,326
Interest Cost	915,731	837,741
Expected Return on Plan Assets	(694,036)	(678,565)
Net Actuarial (Gain) or Loss recognised in the year	1,298,960	372,618
Past Service Cost-Vested	2,000,000	-
Expenses Recognised in Statement of Profit & Loss	4,432,005	1,256,120
g. Balance Sheet Reconciliation :		
Opening Net Liability	3,019,669	1,978,696
Expenses as above	4,432,005	1,256,120
Employer's Contribution	(6,085,561)	(215,147)
Amount Recognised in Balance Sheet	1,366,113	3,019,669

TARRIF CINE & FINANCE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(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>
Key Management Personnel	
Balkrishna Binani	Managing Director
Relative of Key Management Personnel	
Shashi Binani	Relative of Key Management Personnel
Anirudh Binani	Relative of Key Management Personnel
Devpriya Bihani	Relative of Key Management Personnel
Pragati Binani	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 :-

	2017-18	2016-17
	Amt(Rs.)	Amt(Rs.)
Key Management Personnel and Relative of Key Management Personnel		
Purchase of Investments	NIL	27746080/-
Remuneration Paid	10957303/-	7333236/-
Interest Paid	6018805/-	1896329/-
Rent Paid	540000/-	324000/-
Enterprises over which Key Management Personnel are able to exercise significant influence		
Interest Paid	NIL	558148/-
Purchase of Goods/Materials/Services	383556/-	516810/-
Rent Paid	934000/-	516000/-

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

	2017-18	2016-17
Key Management Personnel and Relative of Key Management Personnel		
Long-term Borrowings	5000651/-	51906696/-
Sundry Creditors	NIL	162000/-
Enterprises over which Key Management Personnel are able to exercise significant influence		
Sundry Creditors	122766/-	37415/-

(29) Earnings Per Share (EPS)

	2017-18	2016-17
i) Weighted Average Number of Equity Shares outstanding during the year	245000	245000
ii) Net Profit after tax available for Equity Shareholders (Rs.)	34,612,621	4,475,184
iii) Basic and Diluted Earnings Per Share (Rs.)	141.28	18.27
iv) Nominal Value Per Share (Rs.)	10/-	10/-

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

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

Name of Enterprise	31 st March, 2018			
	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.)
Parent				
- Tarrif Cine & Finance Limited	2.53%	11,163,929	-6.10%	(2,109,642)
Subsidiary				
- Rashtriya Metal Industries Limited	212.28%	935,974,571	216.98%	75,102,953
Minority Interest in Subsidiary				
	-107.96%	(476,007,941)	-103.95%	(35,980,691)
Total	106.85%	471,130,559	106.93%	37,012,620
Consolidation Adjustments	6.85%	30,219,950	-6.93%	(2,400,000)
Net Amount	100%	440,910,609	100%	34,612,620

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.)
Parent				
- Tarrif Cine & Finance Limited	3.27%	13,273,571	98.29%	4,398,837
Subsidiary				
- Rashtriya Metal Industries Limited	211.88%	860,871,616	4.08%	182,502
Minority Interest in Subsidiary				
	-107.71%	(437,627,250)	-2.02%	(90,325)
Total	107.44%	436,517,937	100.35%	4,491,014
Consolidation Adjustments	7.44%	30,219,950	-0.35%	-15828
Net Amount	100%	406,297,987	100%	4,475,186

(31) 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

For and on behalf of the board

AJAY DAGA
PARTNER

PLACE : MUMBAI
DATE : 30/05/2018

Balkrishna Binani
Managing Director
00175080

Harish Vaman Shenvi
Director
00332699

**RESTRICTION ON TRANSFER OF PHYSICAL SHARES
& PROCEDURE DEMAT OF SHARES**

Circulars issued by Stock Exchanges to Listed Companies – Amendment to Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Circular issued by BSE Limited vide reference no. LIST/COMP/15/2018 dated July 5,2018;

Stock Exchanges have issued Circulars to Listed Companies as referred above informing about amendment to Regulation 40 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015. SEBI vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only.

According to above referred Circulars, request for effecting transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository with effect from December 5, 2018. **Therefore, please note that Tarrif Cine & Finance Limited (“the Company”) and BIGSHARE SERVICES PRIVATE LIMITED (“the RTA”), its Registrar and Share Transfer Agent (RTA) will not be accepting any request for transfer of shares in physical form with effect from December 5, 2018.** This restriction shall not be applicable to the request received for transmission or transposition of physical shares.

You may access the Circular from the website of BSE Limited using the following link:

<https://www.bseindia.com/corporates/Displaydata.aspx?Id=cd22b184-1153-4b05-8ad9d04699161f89&Page=cir>

Shareholders are accordingly advised to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively You may also visit website of depositories, viz., NSDL or CDSL for further understanding about the demat procedure:

NSDL website: <https://nsdl.co.in/faqs/faq.php> (dematerialization) &

CDSL website: <https://www.cdslindia.com/investors/open-demat.aspx>

Shareholders, holding shares in physical form are requested to arrange the dematerialization of your shares at earliest to avoid any inconvenience in future for transferring those shares.

Form No. MGT – 11

Proxy Form

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

CIN: L65990MH1985PLC035268

Name of the Company: Tarrif Cine & Finance Limited

Registered Office: 28/30, Anant Wadi Bhuleshwar Mumbai 400 002

Name of the Member (s): Registered address:

E-mail Id: Folio No / Client Id: DP ID:

I / We, being the member(s) of Shares of the above mentioned company, hereby appoint

1. Name: _____

Address: _____

E-Mail ID: _____

Signature: _____, or failing him/her

2. Name: _____

Address: _____

E-Mail ID: _____

Signature: _____, or failing him/her

3. Name: _____

Address: _____

E-Mail ID: _____

Signature: _____, or failing him/her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Thirty Third Annual General Meeting of the Company, to be held on Friday, 28th September, 2018 at 04:00 p.m. at 28/30, Anant Wadi Bhuleshwar Mumbai 400 002 and at any adjournment thereof, in respect of following resolutions as indicated below:

Resolution No.	Subject of the Resolution	Voting	
		For	Against
1.	To consider and adopt the Standalone & Consolidated Audited Financial Statements for the financial year ended 31 st March, 2018 and the Reports of Board of Director's & Auditors thereon.		
2.	To re-appoint a Director in place of Mr. Harish Shenvi (DIN: 00332688), who retires by rotation and, being eligible, offers himself for re-appointment.		
3.	To re-appoint a Director in place of Mr. Navratan Damani (DIN: 00057401), who retires by rotation and, being eligible, offers himself for re-appointment.		

Signed this ____ day of _____, 2018

Signature of Shareholder

Signature of Proxy Holder (s)

Affix Revenue Stamp

ATTENDANCE SLIP

CIN: L65990MH1985PLC035268

Name of the Company: Tarrif Cine & Finance Limited

Registered Office: 28/30, Anant Wadi Bhuleshwar Mumbai 400 002

Members attending the Meeting in person or by Proxy are requested to complete the Attendance slip and hand it over at the entrance of the meeting room.

I hereby record my presence at the Thirty Third Annual General Meeting of the Company at Survey 28/30, Anant Wadi Bhuleshwar Mumbai 400 002 on Friday, 28th September, 2018.

.....

Full name of the Member (in block letters)

.....

Signature

Folio No.: DP ID No.:* Client ID No.:*

*Applicable for member holding shares in electronic form

.....

Full name of the Proxy (in block letters)

.....

Signature

Note: The practice of distributing copies of Annual Report at the Annual General Meeting has been discontinued. Members attending the meeting are requested to bring their copies of Annual Report with them.