



CIN NO :- L74999HR1979PLC032747

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CHAIRMAN

Mr. Anil Kumar Khanna

DIRECTORS

Mr. Bihari Lal Khurana  
Mr. Suman Kapur  
Mr. Aditya Khanna  
Mr. Ashish Khanna  
Mrs. Pushpa Latha CS

CHIEF FINANCIAL OFFICER

Mr. Harish Rawat

COMPANY SECRETARY

Ms. Twinkle Jain

STATUTORY AUDITORS

M/s. Raj Anirudh & Associates,  
Chartered Accountants,  
228, Sanik Vihar,  
Delhi-110034.

SECRETARIAL AUDITORS

M/s. Shashi Shekhar & Associates,  
Company Secretaries,  
17/2632, Jiwan Complex, 2nd Floor,  
Mandir Wali Gali Shadikham Pur,  
Opp. Metro Pillar No. 215, New Delhi-110008.

PRINCIPAL BANKERS

Vijaya Bank

REGISTERED OFFICE & FACTORY

14 Kms., Gurugram Pataudi Road,  
Village Jhund Sarai Veeran, Distt. Gurugram, Haryana.

CORPORATE OFFICE

D-41, South Extension Part-II, New Delhi -110049.  
011-26258237, 011-49075251

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.  
44, Community Centre, Phase-I,  
Near PVR, Naraina Industrial Area,  
New Delhi-110028.  
Phone No: 011-41410592-93-94  
Fax: 011-41410591 E-Mail: delhi@linkintime.co.in

WEBSITE

www.rlfld.com

INVESTOR E-MAIL

investorrelations@rlfld.com

## **NOTICE TO SHAREHOLDERS**

NOTICE IS HEREBY GIVEN THAT THE 38th ANNUAL GENERAL MEETING OF THE MEMBERS OF RLF LIMITED WILL BE HELD ON TUESDAY, THE 25th DAY OF SEPTEMBER, 2018 AT THE REGISTERED OFFICE OF THE COMPANY AT 14 KMS, GURUGRAM PATAUDI ROAD, VILLAGE JHUND SARAI VEERAN, DISTT. GURUGRAM, HARYANA AT 12.00 NOON TO TRANSACT THE FOLLOWING BUSINESS:

### **ORDINARY BUSINESS:**

#### **Item No. 1 To Receive, Consider and Adopt:**

The Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2018, the reports of the Board of Directors and the Auditors thereon;

### **SPECIAL BUSINESS:**

#### **Item No. 2 To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 13 (9) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to such amendments as may be made therein, the main object clause of the Memorandum of Association of the Company be and is hereby altered by

##### **A) Deleting the existing Clause III (A)**

- 1 To carry on hire-purchase, finance business, in all its branches in respect of motor vehicles motor cycles, cycles, agricultural machinery, aero planes, launches, boats, mechanical or otherwise, sewing machines, radio sets, gramophones phones pianos and musical instruments, cameras, electric fans, cinematograph machines and apparatuses, heaters and other electric domestic appliances, refrigerators, furniture wooden or metallic, household equipments and all classes of machinery or any other articles or articles that the company may deem fit.
- 3 To act on their own or as agents of insurance companies in all or in any of the branches including life, fire, marine, motor car, accident, public liability, live stock, sickness, fidelity guarantee, workmen's compensation, burglary or any other branches and to insure or reinsure all or any of the risks of the Company and to undertake any authorized risk.

##### **B) Adding the following to the existing Clause III(A)**

To carry on the business of Sports Centre, Club, Education, Recreation, Restaurant, F&B, Accommodation and other related amenities. To provide the Land of the Company for the purpose of warehousing, storage and other related activities.

##### **C) The Main Objects of the Company shall be renumbered and accordingly the Clause be as Clause III (A):**

1. To borrow or receive money or deposit either with or without security or secured by debentures, debenture stock (perpetual or otherwise), mortgage or other security charged on the undertaking or on all or any of the assets of the company including its uncalled capital and collaterally or further to secure any securities of the Company by trust deed or any other assurance on such times and conditions as may be deemed fit and to invest or lend money on security or otherwise to any company partners association, or persons and to deposit money on interest or otherwise in any other form with any person, firm or corporation as the directors may think fit and open accounts, overdrafts, cash credit and to keep fixed or other deposit with banks loans offices and other concerns.
- 2 To carry on the business of purchasing and other we acquiring Plants & Machinery of all kinds and other assets and to hire them out to third parties on appropriate hire charges.
3. To carry on the business dealers, exporters' agents, manufacturers, designers or traders in all or any of the following businesses that is to say, woolen, silk textiles, synthetic fibers and yarns.

4. To carry on the business in India or abroad as exporters, distributors, traders, stockiest, manufacturers, buyers, sellers, franchisees, consultants, as principals and agents of textiles, garments, textiles related products, sports goods, computer software and hardware and other related items.
5. To carry on the business of Sports Centre, Club, Education, Recreation, Restaurant, F&B, Accommodation and other related amenities. To provide the Land of the Company for the purpose of warehousing, storage and other related activities.

**Item No.3** To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to provision of sections 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act 2013, including any statutory modifications or re-enactment(s) thereof for the time being in force, the Remuneration payable to Mr. Anil Kumar Khanna, Managing Director of the Company be Rs. 2.00 Lac (including all allowances) per month w.e.f 01st April, 2018 as recommended and approved by the Nomination and Remuneration Committee in its meeting.

**Item No.4** To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 and other applicable provisions, if any, the Company be and is hereby authorized to give Corporate Guarantee in connection with OD Loan sanctioned by Syndicate Bank to M/s Chitra Utsav Video Private Limited for a sum of Rs. 16.72 crore.”

**Item No.5** To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** consent of members of the Company be and is hereby accorded to sell a part of investments of the Company. The amount realised from the sale of investments has been done to clear the outstanding loans.

**Item No.6** To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 73 and 76 of the Companies Act, 2013 (the “Act”) read with the Companies (Acceptance of Deposit) Rules, 2014 (the “Rules”) and other applicable provisions, if any, and subject to such conditions, approval, permissions as may be necessary, consent of the members be and is hereby accorded to the Company for acceptance of fixed deposits from its members.”

**Item No.7** To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) (subject to any modification and re-enactment thereof), the consent, sanction, permission or approval as the case may be of the members of the Company be and is hereby accorded for previous periods and upto the next AGM subject to approval by Board of Directors in its meeting with respect to the transactions which have been entered and which are purely business transactions or any other transaction of whatever nature with related parties.”

**By Order of the Board  
RLF Limited**

**Date : 03/08/2018  
Place: Gurugram, Haryana**

**Sd/-  
Twinkle Jain  
Company Secretary**

**IMPORTANT NOTES:****1. EXPLANATORY STATEMENTS**

The Explanatory statement pursuant to section 102 of the Companies Act, 2013 in respect of the business under Item Nos.2 to 7 of the Notice, is annexed hereto.

2. The requirement to place the matter relating to ratification of Auditors by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of Auditors, who were appointed in the Annual General Meeting held in the Year 2016 for a period of Five Years.

**3. PROXY & ATTENDANCE**

A member entitled to attend and vote at the Annual General Meeting (AGM) may appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company. The instrument appointing a Proxy, in order to be effective, must be duly filled, stamped and signed and must reach the Corporate Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting. A Proxy Form for AGM is enclosed in the Annual Report.

A person can act as proxy on behalf of members not exceeding fifty in number 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 a proxy and such person shall not act as proxy for any other person or shareholder.

Corporate Member are requested to send to the Company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote on their behalf at the AGM.

Members are requested to bring their attendance slip duly filled and signed mentioning therein details of their DP ID and Client ID/ Folio No. The attendance slip for AGM is enclosed in their Annual Report.

**4. BOOK CLOSURE**

Share Transfer Books and Register of Members of the Company will remain closed from 19th September, 2018 to 24th September, 2018 (Both days inclusive).

**5. NOMINATION**

Members who hold shares in physical certificate form can nominate a person in respect of all the shares held by them singly or jointly, by providing details to the Share Transfer Agent of the Company in the prescribed form SH-13.

Members holding share in dematerialized form may contact their respective Depository Participant(s) for recording nomination in respect of their shares.

6. To support the "Green Initiative", the Members who have not registered their E-Mail addresses are requested to register the same with the R&T Agent/Depositories.
7. Electronic copy of the Annual Report for the year ended 31st March, 2018 is being sent to all the members whose E-Mail IDs are registered with the Company/ Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their E-Mail address, physical copies of the Annual Report are being sent in the permitted mode.
8. Electronic copy of the Notice of the 38th Annual General Meeting of the Company inter alia indicating the process and manner of E-Voting along with Attendance Slip and Proxy Form is being sent to all the members whose E-Mail IDs are registered with the Company / Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their E-Mail address, physical copies of the Notice of the 38th Annual General Meeting of the Company inter alia indicating the process and manner of E-Voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
9. Members may also note that the Notice of 38th Annual General Meeting and the Annual Report for the Financial Year 2017-

18 will also be available on the Company's website [www.rlfstd.com](http://www.rlfstd.com) for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Gurugram, Haryana and Corporate Office, Delhi.

10. Securities Exchange Board of India (SEBI) has, vide its Circular No. SEBI/HO/MIRSD/DOPI/CIR/P/2018/73 dated April 20, 2018, mandated the Company/RTA to obtain copy of PAN Card and Bank account details from all the shareholders holding Shares in physical form. The Company/RTA have been directed to exercise enhanced due diligence in case where, inter-alia, these details have not been provided by the shareholder. Further SEBI, vide SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 dated 8th June, 2018 and BSE, vide its Circular No. list/comp/15/2018-19 dated 5th July 2018, mandated that after 5th December, 2018, requests for transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, you are requested to kindly furnish the details as mentioned on the letter annexed to the Annual Report (at last) and to dematerialize your securities, as the Company shall not be able to entertain any request for transfer of securities in physical form after 5th December 2018.

11. Quote their Folio Number while corresponding with the Company, in case they hold physical shares.
12. Send their queries, if any, to reach the Company's Corporate Office at least 10 days before the date of the meeting so that information can be made available at the meeting.
13. For any communication, the shareholders may also send requests to the Company's E-Mail id: [investorrelations@rlfstd.com](mailto:investorrelations@rlfstd.com).

**14. Voting through electronic means:**

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 22nd September, 2018, 9.00 a.m. (IST) and ends on 24th September, 2018, 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2018, may cast their vote electronically. The E-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the E-Voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Address Slip of each receiver.
DOB	Enter the Date of Birth as recorded in your Demat account or in the Company records for the said Demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your Demat account or in the Company records for the said Demat account or folio.  Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID/ folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for E-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for E-Voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant RLF Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be E-Mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) Shareholders can also cast their vote using CDSL's mobile app M-Voting available for android based mobiles. The M-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) In case you have any queries or issues regarding E-Voting, you may refer the Frequently Asked Questions ("FAQs") and E-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an E-Mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By Order of the Board  
RLF Limited

Sd/-  
Twinkle Jain  
Company Secretary

Date :03/08/2018  
Place: Gurugram, Haryana

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

### **Item No.2**

The principal business of the Company is to carry on the business of textiles, garments, textiles related products, sports goods, computer software and hardware and other related items. Earlier the Company was in leasing & finance business but now it has no work related to leasing and finance.

The Company proposes to undertake the activity of sports coaching centre and academy including other facilities as mentioned in the annexed notice. To enable the Company to commence the aforesaid business, it is proposed to amend the Main Objects under the Objects Clause of the Memorandum of Association of the Company by deleting the sub clauses 1 and 3 and by the insertion of sub-clause 7 after the existing sub-clause 6 as stated in the Resolution in the annexed notice. The above amendment would be subject to the approval of the Registrar of Companies, NCT of Delhi and Haryana and any other Statutory or Regulatory Authority, as may be necessary.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the Members of the Company at its Registered Office during normal business hours on all working days upto the date of the Meeting.

The Directors commend the passing of the Resolution under Item No. 2 of the accompanying Notice for the approval of the Members of the Company. None of the Directors of the Company or the Key Managerial Persons of the Company or their respective relatives are concerned or interested in the passing of the above Resolution.

### **Item No.3**

Mr. Anil Kumar Khanna, Managing Director of the Company was not drawing any salary pursuant to provision of the Companies Act, 2013. The Board of Directors of the Company at its meeting held on May 05, 2018, have subject to the approval of members in their meeting, approved the Remuneration payable to Mr. Anil Kumar Khanna, Managing Director of the Company of Rs. 2.00 Lac (including all allowances) per month w.e.f 01st April, 2018 as recommended and approved by the Nomination and Remuneration Committee in its meeting.

Your Directors recommend the resolution as set out in the accompanying notice for the approval of members of the Company.

No Director except the Managing Directors of the Company is concerned with or interested in the resolution of accompanying notice.

The Board recommends the resolution set forth in Item No.3 for the approval of the members.

### **Item No.4**

The Syndicate Bank has approved the OD Loan of Rs. 16.72 Crore with a condition that RLF Limited has to provide Corporate Guarantee of the said Loan. The project has vast revenue earning potential of the Company. The resolution seeks the approval of the members for giving this guarantee on behalf of the Company.

None of the Directors is concerned or interested in the resolution of accompanying notice.

### **Item No.5**

The Company decided to sell a part of its Investments. The amount realized out of the sale of investments has been adjusted with

outstanding Loans. The Board of Directors of the Company at its meeting held on May 05, 2018, approved the same.

Your Directors recommend the resolution as set out in the accompanying notice for the approval of members of **the Company**.

No Directors of the Company is concerned with or interested in the resolution of accompanying notice.

The Board recommends the resolution set forth in Item No.5 for the approval of the members.

#### **Item No.6**

The Board of Directors of the Company at its meeting held on May 05, 2018, have subject to the approval of members in their meeting, approved the renewal of unsecured deposit by the Company from its members. The Board also got approval for the acceptance of deposits from the members and the same has been duly signed by the majority of directors present at that meeting.

Your Directors recommend the resolution as set out in the accompanying notice for the approval of members of the Company.

No Director of the Company is concerned with or interested in the resolution of accompanying notice.

The Board recommends the resolution set forth in Item No.6 for the approval of the members.

#### **Item No.7**

As per the provisions of Section 188 and rules there under of the Companies Act, 2013, there are a few related party transactions that the Company has done in the year 2017-18. The Company proposes to do such transactions in the future periods. The Board of Directors at its meeting held in the year 2017-18 has approved such related party transactions. The omnibus consent, sanction, permission or approval as the case may be of the members of the Company is hereby accorded for previous periods and upto the next AGM subject to approval by Board of Directors in its meeting with respect to the transactions as stated in the Resolution in the annexed notice

Your Directors recommend the resolution as set out in the accompanying notice for the approval of members of the Company.

No Director of the Company is concerned with or interested in the resolution of accompanying notice.

The Board recommends the resolution set forth in Item No.7 for the approval of the members.



## DIRECTORS' REPORT

To

The Members,

Your Directors have great pleasure in presenting the 38<sup>th</sup> Annual Report together with the Audited Annual Accounts of the Company for the financial year ended on 31<sup>st</sup> March, 2018.

### FINANCIAL RESULTS

The summarized financial results of the Company for the year ended 31<sup>st</sup> March, 2018 and for the previous year ended 31<sup>st</sup> March, 2017 are as follows:

Particulars	CONSOLIDATED		STANDALONE	
	Year Ended 31.03.2018	Year Ended 31.03.2017	Year Ended 31.03.2018	Year Ended 31.03.2017
Revenue from Operations	114.86	29.17	114.86	29.17
Other Income	18.72	3.76	18.72	3.76
Total Revenue	133.58	32.93	133.58	32.93
Profit before Interest, Depreciation & Tax	(32.33)	14.93	21.67	15.67
Financial Expenses	20.31	0.28	20.31	0.28
Depreciation	69.52	69.48	69.52	69.48
Profit/Loss before Tax	(122.16)	(54.83)	(68.16)	(54.10)
Provision for Income Tax	Nil	Nil	Nil	Nil
Provision for Deferred Tax	(19.22)	(33.22)	(19.22)	(33.22)
Minority Interest	81.66	53.68	Nil	Nil
Profit/ Loss for the year	(21.28)	32.07	(48.94)	(20.87)
Proposed Dividend	Nil	Nil	Nil	Nil
Balance carried forward	(21.28)	32.07	(48.94)	(20.87)

### PERFORMANCE HIGHLIGHTS

During the year under review, the Company has increased consolidated total revenue from Rs. 32.93 Lac in the previous year ended 31.3.2017 to Rs. 133.58 Lac during the year ended 31.3.2018. The Company has incurred consolidated loss after interest, depreciation & tax of Rs. 21.28 Lac during the year ended 31.3.2018 against profit of Rs. 32.07 Lac in the previous year ended 31.03.2017.

Further, the Company has increased standalone total revenue from Rs. 32.93 Lac in the previous year ended 31.3.2017 to Rs. 133.58 Lac during the year ended 31.3.2018. The Company has incurred loss of Rs. 48.94 Lacs during the year ended 31.3.2018 against loss of Rs. 20.87 Lac in the previous year ended 31.3.2017.

### DIVIDEND

The Board of Directors of the Company has not recommended any dividend during the year after reviewing Financial Statements of the Company.

### FIXED DEPOSITS

Your Company has deposits of Rs. 95.51 Lacs as on 31<sup>st</sup> March, 2018. There were no unclaimed deposits as at March 31, 2018.

**DIRECTORS**

The following are the Board of Directors. There were no changes in the Board during the year.

The Board Comprises of 6 Directors, namely:-

Mr. Anil Kumar Khanna	-	Managing Director
Mr. Aditya Khanna	-	Non Independent Director
Mr. Ashish Khanna	-	Non Independent Director
Mr. B.L. Khurana	-	Non Executive Independent Director
Mr. Suman Kapur	-	Non Executive Independent Director
Mrs. Pushpa Latha CS	-	Non Executive Independent Director

All the Independent Directors of your Company have given declarations that they meet criteria of Independence as prescribed both under the Act and Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 attached as Annexure-'A'.

**STATUTORY AUDITORS**

M/s Raj Anirudh & Associates, Chartered Accountants, (Firm Registration No. 020497N), New Delhi are the Statutory Auditors of the Company. They were appointed as the Statutory Auditors of the Company in the Annual General Meeting held in the year 2016 for a period of 5 years.

**INTERNAL AUDITORS**

The Board of Directors of the Company has appointed Mr. Pravin Malhotra, as Internal Auditors pursuant to the provisions of Section 138 of the Companies Act, 2013 for the financial year 2018-19.

**SECRETARIAL AUDITORS**

M/s. Shashi Shekhar & Associates, a firm of Company Secretaries in practice, are the Secretarial Auditor pursuant to the provisions of Section 204 of the Companies Act, 2013. The Report of the Secretarial Auditors (Form MR-3) annexed to the Report as per Annexure 'B'.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by the Ministry of Corporate Affairs, every Company having net worth of Rs. 500 Crore or more or turnover of Rs. 1000 Crore or more or net profit of Rs. 5 Crore or more during any financial year have to spend at least 2% of the average net profit of the Company made during the three immediately preceding financial years.

In pursuance of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014, the above rules are not applicable to the company during the year as the company has not earned the adequate profit in this financial Year 2017-18.

As per section 135 of the companies Act 2013 Corporate Social Responsibility are not applicable for our company.

**CORPORATE GOVERNANCE REPORT**

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Company's Statutory Auditors, confirming the compliance of conditions of Corporate Governance, as stipulated under Listing Agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is Annexure 'C'.

**DIVESTMENTS**

During the year under review, the Company de-invested the Shares at Cost.

**PARTICULARS OF LOANS AND GUARANTEES AND INVESTMENTS**

Details of Loans, Guarantees and Investments cover under the Provisions of Section 186 of the Companies Act, 2013 are given in the accompanying Financial Statements.

**RELATED PARTY TRANSACTIONS**

None of the transactions with any of related parties were in conflict with the Company's interest. Suitable disclosures as required by the Accounting Standard 18 (AS 18) issued by The Institute of Chartered Accountants of India (The ICAI) have been made in the notes to the Financial Statements.

All related party transactions are negotiated on an arms-length basis and are in the ordinary course of business. Therefore, the Provisions of Section 188(1) of the Companies Act, 2013 has been in compliance. Further the board of the company has given its approval to transaction with the related parties.

The details of the transaction with Related Party are provided in the Form AOC-2 annexed thereto.

**DEMATERIALIZATION OF SHARES**

The shares in the Company are under compulsory dematerialized trading. The Company's ISIN No. is INE629C01014. The number of shares is dematerialized as on 31.3.2018 follows:

**NSDL : 53,30,412 Shares**  
**CDSL : 18,40,786 Shares**

**COMPLIANCE UNDER THE COMPANIES ACT 2013 AND ADDITIONAL SEBI STIPULATIONS**

The Companies Act, 2013 (Act) came into force substantially from 1st April, 2014. Also, SEBI in its master circular dated 17th April, 2014 notified additional requirements on corporate governance which was effective from 1st October 2014. The Act and the SEBI stipulations set the tone for a more modern legislation which enables growth, greater regulation and self-governance of India's corporate sector. The Act and SEBI's requirements are expected to improve corporate governance norms, enhance the accountability of companies and their auditors, improve transparency and protect the interest of investors, particularly small ones.

These requirements substantially increase the compliance requirements for companies. The Company is taking all the necessary steps to be compliant with the Act within the time stipulated.

**AUDIT COMMITTEE**

The role and the powers of the Audit Committee are as per the guidelines set out in the Listing Agreement with the Stock Exchanges. The Committee also acts as a link between the auditor and the Board of Directors. The Committee meets the auditors periodically and reviews the quarterly/ half yearly and annual financial statements and discusses their findings and suggestions and seeks clarifications thereon.

**Composition of the Committee and category of Directors**

Mr. B.L. Khurana	-	Chairman
Mr. Suman Kapur	-	Member
Mrs. Pushpa Latha CS	-	Member

**NOMINATION & REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee constituted by the Board of Directors consists of 3 non-executive independent/non independent directors:

Mr. Suman Kapur	-	Chairman
Mr. Aditya Khanna	-	Member
Mr. B.L. Khurana	-	Member

**STAKEHOLDER RELATIONSHIP COMMITTEE**

The Stakeholder Relationship Committee comprises of following members:

Mr. Suman Kapur	-	Chairman
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Mr.B.L.Khurana	-	Member
Mrs.Pushpa Latha CS	-	Member

**SHARETRANSFER COMMITTEE**

The Share Transfer comprises of following members:

Mr.Anil Kumar Khanna	-	Chairman
Mr.Suman Kapur	-	Member
Mr.Aditya Khanna	-	Member
Mr.Ashish Khanna	-	Member

**FORMAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the Clauses of the Listing Agreement/ Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors on the Board carried out an annual evaluation of its own, its Committees, the Chairperson and the Directors.

Thereafter, it was discussed that during the financial year, the Board delivers its responsibilities by following ways:

Strategy: Board effectively provides strategic directions to the company.

Performance of Management: Board provides effective directions on key decisions impacting the performance of the company, effectively reviews the financial performance of the company and suggests corrective actions.

Governance & Compliance: Board strives towards adapting best practices in governance while also fully complying with the laws of land.

Overall: The process for setting the board agenda is transparent, realistic to the current needs and meeting material is shared well in time. The frequency and duration of the board meetings are adequate to ensure a proper discharge of all the responsibilities. Over all board meeting is held in open and objective manner where there is adequate opportunity for members to share their views.

Performance of Non-Independent Directors: The Non Independent directors on the Board have played a good role in better corporate governance. The Board received required disclosures from them. Based on formal and informal appraisals, the Non Independent directors have played role in good governance and handling of day to day affairs efficiently, cost cuttings, market strategies, expansion and growth of Company.

Technology up gradation: ID's discussed and concluded that Company uses latest available technology in its manufacturing operations. The Company sold out the less efficient machines and up graded the machines in phase manner for better productivity and profitability in the near future.

Marketing and Sales: The Company has a team of Experienced Marketing/ Sales Team who looks after their functions diligently and their performance can be adjudged by operational results.

Finance: The term finance and working capital have been availed from nationalized banks at reasonable/competitive rates/terms and conditions which are beneficial to the Company. The availed credit facilities are optimum for current operations.

Manpower Management: The Company has optimum manpower keeping in view the size of operations. The Employees attrition rate is negligible.

Statutory Compliances and dues: The Company has not defaulted in the payment of statutory dues. Compliances are made well in time.

Internal Audit: The Company has hired a well-organized team for Internal Audit headed by a qualified Chief Internal Auditor who directly reports to the Audit Committee.

Overall Performance: The Company has been able to keep itself well positioned in spite of very adverse market conditions. The Company's performance is quite satisfactory vis-à-vis peers as well as the industry. It has put in much effort to improve further.

In terms of the provisions of Schedule IV read with Clause 49 of the Listing Agreement, the performance of Chairperson was also reviewed.

It was pointed out that the performance of Chairperson can be very well drawn/ascertained from the fact that inspite of adverse market conditions and other factors, the performance of Company is satisfactory which is due to the leadership/guidance given by the Chairperson of the Company. Independent Directors also took note of the initiatives taken by Chairman of Company in making expansion in manufacturing capacities and also proposing to diversify its business into sports centre and other facilities in coming years. Based on formal and informal appraisal appraised the role played by Chairman in cost reduction, day to day affairs, strategic management, good corporate governance, tapping foreign and domestic markets and production management.

#### **VIGIL MECHANISMANDWHISTLE BLOWER POLICY**

Fraud-free and corruption-free work culture has been the core of the Company' functioning. In view of the potential risk of fraud and corruption due to rapid growth and geographical spread of operations, the company has put even greater emphasis to address this risk.

To meet this objective a Whistle Blower Policy has been laid down. The same policy as approved by the Board was uploaded on the Company's website [www.rlftd.com](http://www.rlftd.com).

#### **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITIONAND REDRESSAL) ACT, 2013**

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. There were no complaint received from any employee during the financial year 2017-18 and hence no complaint is outstanding as a 31.3.2018 for compliance.

#### **CONSERVATION OF ENERGY**

The Company does not belong to the category of power intensive industries and hence consumption of power is not significant. However, the management is aware of the importance of conservation of energy and also reviews from time to time the measures taken/ to be taken for reduction of consumption of energy.

During the year, your Company was running successfully its embroidery unit in Gurugram comprising 8 computerized, high quality embroidery machines purchased from Saurer, Switzerland. The Company sold out the less efficient machines and is going for up gradation of these machines on phase manner which is likely to bring higher efficiency in the coming years.

#### **FOREIGN EXCHANGE EARNINGSAND OUTGO**

Total Foreign exchange earned	:	Rs. 80,26,099
Total Foreign exchange used	:	Nil

#### **PARTICULARS OF EMPLOYEES**

In terms of the provision of Section 197 of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, No employee is drawing remuneration in excess of the limits set out in the said rules are provided in the Act.

#### **MANAGEMENT DISCUSSION & ANALYSIS 2017-18**

##### **Industry Scenario**

India's textile sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 13 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. It has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

The textile industry employs about 105 million people directly and indirectly. India's overall textile exports during FY 2017-18 stood at US\$ 37.74 billion.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market.

High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market. The domestic market for apparel and lifestyle products, currently estimated at US\$ 85 billion, is expected to reach US\$ 160 billion by 2025.

## **BUSINESS OUTLOOK**

The Indian textiles industry, currently estimated at around US\$ 150 billion, is expected to reach US\$ 230 billion by 2020. The Indian Textile Industry contributes approximately 2 per cent to India's Gross Domestic Product (GDP), 10 per cent of manufacturing production and 14 per cent to overall Index of Industrial Production (IIP).

The production of cotton in India is estimated to increase by 9.3 per cent year-on-year to reach 37.7 million bales in FY 2017-18. The total area under cultivation of cotton in India is expected to increase by 7 per cent to 11.3 million hectares in 2017-18, on account of expectations of better returns from rising prices and improved crop yields during the year 2016-17.

Indian exports of locally made retail and lifestyle products grew at a compound annual growth rate (CAGR) of 10 per cent from 2013 to 2016, mainly led by bedding bath and home decor products and textiles.

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 2.82 billion during April 2000 to December 2017.

Some of the major investments in the Indian textiles industry are as follows:

- The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore (US\$ 202.9 million) from 2017-18 to 2019-20.
- Future Group is planning to open 80 new stores under its affordable fashion format, Fashion at Big Bazaar (FBB), and is targeting sales of 230 million units of garments by March 2018, which is expected to grow to 800 million units by 2021.
- Raymond has partnered with Khadi and Village Industries Commission (KVIC) to sell Khadi-marked readymade garments and fabric in KVIC and Raymond outlets across India.
- Max Fashion, a part of Dubai based Landmark Group, plans to expand its sales network to 400 stores in 120 cities by investing Rs 400 crore (US\$ 60 million) in the next 4 years.

In May 2018, textiles sector recorded investments worth Rs 27,000 crore (US\$ 4.19 billion) since June 2017.

Some of initiatives taken by the government to further promote the industry are as under:

- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent.
- The Government of India plans to introduce a mega package for the powerloom sector, which will include social welfare schemes, insurance cover, cluster development, and upgradation of obsolete looms, along with tax benefits and marketing support, which is expected to improve the status of power loom weavers in the country.
- The Government of India has taken several measures including Amended Technology Up-gradation Fund Scheme (A-TUFS),

launch of India Handloom Brand and integrated scheme for development of silk industry, for the strategic enhancement of Indian textiles quality to international standards.

The current Indian government has an aim of increasing the output and the quality of exports from India as portrayed by the "Make in India" policy, and the many tax benefits provided to the exporters. GST rolled out on July 1 and yet there is still some ambiguity among the exporters on the possible impact of the new regime on this industry and lot of the ambiguity is still there about the problems being faced by the exporters in getting the GST refund on the exports, which has indirectly effected our company business in the current year. The company feel that with the Government coming out with lot of clarifications in this regard the export industry in India will be able to have internationally competitive prices due to smooth process of claiming input tax credit in the near future.

#### **THREATS, RISK & CONCERNS**

On exports front, there are both positive and negative factors. Positive factors include the weak currency and decreasing cost competitiveness of China that are likely to give positive impetus to the Indian exports. At the same time, factors like slowdown and uncertainty in the global markets, volatile foreign exchange rates and increase in cotton and yarn prices are likely to negatively affect growth and profitability for the textile exports. Interest expenses are part of the finance costs, therefore any major upward fluctuations in the Interest rates leads to increase in the cost of debt of the Company. The interest rate risks are mitigated to an extent through fixed interest rates on the non convertible debentures.

The biggest challenge facing the Indian textile industry is competition from the other low cost neighboring countries which attract more business from the international market because of lower production costs, ease in doing business and easier trade routes, according to an industry expert.

#### **RESEARCH & DEVELOPMENT**

Your Company continues to derive sustainable benefit from the strong foundation and long tradition of Research & Development (R&D), which differentiates it from many others. New products, processes and benefits flow from work done by the team of in house designers. This allows us to enhance quality, productivity and customer satisfaction through continuous innovation. In order to successfully carve a niche of our own we need to develop a vital competitive edge in the design development to stay ahead of the competition.

#### **HUMAN RESOURCE DEVELOPMENT/ INDUSTRIAL RELATION**

Human resource is the biggest asset of the Company and it remains one of the core focus areas of the Company. The Management of the Company lays special emphasis on the welfare of its employees and training, welfare and safety measures are undertaken on a regular basis. The Company has a well qualified and experienced team of professionals with a dedicated human resource department, which is competent to deliver when needed. The Company aims to provide a congenial work environment that respects individuals and encourages professional growth, innovation and superior performance. In the years, we have transformed our structure to enable us to move faster, innovate better. This initiative has assisted in achieving operating efficiencies and resulted in enhancing overall productivity levels within the company.

#### **ENVIRONMENT, OCCUPATIONAL HEALTH SAFETY**

Company's Environment, Health & Safety (EHS) strategies are directed towards achieving the greenest and safest operations by optimizing natural resource usage and providing a safe and healthy workplace. Systemic and structured efforts continue to be made towards natural resource conservation by continuously improving resource-use efficiencies.

As we continue to bring about energy efficiencies in our operations, we also strive to substitute our energy consumptions with increased component of renewable energy. The Plant of the Company is eco-friendly and do not generate any harmful effluents. Safety devices have been installed wherever necessary.

#### **RISK MANAGEMENT SYSTEM**

Management of the Company maintains adequate internal control system which is designed to provide reasonable assurance that assets are safeguarded and transactions are rightly executed and recorded in accordance with management authorization and accounting policies. All the records are adequately maintained for preparation of financial statements and other financial information. Apart from internal controls, the Company also audits the efficiency and security of its operations, its information

technologies and data, in accordance with the global standards.

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

#### **INTERNAL FINANCIAL CONTROL SYSTEM**

As per the provisions of 134(5) (e) of the companies act 2013, internal financial control means the policies and procedures adopted by the Company for the purpose of ensuring the orderly and efficient conduct of Business, safeguard of its assets and prevention & detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial control also comprises of Company's policies, standard operating procedures, Audit & compliances by in house by Audit Division.

To further strengthen the internal control process, the company has developed a very comprehensive compliance management tool with the help of external expert agency. This process is fully automated and generates alerts for proper and timely compliances on the regular MIS.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the explanations obtained by them, your Directors make the following statements in terms of Section 134(3)© of the Companies Act, 2013:

- (i) In preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2018 and the Loss of the company for that period;
- (iii) The Directors have been taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing / detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis.
- (v) The Directors, in case of listed Company, have laid down internal financial controls to be followed by the company and that such financial controls are adequate and operating effectively.
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Acknowledgement:**

Your Directors wish to thank the collaborators, financial institutions, bankers, customers, suppliers, shareholders and employees for their continued support and co-operations.

For and On behalf of the Board  
RLF Limited

Date : 05th May, 2018  
Place: Gurugram, Haryana

Sd/-  
(Anil Kumar Khanna)  
Chairman  
DIN: 00207839



**Form No.AOC-2**

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

**Form for disclosure of particulars of contracts/arrangements entered into by the company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain Arms Length Transactions under third proviso thereto:**

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

a.	Name(s) of the related party and nature of relationship	-
b.	Nature of contracts/arrangements/transactions	-
c.	Duration of the contracts / arrangements/transactions	-
d.	Salient terms of the contracts or arrangements or transactions including the value, if any – N.A.	-
e.	Justification for entering into such contracts or arrangements or transactions	-
f.	date(s) of approval by the Board-	-
g.	Amount paid as advances, if any: N.A.	-
h.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-

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

a.	<b>Name(s) of the related party and nature of relationship</b>	
	United Leasing & Industries Limited	Promoter Group
	Chene Capital Private Limited	Group Companies
	SIPL Textiles Private Limited	Group Companies
	Rebound Ace India Pvt. Ltd.	Group Companies
	M.K.Financial Services Ltd.	Group Companies
	ULL Securities Pvt.Ltd.	Group Companies
	Asahi Components Ltd.	Group Companies
	Anil Kumar Khanna	Managing Director
b.	<b>Nature of contracts/arrangements/transactions</b>	
	United Leasing & Industries Limited	Advances
	Chene Capital Private Limited	Advances Given/Received (Net) and Interest on ICD
	Asahi Components Ltd.	Inter-corporate deposits
	SIPL Textiles Private Limited	Receivables
	M.K.Financial Services Ltd.	Inter-corporate deposits
	ULL Securities Pvt.Ltd.	Inter-corporate deposits
	Rebound Ace India Pvt. Ltd.	Inter-corporate deposits
	Anil Kumar Khanna	Loans
c.	<b>Duration of the contracts / arrangements/transactions</b>	As per the Resolution passed
d.	<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>	N.A.

e.	<b>Justification for entering into such contracts or arrangements or transactions</b>	N.A.
f.	<b>Date(s) of approval by the Board</b>	30/05/2017, 09/08/2017, 08/11/2017 and 13/02/2018
g.	<b>Amount paid as advances, if any:</b>	N.A.
h.	<b>Date on which the special resolution was passed in general meeting as required under first proviso to section 188</b>	N.A.

**Annexure 'A'****DECLARATION OF INDEPENDENCE****Declaration under Section 149 (6) of the Companies Act, 2013:**

We Mr. B.L. Khurana, Mr. Suman Kapur, and Mrs. Pushpa Latha CS being the Independent Directors of RLF Limited hereby acknowledge, confirm and declare that:

- a) We are or were not promoter of the Company or its holding, subsidiary or associate company; nor are we related to promoter or directors in the Company, its holding, subsidiary or associate company;
- b) We do not have nor had any pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
- c) None of our relatives have or had any pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters or directors, amount to two percent or more its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- d) Neither we nor any of our relatives,
  - i) Hold or have held the position of key managerial personnel or is or has been employee of the Company or its holding, or subsidiary or associate company in any of the three financial years immediately preceding the financial year in which we are proposed to be appointed;
  - ii) Are or have been an employee or proprietor or partner, in any of the three financial years immediately prescribed the financial year in which we are proposed to be appointed of –
    - A firm of auditors or company secretaries in practice or cost auditors of the Company or its holding or subsidiary or associate company; or
    - Any legal or consulting firm that has or had any transaction with the Company, or its holding, or subsidiary, or associate company amounting to ten percent or more of the gross turnover of such firm;
  - iii) Hold together two percent or more of the total voting power of the Company;
  - iv) Are Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty five percent or more of its receipt from the Company, any of its promoters, or directors, or its holding, or subsidiary, or associate company or that holds two percent or more of total voting power of the Company;

We declare that we possess appropriate skills, experience and knowledge of disciplines related to the Company's business.

Sd/-  
B.L. Khurana  
DIN: 00671592

Sd/-  
Suman Kapur  
DIN: 00590936

Sd/-  
Pushpa Latha CS  
DIN: 07225452

Place: New Delhi  
Date: 05th May, 2018

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company firmly believes that good Corporate Governance practices are ingredients for the balanced development of an organization and that they not only maximize the shareholder's value but also contribute to the sustained and long lasting development of the organization. The Board of Directors believes in ethical values and high moral standards for achieving the highest standards of Corporate Governance. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and strive to achieve excellence in governance norms.

### BOARD OF DIRECTORS

The Strength of Board of Directors as on March 31, 2018 was 6 Directors. The Board comprises of three Executive Director one designated as Managing Director. Three are Non Executive Independent Directors. The Board meets the requirement of not less than half of the Board being Independent Directors, the Chairperson being a promoter Director.

Composition of the Board and category of Directors is as follows:-

Mr. Anil Kumar Khanna	-	Chairman & Managing Director
Mr. Aditya Khanna	-	Non Independent Director
Mr. Ashish Khanna	-	Non Independent Director
Mr. B.L. Khurana	-	Independent Director
Mr. Suman Kapur	-	Independent Director
Ms. Pushpa Latha Cs	-	Independent Director

### BOARD MEETING AND ANNUAL GENERAL MEETING

During the year the Board of Directors of the Company met on 30th May, 2017, 09th August, 2017, 08th November, 2017, and 13th February, 2018. Annual General Meeting was held on 23rd September, 2017.

The maximum time gap between any two Board Meetings was not more than 120 days.

Record of attendance of Directors at the Board Meeting, Annual General Meeting, held during the year ended 31st March, 2018 is as under :-

#### Meetings and Attendance

Name of the Director	Category	No. of Board Meetings attended out of 4 Meetings held	Attendance at the AGM held on Sept. 23, 2017	No. of other Directorships held as at March 31, 2018	Committee/s position as at March 31, 2018	
					Member	Chairman
Mr. Anil Kumar Khanna	Managing Director/ Promoter	4	Yes	14	1	1
Mr. B. L. Khurana	Independent/ Non Executive Director	4	Yes	5	3	1
Mr. Suman Kapur	Independent/ Non Executive Director	4	Yes	1	4	2

Name of the Director	Category	No. of Board Meetings attended out of 4 Meetings held	Attendance at the AGM held on Sept. 23, 2017	No. of other Directorships held as at March 31, 2018	Committee/s position as at March 31, 2018	
					Member	Chairman
Mr. Aditya Khanna	Non Independent Executive Director	4	Yes	8	2	--
Mr. Ashish Khanna	Non Independent Executive Director	4	Yes	10	--	--
Ms. Pushpa Latha CS	Independent /Non Executive Director.	4	Yes	-	2	--

**CODE OF CONDUCT**

The Board laid down the Code of Conduct for Board Members and Senior Management of the Company, which also includes the duties of Independent directors.

The said code of conduct has been posted on the website of the Company [www.rlfld.com](http://www.rlfld.com).

**AUDIT COMMITTEE:**

Audit Committee met four times during the financial year 2017-18 on 30th May, 2017, 09th August, 2017, 08th November, 2017, and 13th February, 2018.

The Composition of the Audit Committee as on March 31, 2018 and attendance at its meeting is given hereunder:

Name	Chairman / Member	No. of Meeting(s) attended
Mr. B.L. Khurana	Chairman	4
Mr. Suman Kapur	Member	4
Mrs. Pushpa Latha CS	Member	4

**NOMINATION AND REMUNERATION COMMITTEE**

Nomination & Remuneration Committee met four times during the financial year 2017-18 on 30th May, 2017, 09th August, 2017, 08th November, 2017, and 13th February, 2018.

The Composition of the Nomination and Remuneration Committee as on March 31, 2018 and attendance at its meeting is given hereunder:

Name	Chairman / Member	No. of Meeting(s) attended
Mr. Suman Kapur	Chairman	4
Mr. B.L. Khurana	Member	4
Mr. Aditya Khanna	Member	4

**STAKEHOLDER RELATIONSHIP COMMITTEE**

Stakeholder Relationship Committee met four times during the financial year 2017-18 on 30th May, 2017, 09th August, 2017, 08th November, 2017, and 13th February, 2018.

The Composition of the Stakeholder Relationship Committee as on March 31, 2018 and attendance at its meeting is given hereunder:

Name	Chairman / Member	No. of Meeting(s) attended
Mr. Suman Kapur	Chairman	4
Mr. B.L. Khurana	Member	4
Ms. Pusha Lata CS	Member	4

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by the Ministry of Corporate Affairs every Company having the net worth of Rs.500 Crores or more or turnover of Rs.1000 Crores or more or net profit of Rs.5 Crores or more during any financial year have to spend at least 2% of the average net profit of the Company made during the three immediately preceding financial years.

In pursuance of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014, the above rules are not applicable to the company during the year.

**COMPLIANCE UNDER THE COMPANIES ACT, 2013 AND ADDITIONAL SEBI STIPULATIONS**

The Companies Act 2013 came into force substantially from 1st April, 2014. Also, SEBI in its master circular dated 17th April, 2014 notified additional requirements on corporate governance which was effective from 1st October, 2014. The Act and the SEBI Stipulations set the tone for a more modern legislation which enables growth, greater regulation and self governance of India's corporate sector. The Act and SEBI's requirements are expected to improve corporate governance norms, enhance the accountability and protect the interests of investors, particularly small ones.

These requirements substantially increase the compliance requirements for companies. The Company is taking all the necessary steps to be compliant with the Act within the time stipulated.

**CORPORATE GOVERNANCE REPORT**

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Company's Statutory Auditors M/s Raj Anirudh & Associates, Chartered Accountants confirming the compliance of conditions of Corporate Governance, as stipulated under Listing Agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed thereto.

**FORMAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the Clauses of the Listing Agreement/ Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out an annual evaluation of its own, its Committees, the Chairperson and the Directors, individually. A detailed note on the manner of evaluation forms a part of the Corporate Governance Report.

**RELATED PARTY TRANSACTIONS**

None of the transactions with any of related parties were in conflict with the Company's interest. Suitable disclosures as required by the Accounting Standard 18 (AS 18) issued by The Institute of Chartered Accountants of India (The ICAI) have been made in the notes to the Financial Statements.

All related party transactions are negotiated on an arms-length basis and are in the ordinary course of business. Therefore, the Provisions of Section 188(1) of the Companies Act, 2013 has been in compliance. Further the board of the company has given its approval to transaction with the related parties.

The details of the transaction with Related Party are provided in the Form AOC-2 annexed to the Directors' Report.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the Provisions of Section 186 of the Companies Act, 2013 are given in the accompanying Financial Statements.

**VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

Fraud-free and corruption-free work culture has been the core of the Company's functioning. In view of the potential risk of fraud and corruption due to rapid growth and geographical spread of operations, the company has put even greater emphasis to address this risk.

To meet this objective a Whistle Blower Policy has been laid down. The same policy as approved by the Board was uploaded on the Company's website [www.rlf ltd.com](http://www.rlf ltd.com).

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

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. There were no complaint received from any employee during the financial year 2017-18 and hence no complaint is outstanding as on 31.3.2018 for compliance.

**CONSERVATION OF ENERGY**

The Company does not belong to the category of power intensive industries and hence consumption of power is not significant. However, the management is aware of the importance of conservation of energy and also reviews from time to time the measures taken/ to be taken for reduction of consumption of energy.

**SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, it appointed M/s. Shashi Shekhar & Associates, a proprietorship firm of Company Secretaries in practice, to undertake the Secretarial Audit. The Self Explanatory report of the Secretarial Audit is attached as Annexure-'B'. Secretarial Standard-I was implemented with effect from July 1, 2015 and there were few inadvertent procedural lapses in its compliance at the implementation stage. However, proper compliances were made thereafter during the year under review. Typing errors in the minutes were accidental, which is being taken care.

**General Body Meeting**

- a) Location and time, where last three AGMs held.

Date & Year	Time	Location
September 23, 2017	12.00 Noon	14 Kms., Gurugram Pataudi Road, Village Jhund Sarai Veeran, Distt. Gurugram, Haryana.
September 30, 2016	12.00 Noon	14 Kms., Gurugram Pataudi Road, Village Jhund Sarai Veeran, Distt. Gurugram, Haryana
September 30, 2015	3.00 P.M.	14km, Gurugram Pataudi Road, Village Jhund Sarai Veeran, Distt. Gurugram, Haryana.

b) Special Resolution passed in the previous three Annual General Meetings:

During the last three financial years, special resolutions were passed only in the Annual General Meeting held on 30th September, 2016 for following matter:

- Adoption of the new Memorandum and Articles of Association as per the Companies Act, 2013.
- Renew of the unsecured deposits from members of the Company up to permissible limits as prescribed under rule 3 (4) of the Companies (Acceptance of Deposits) Rules 2014.
- Approval of Corporate Guarantee in favor of Syndicate Bank on behalf of Chitra Utsav Video Pvt.Ltd. for a Term Loan of Rs. 1.50 Crore.

c) Postal Ballot:

No special resolution was passed last year through Postal Ballot. The Company is not proposing passing of any special resolution through postal ballot in the ensuing Annual General Meeting.

#### MEANS OF COMMUNICATION

i) Quarterly Results	Published in English and Hindi newspaper every quarter
ii) Newspapers wherein results normally published	a) The Pioneer- English b) Veer Arjun- Hindi
iii) Any Website, where displayed	www.rlf ltd.com
iv) Whether it also displays official news release	Yes
v) The presentation made to institutional investors or to the analysis	The presentation is available on the website of the Company.

#### General Shareholder Information

Annual General Meeting	Tuesday, 25th September, 2018 12.00 Noon
Date, Time and Venue	14 Kms, Gurugram Pataudi Road, Village Jhund Sarai Veeran, Distt. Gurugram, Haryana.
Financial Year	1st April to 31st March
Date of Book Closure	19th September 2018 to 24th September 2018 (Both days inclusive)
Cut-Off Date (Record Date)	18th September, 2018
Dividend payment date	Not applicable due to non declaration of dividend.
Listing on Stock Exchanges	BSE Limited, 25th Floor, P.J. Towers, Dalal Street, Mumbai-400001 Stock Code: 512618. The Company is regular in payment of Listing Fee to BSE Limited.





CIN NO :- L74999HR1979PLC032747

ISIN No.	INE 629C01014.
Registrar and Transfer Agents	Link Intime India Pvt. Ltd, 44, Community Centre, Phase-I, Near PVR, Naraina Industrial Area, New Delhi-110028. Tel. 011-41410592/93/94, Fax No.011- 41410591. E-Mail : delhi@linkintime.co.in
Share Transfer System	Share Transfer request can be lodged with the Registrar and Transfer Agents at the above mentioned address. Share Transfer requests received in physical form is registered within an average period of 15 days. A Share Transfer Committee comprising of members of the Board generally meets once in a fortnight to consider the transfer of shares.
Dematerialization of Shares	7171198 equity shares, which are 71.79% of the paid up capital as on March 31, 2018, have been dematerialized.
Outstanding GDR/ ADR/ Warrants or any Convertible instruments, conversion date and likely impact on equity	The company has not issued any GDR/ ADR/ Warrants or any convertible instruments that are pending for conversion
Plant Locations and the Registered office of the Company	14 Kms, Gurugram Pataudi Road, Village Jhund Sarai Veeran, Distt. Gurugram, Haryana.
Corporate Office & Correspondence Address	RLF Limited, D-41, South Extension, Part-II, New Delhi-110049. Tel : 011- 26258237, 49075251
Website	www.rlf ltd.com
Investor e-mail	investorrelations@rlf ltd.com

Distribution of Shareholding as on 31.03.2018							
SR.N O.	SHAREHOLDING OF NOMINAL SHARES			NO. OF SHARE HOLDERS	% AGE OF SHARE HOLDER	TOTAL NO.OF SHARES	% AGE OF TOTAL
1	1	To	500	8501	89.3525	2079081	20.8139
2	501	To	1000	639	6.7164	483044	4.8358
3	1001	To	2000	209	2.1968	315713	3.1606
4	2001	To	3000	56	0.5886	145671	1.4583
5	3001	To	4000	21	0.2207	73458	0.7354
6	4001	To	5000	23	0.2417	108482	1.0860
7	5001	To	10000	25	0.2628	183312	1.8352
8	10001	To	10001 and above	40	0.4204	6600122	66.0747
Total				9514	100.00	9988883	100.00

Shareholding pattern as on 31.03.2018

Sl. No.	Category	No. of shares held	% age of shareholding
1	Indian Promoters	4655500	46.61
2	Banks, Financial Institutions, Insurance Companies (Central/State Govt.)	191900	1.92
3	FII's / NRIs/OCBs	0	0.00
4	Mutual Funds and UTI	7900	0.08
5	Domestic Companies	426339	4.27
6	Resident Individuals	4707244	47.12
	Total	9988883	100.00



CIN NO :- L74999HRI979PLC032747

To  
The Members  
**RLF Limited**  
**CIN L74999HRI979PLC032747**  
**14 KMS GURURGRAM PATAUDI ROAD**  
**VILLAGE JHUND SARAIVEERAN**  
**DISTT GURUGRAM HARYANA**

Our Secretarial Audit Report of even date, for the financial year 2017-18 is to be read along with this letter.

**Management's Responsibility**

1. It is the responsibility of the management of the company to maintain secretarial records devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required we have obtained the management's representation compliances of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. The Secretarial Audit Report is neither as assurance as to the future viability of Company nor of the effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books account of the company.

**For Shashi Shekhar & Associates**  
**Company Secretaries**

**Sd/-**  
**Shashi Shekhar**  
**Proprietor**  
**ACS No.30145, CP.No.18672**

**Place; New Delhi**  
**Date: 5th May 2018**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Member,  
RLF Limited  
CIN L74999HR1979PLC032747  
14 KMS GURUGRAM PATAUDI ROAD  
VILLAGE JHUND SARAIVEERAN  
DISTT GURUGRAM HARYANA

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

Based on our 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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 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 extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and external commercial borrowings (Applicable only to the extent Foreign Direct Investment and Overseas Direct Investment)
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 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 (Not applicable as the Company has not issued any further share capital during the period under review)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable as the Company has not issued any further share capital during the period under review);
  - (f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable as there was no reportable event during the period under review)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable as there was no reportable event during the period)
6. The management has identified and confirmed the following laws as specifically applicable to the Company;
  - i. Industrial Disputes Act, 1947
  - ii. The Payment of Wages Act, 1936
  - iii. The Minimum Wages Act, 1948
  - iv. Employee State Insurance Act, 1948
  - v. The Employee Provident Fund and Miscellaneous Provisions Act, 1952
  - vi. The Payment of Bonus Act, 1965

- vii. The Payment of Gratuity Act, 1972
- viii. The Contract Labour (Regulation and Abolition) Act, 1970
- ix. The Maternity Benefits Act, 1961
- x. The Income Tax Act, 1961
- xi. Shops and Establishments Act, 1948
- xii. Legal Metrology Act, 2009

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

- I. The Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General meeting (SS-2) issued by The Institute of Company Secretary of India.
  - II. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.
- During the period under review the Company has complied with the provisions of the Rules, Regulations, Guidelines, Standards, etc mentioned above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, on-Executive Directors and Independent Directors and a Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions of the Board and Committees thereof were carried out with requisite majority.

**We further report that** based on review of compliances mechanism established by the Company and on the basis of the Compliances Certificate issued by the Company Secretary and taken on record by the Board of Directors at their meetings. We are of the opinion that there are adequate systems and processes in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

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

**For Shashi Shekhar & Associates  
Company Secretaries**

Sd/-

**Shashi Shekhar  
Proprietor  
ACS No. 30145, CP No. 18672**

**Place: New Delhi  
Date: 5<sup>th</sup> May 2018**



CIN NO :- L74999HRI979PLC032747

**FORM NO. MGT-9**  
**EXTRACT OF THE ANNUAL RETURN**

As on the financial year ended on March 31, 2017

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L74999HRI979PLC032747
2	Registration Date	02-04-1979
3	Name of the Company	RLF LIMITED
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVT. COMPANY
5	Address of the Registered office & contact details	14 KMS GURUGRAM PATAUDI ROADVILLAGE JHUND SARAI, VEERAN DISTT GURUGRAM, HARYANA
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PVT. LTD., 44 COMMUNITY CENTRE, PHASE-I, NEAR PVR, NARAINA INDUSTRIAL AREA, NEW DELHI-110028

**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)

S. No	Name and Description of main products / services	NIC Code of the Product/service	% to total turn over of the company
I	EMBROIDERY	2810	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
I	Chitra Utsav Video Pvt. Ltd.	U74899DL1989PTC036377	Associate	24.86%	2(6)

**IV. SHARE HOLDING PATTERN**

(Equity share capital breakup as percentage of total equity)

**(I) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 <sup>st</sup> April, 2017]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March, 2018]				% Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,449,900	505,020	1,954,920	19.57%	1,449,900	505,020	1,954,920	19.57%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp	2,663,480	37,100	2,700,580	27.04%	2,663,480	37,100	2,700,580	27.04%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	4,113,380	542,120	4,655,500	46.61%	4,113,380	542,120	4,655,500	46.61%	0.00%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 <sup>st</sup> April, 2017]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March, 2018]				% Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
<b>Sub Total (A) (2)</b>			-	0.00%			-	0.00%	0.00%
<b>TOTAL (A)</b>	4,113,380	1,952,720	4,655,500	46.61%	4,113,380	1,952,720	4,655,500	46.61%	0.00%
<b>B. Public Shareholding</b>									
I. Institutions									
a) Mutual Funds	-	7,900	7,900	0.08%	-	7,900	7,900	0.08%	0.00%
b) Banks / FI	144,900	47,000	191,900	1.92%	144,900	47,000	191,900	1.92%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	144,900	54,900	199,800	2.00%	144,900	54,900	199,800	2.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1,222,009	2,144,165	3,366,174	33.70%	1,229,291	2,131,865	3,361,156	33.65%	-0.05%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1,212,056	-	1,212,056	12.13%	1,173,648	-	1,173,648	11.75%	-0.38%
c) Others (specify)	466,553	88,800	555,353	5.56%	509,979	88,800	598,779	5.99%	0.43%
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	2,900,618	2,232,965	5,133,583	51.39%	2,912,918	2,220,665	5,133,583	51.39%	0.00%
<b>Total Public (B)</b>	3,045,518	2,287,865	5,333,383	53.39%	3,057,818	2,275,565	5,333,383	53.39%	0.00%
<b>C. Shares held by Custodian for</b>			-	0.00%			-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	7,158,898	2,829,985	9,988,883	100.00%	7,171,198	2,817,685	9,988,883	100.00%	0.00%

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year 1 <sup>st</sup> April, 2017			Shareholding at the end of the year 31 <sup>st</sup> March, 2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	United Leasing & Industries Ltd.	1,125,300	11.27%	0	1,125,300	11.27%	0	0.00%
2	Telecom Finance (India) Ltd.	110,000	1.10%	0	110,000	1.10%	0	0.00%
3	ULL Securities Pvt. Ltd.	1,142,880	11.44%	0	1,142,880	11.44%	0	0.00%
4	Aquarius Travels Pvt. Ltd.	22,500	0.23%	0	22,500	0.23%	0	0.00%
5	Leisure Golf Pvt.Ltd.	262,800	2.63%	0	262,800	2.63%	0	0.00%
6	R.K. Khanna & Sons (HUF)	144,300	1.44%	0	144,300	1.44%	0	0.00%
7	Anoop Kumar Khanna	568,960	5.70%	0	568,960	5.70%	0	0.00%
8	Anil Kumar Khanna	912,640	9.14%	0	912,640	9.14%	0	0.00%
9	Su Sampark Pvt. Ltd.	37,100	0.37%	0	37,100	0.37%	0	0.00%
10	Meena Khanna	252,920	2.53%	0	252,920	2.53%	0	0.00%
11	Anil Khanna & Sons (HUF)	76,100	0.76%	0	76,100	0.76%	0	0.00%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	Nil	Nil	Nil	0.00%	Nil	0.00%
	Changes during the year	Nil	Nil	Nil	0.00%	Nil	0.00%
	At the end of the year	Nil	Nil	Nil	0.00%	Nil	0.00%

**(iv) Shareholding Pattern of top ten Shareholders**

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the (1.4.2017)/ at end of the year (31.3.2018)		Cumulative Shareholding during the year (F.Y. 201 8)	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name: Aditya Khanna						
	At the beginning of the year			0	-		
	Changes during the year		Investment	268,379	2.69%		
	At the end of the year			268,379	2.69%	268,379	2.69%
2	Name: Ashish Khanna						
	At the beginning of the year			0	-		
	Changes during the year		Investment	268,379	2.69%		
	At the end of the year			268,379	2.69%	268,379	2.69%



SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the (1.4.2017)/ at end of the year (31.3.2018)		Cumulative Shareholding during the year (F.Y. 201 8)	
				No. of shares	% of total shares	No. of shares	% of total shares
3	Name: Kailash Chand						
	At the beginning of the year			232,783	2.33%		
	Changes during the year			-	-		
	At the end of the year			232,783	2.33%	232,783	2.33%
4	Punjab National Bank						
	At the beginning of the year			144,900	1.45%		
	Changes during the year			-	-		
	At the end of the year			144,900	1.45%	144,900	1.45%
5	AMS Stock Management Pvt. Ltd.						
	At the beginning of the year			141,253	1.41%		
	Changes during the year			-	-		
	At the end of the year			141,253	1.41%	141,253	1.41%
6	Name: Pradeep Kumar Agrawal						
	At the beginning of the year			109,522	1.10%		
	Changes during the year			-	-		
	At the end of the year			109,522	1.10%	109,522	1.10%
7	Name: Sameer Kapur						
	At the beginning of the year			106,894	1.07%		
	Changes during the year			-	-		
	At the end of the year			106,894	1.07%	106,894	1.07%
8	Name: Raj Kumar Lohia						
	At the beginning of the year			90,000	0.90%		
	Changes during the year			-	-		
	At the end of the year			90,000	0.90%	90,000	0.90%
9	VSL Securities Private Limited						
	At the beginning of the year			76,782	0.77		
	Changes during the year			-	-		
	At the end of the year			76,782	0.77	76,782	0.77
10	Name: Raj Kumar Lohia						
	At the beginning of the year			75,210	0.75%		
	Changes during the year			-	-		
	At the end of the year			75,210	0.75%	75,210	0.75%

**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the Year (1.4.2017)/ at end of the year (31.3.2018)		Cumulative Shareholding during the year (F.Y. 2018 )	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name: Anil Kumar Khanna						
	At the beginning of the year			912,640	9.14%		
	Changes during the year			-	-	-	-
	At the end of the year			912,640	9.14%	912,640	9.14%
2	Name: Pushpa Latha CS						
	At the beginning of the year			100	0.00%		
	Changes during the year			-	-	-	-
	At the end of the year			100	0.00%	100	0.00%
3	Name: Aditya Khanna						
	At the beginning of the year			0	0.00%		
	Changes during the year		Investment	268,379	2.69%	-	-
	At the end of the year			268,379	2.69%	268,379	2.69%
4	Name: Ashish Khanna						
	At the beginning of the year			0	0.00%		
	Changes during the year		Investment	268,379	2.69%	-	-
	At the end of the year			268,379	2.69%	268,379	2.69%

**V. INDEBTEDNESS**

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

(Rs. In Lac)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	349.18	190.01	256.00	795.19
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>349.18</b>	<b>190.01</b>	<b>256.00</b>	<b>795.19</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	35.77	96.58	27.02	159.37
* Reduction	42.78	37.00	-	79.78
Net Change	(7.01)	59.58	27.02	79.59
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	342.17	249.59	283.02	874.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>342.17</b>	<b>249.59</b>	<b>283.02</b>	<b>874.78</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTM/ Manager	Total Amount (Rs/Lac)
	Name		
	Designation		
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) 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**

SN.	Particulars of Remuneration	Name of Directors	Total Amount (Rs/Lac)
1	Independent Directors		
	Fee for attending board committee meetings		-
	Commission		-
	Others, please specify		-
	Total (1)	-	-
2	Other Non-Executive Directors		-
	Fee for attending board committee meetings		-
	Commission		-
	Others, please specify		-
	Total (2)	-	-
	Total (B)=(1+2)	-	-
	Total Managerial Remuneration		-
	Overall Ceiling as per the Act		

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTM**

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name				(Rs/Lac)
	Designation	CEO	CFO	CS	
1	Gross salary	NIL	NIL		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	3.24	3.24
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	-	-
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL		-	-
2	Stock Option	NIL		-	-
3	Sweat Equity	NIL		-	-
4	Commission	NIL		-	-
	- as % of profit				
	- others, specify				
5	Others, please specify	NIL		-	-
	Total	NIL	-	3.24	3.24

<b>VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:</b>					
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty		NO	NO	NO	NO
Punishment		NO	NO	NO	NO
Compounding		NO	NO	NO	NO
<b>B. DIRECTORS</b>					
Penalty		NO	NO	NO	NO
Punishment		NO	NO	NO	NO
Compounding		NO	NO	NO	NO
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty		NO	NO	NO	NO
Punishment		NO	NO	NO	NO
Compounding		NO	NO	NO	NO



CIN NO :- L74999HR1979PLC032747

## **Certificate by Chief Executive Officer (CEO) / Chief Financial Officer (CFO)**

Dear Members of the Board,

I, Mr. Harish Rawat, Chief Financial Officer (CFO) of RLF Limited certify that:

- A) I have reviewed the financial statements and cash flow statement for the financial year ended March 31, 2018 and that to the best of my knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
- B) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the said financial year which are fraudulent, illegal or violate the Company's Code of Conduct.
- C) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps that have been taken or propose to take to rectify these deficiencies.
- D) I have indicated to the Auditors and the Audit Committee that:
  - i) There has not been any significant change in internal control over financial reporting during the year ended March 31, 2018.
  - ii) There has not been any significant changes in accounting policies during the year ended March 31, 2018 requiring disclosure in the notes to the financial statements; and
  - iii) There has not been any instance of significant fraud during the year ended March 31, 2018.

Place : New Delhi  
Date : May 05, 2018

Sd/-  
Harish Rawat  
Chief Financial Officer (CFO)

**Annexure 'C'****Auditors' Certificate on Compliance with the conditions of Corporate Governance under clause 49 of the Listing Agreement(s)****To the Members of RLF Limited**

We have examined the Compliance of conditions of Corporate Governance of RLF Limited, for the year ended March 31, 2018 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certificate of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For Raj Anirudh & Associates  
(Chartered Accountants)  
FRN:020497N

Sd/-  
CA Raj Kumar  
(Proprietor)  
M No.:083093

Place : New Delhi  
Date : May 05, 2018

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF RLF LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of RLF LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its Profit/Loss and its Cash Flow for the year ended on that March 31, 2018.

#### Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the

matters specified in paragraphs 3 and 4 of the Order.

**2. As required by section 143 (3) of the Act, we report that:**

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Raj Anirudh & Associates  
Chartered Accountants  
FRN : 20497N

Sd/-  
CA Raj Kumar  
Proprietor  
Membership number: 083093

Place: New Delhi  
Date: May 05, 2018



**“Annexure A” to the Independent Auditors' Report**

Referred to in paragraph I under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) A substantial part of the fixed assets have been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company. However, the immovable properties are under equitable mortgage with the bank as security for credit facility obtained from the bank.
- 2) Inventory has been physically verified during the year by the management and no material discrepancies were noticed. In our opinion, the frequency of verification is reasonable.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) According to the information and explanations given to us, the Company has renewed some deposits during the year for certain deposits appearing in note 10 of balance sheet, certain procedural guideline as mentioned in the section 73 of the Company's Act 2013 and rules framed there under has been followed.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) As per information and explanations furnished to us and on verification of records produced, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- 9) As per information and explanations given to us and as per verification of records produced before us, the Company has taken term loans and as has applied for the purposes for which term loan obtained. Company has not raised any funds through initial public offering during the year.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) As per information and explanations furnished to us and on verification of records produced, during the year Company has not paid or provided any managerial remuneration, hence Para 3 (xi) of the order is not applicable.
- 12) The provisions of statute applicable to Nidhi Company are not applicable to the Company.

- 13) As per information and explanations furnished to us and on verification of records produced, all transactions with the disclosed related parties have been disclosed in the Financial Statements as required by the applicable accounting standards. They are in compliance with section 177 and 188 of Companies Act, 2013.
- 14) As per information and explanations furnished to us and on verification of records produced, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, hence Para 3 (xiv) of the Order is not applicable.
- 15) As per information and explanations provided to us, the company has not entered into non-cash transactions with directors or persons connected with him and accordingly provisions of section 192 of Companies Act, 2013 are not applicable.
- 16) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For Raj Anirudh & Associates  
Chartered Accountants  
FRN : 20497N

Sd/-  
CA Raj Kumar  
Proprietor  
Membership number: 083093

Place: New Delhi  
Date: May 05, 2018

## **“Annexure B” to the Independent Auditor's Report of even date on the Standalone Financial Statements of RLF Limited**

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

We have audited the internal financial controls over financial reporting of RLF 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**

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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,



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**CIN NO :- L74999HR1979PLC032747**

projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Raj Anirudh & Associates  
Chartered Accountants  
FRN: 20497N

Sd/-  
CA Raj Kumar  
Proprietor  
Membership number: 083093

Place: New Delhi  
Date: May 05, 2018

**Balance Sheet as at March 31, 2018***(All Amounts in Indian Rupees,  
unless otherwise stated)*

	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	1	236,745,760	243,437,825	250,207,115
Capital work-in-progress		18,024,218	11,919,527	-
Financial Asset				
- Investments	2	61,412,219	81,801,177	96,979,676
- Loans	3	498,511	1,273,459	3,885,641
<b>Current Assets</b>				
Inventories	4	7,976,000	7,976,000	7,976,000
Financial Assets				
- Trade Receivables	5	14,606,287	12,986,448	13,343,665
- Cash and Cash Equivalents	6	196,472	1,459,746	63,652
- Other Bank Balances	7	567,546	631,516	925,091
- Loans	8	24,590,379	193,617	878,953
Deferred Tax Assets (net)		1,774,142	(148,122)	(3,470,501)
<b>Total</b>		<b><u>366,391,534</u></b>	<b><u>361,531,193</u></b>	<b><u>370,789,292</u></b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	9	98,008,225	98,008,225	98,008,225
Other Equity		165,175,360	170,069,479	172,156,969
<b>LIABILITIES</b>				
<b>Non- Current Liabilities</b>				
Financial Liabilities				
- Borrowings	10	73,693,249	65,606,810	41,094,137
<b>Current Liabilities</b>				
Financial Liabilities				
- Borrowings	11	13,784,553	13,912,820	46,541,675
- Trade Payables	12	-	-	-
Other Current Liabilities	13	15,480,147	13,683,859	12,738,286
Provisions	14	250,000	250,000	250,000
<b>Total</b>		<b><u>366,391,534</u></b>	<b><u>361,531,193</u></b>	<b><u>370,789,292</u></b>

Summary of significant accounting policies 22

The accompanying notes are an integral part of financial statements

As per our report of even date

For Raj Anirudh & Associates  
(Chartered Accountants)  
FRN-020497N

For and on behalf of the Board

Sd/-  
CA Raj Kumar  
(Proprietor)  
Membership No. 083093Sd/-  
Anil Kumar Khanna  
(Managing Director)  
DIN-00207839Sd/-  
Suman Kapur  
(Director)  
DIN-00590936Sd/-  
Harish Rawat  
(Chief Financial Officer)  
PAN-AHKPR3388RSd/-  
Twinkle Jain  
(Company Secretary)  
ACS. No. 42107Place : New Delhi  
Date : May 5, 2018

**Statement of Profit and Loss for the year ended March 31, 2018**
*(All Amounts in Indian Rupees,  
unless otherwise stated)*

	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Revenue</b>			
Revenue from operations	15	11,486,622	2,917,387
Other Income	16	1,871,649	376,034
<b>Total</b>		<b><u>13,358,271</u></b>	<b><u>3,293,421</u></b>
<b>Expenses</b>			
Cost of materials consumed	17	6,565,770	64,487
Changes in inventory of work in progress	18	-	-
Employee Benefits Expense	19	2,267,402	867,716
Finance Costs	20	2,031,477	28,444
Depreciation and Amortisation Expenses	1	6,952,357	6,948,161
Other Expenses	21	2,357,648	794,482
<b>Total</b>		<b><u>20,174,654</u></b>	<b><u>8,703,290</u></b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>(6,816,383)</b>	<b>(5,409,869)</b>
Exceptional items		-	-
<b>Profit/ (Loss) before Tax</b>		<b>(6,816,383)</b>	<b>(5,409,869)</b>
Tax Expenses:			
Current Tax		-	-
Deferred Tax		(1,922,264)	(3,322,379)
<b>Profit / (Loss) for the period from continuing operations</b>		<b>(4,894,119)</b>	<b>(2,087,490)</b>
<b>Profit/ (Loss) from discontinued operations</b>		-	-
<b>Tax expense of discontinued operations</b>		-	-
<b>Profit/ (Loss) from discontinued operations</b>		-	-
<b>Profit / (Loss) for the period</b>		<b>(4,894,119)</b>	<b>(2,087,490)</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>(4,894,119)</b>	<b>(2,087,490)</b>
<b>Earnings per equity share of Rs.10 each</b>			
- Basic (Rs.)		(0.50)	(0.21)
- Diluted (Rs.)		(0.50)	(0.21)
<b>Summary of significant accounting policies</b>	<b>22</b>		
As per our report of even date			
For Raj Anirudh & Associates		For and on behalf of the Board	
(Chartered Accountants)			
FRN-020497N			
Sd/-	Sd/-	Sd/-	
CA Raj Kumar	Anil Kumar Khanna	Suman Kapur	
(Proprietor)	(Managing Director)	(Director)	
Membership No. 083093	DIN-00207839	DIN-00590936	
	Sd/-	Sd/-	
	Harish Rawat	Twinkle Jain	
	(Chief Financial Officer)	(Company Secretary)	
	PAN-AHKPR3388R	ACS. No. 42107	
Place: New Delhi			
Date : May 05, 2018			

**Cash Flow Statement for the year ended 31st March, 2018**

(Figures in Rupees)

	March 31, 2018	March 31, 2017
<b>A Cash flow from operating activities</b>		
<b>Net profit before tax</b>	<b>(6,816,383)</b>	<b>(5,409,869)</b>
Adjustments for:		
Depreciation	6,952,357	6,948,161
Interest Income	(48,932)	(39,247)
Interest expenses (net)	2,031,477	28,444
<b>Operating profit before working capital adjustments</b>	<b><u>2,118,519</u></b>	<b><u>1,527,489</u></b>
Adjustments for:		
(Increase) / decrease in trade receivables	(1,619,839)	357,217
Increase / (decrease) in trade payables and other liabilities	1,796,288	-
(Increase) / decrease in other current liabilities	-	945,573
(Increase) / decrease in long-term & short-term loans and advances	(23,556,921)	2,731,953
(Increase) / decrease in Inventories	-	-
<b>Cash generated from Operations</b>	<b><u>(21,261,953)</u></b>	<b><u>5,562,232</u></b>
- Taxes paid (net of refunds)	(64,893)	565,565
<b>Net cash generated from operating activities</b>	<b>(21,326,846)</b>	<b>6,127,797</b>
<b>B Cash flow from investing activities</b>		
Purchase of tangible assets (including CWIP)	(6,364,983)	(12,098,398)
Interest received	48,932	39,247
Sale of Investments	20,388,958	15,178,499
<b>Net cash used in investing activities</b>	<b>14,072,907</b>	<b>3,119,348</b>
<b>C Cash flow from financing activities</b>		
Proceeds / (repayments) of short-term borrowings - (net)	(128,267)	(32,628,855)
Proceeds / (repayments) of long-term borrowings - (net)	8,086,439	24,512,673
Interest paid	(2,031,477)	(28,444)
<b>Net cash from financing activities</b>	<b><u>5,926,695</u></b>	<b><u>(8,144,626)</u></b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b><u>(1,327,244)</u></b>	<b><u>1,102,519</u></b>
Cash and cash equivalents at the beginning of the year	2,091,262	988,743
Cash and cash equivalents at the end of the year	764,018	2,091,262

As per our report of even date

For and on behalf of the Board

For Raj Anirudh &amp; Associates

(Chartered Accountants)

FRN-020497N

Sd/-  
Anil Kumar Khanna  
(Managing Director)  
DIN - 00207839

Sd/-  
Suman Kapur  
(Director)  
DIN -00590936

Sd/-  
CA Raj Kumar  
(Proprietor)  
Membership No. 083093

Sd/-  
Harish Rawat  
(Chief Financial Officer)  
PAN-AHKPR3388R

Sd/-  
Twinkle Jain  
(Company Secretary)  
ACS. No.42107

Place : New Delhi  
Date : May 5, 2018

**STATEMENT OF CHANGES IN EQUITY**

Statement of Changes in Equity for the period March 31, 2018

**A. Equity Share Capital**

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
01-Apr-16	98,008,225.00	-	98,008,225.00
31-Mar-17	98,008,225.00	-	98,008,225.00
31-Mar-18	98,008,225.00	-	98,008,225.00

**B. Other Equity**

	Reserve and Surplus				Revaluation Surplus	Total
	Capital Reserve	Investment Allowance Reserve	General Reserve	Retained Earning		
Balance as at April 1, 2016	227,250.00	907,763.00	12,790,193.00	(40,606,577.00)	198,838,340.00	172,156,969.00
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at April 1, 2016	227,250.00	907,763.00	12,790,193.00	(40,606,577.00)	198,838,340.00	172,156,969.00
Total comprehensive income for the year	-	-	-	(2,087,490.00)	-	(2,087,490.00)
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Balance at March 31, 2017	227,250.00	907,763.00	12,790,193.00	(42,694,067.00)	198,838,340.00	170,069,479.00
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at March 31, 2017	227,250.00	907,763.00	12,790,193.00	(42,694,067.00)	198,838,340.00	170,069,479.00
Total comprehensive income for the year	-	-	-	(4,894,119.00)	-	(4,894,119.00)
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Balance at March 31, 2018	227,250.00	907,763.00	12,790,193.00	(47,588,186.00)	198,838,340.00	165,175,360.00



## Notes forming part of the Financial Statements as at 31st March, 2018

(All Amounts in Indian Rupees,  
unless otherwise stated)

### I. Fixed Assets Tangible assets

Particulars	Gross Block (at cost)				Depreciation				Net Block As at March 31, 2018	Net Block As at March 31, 2017	Net Block As at April 1, 2016
	April 1, 2017	Additions	Deletions	March 31, 2018	April 1, 2017	For the year	Deletions	Adjust- ment with opening retained earnings	March 31, 2018		
Land	215,880,030	260,292	-	216,140,322	-	-	-	-	216,140,322	215,880,030	215,880,030
Buildings	12,854,207	-	-	12,854,207	7,410,270	428,044	-	-	7,838,314	5,015,893	5,871,981
Plant & Machinery	140,728,466	-	-	140,728,466	120,711,144	6,074,897	-	-	126,786,041	13,942,425	25,909,152
Computers	613,480	-	-	613,480	613,480	-	-	-	613,480	-	-
Furniture & Fixtures	733,032	-	-	733,032	733,032	-	-	-	733,032	-	-
Office Equipments	1,159,188	-	-	1,159,188	1,159,188	-	-	-	1,159,188	-	-
Vehicles	6,148,703	-	-	6,148,703	4,052,167	449,416	-	-	4,501,583	1,647,120	2,545,952
<b>Total</b>	<b>378,117,106</b>	<b>260,292</b>	<b>-</b>	<b>378,377,398</b>	<b>134,679,281</b>	<b>6,952,357</b>	<b>-</b>	<b>-</b>	<b>141,631,638</b>	<b>236,745,760</b>	<b>243,437,825</b>
<b>As at March 31, 2017</b>	<b>377,938,235</b>	<b>178,871</b>	<b>-</b>	<b>378,117,106</b>	<b>127,731,120</b>	<b>6,948,161</b>	<b>-</b>	<b>-</b>	<b>134,679,281</b>	<b>243,437,825</b>	<b>-</b>
<b>As at April 1, 2016</b>	<b>370,798,632</b>	<b>7,139,603</b>	<b>-</b>	<b>377,938,235</b>	<b>122,493,165</b>	<b>5,237,955</b>	<b>-</b>	<b>-</b>	<b>127,731,120</b>	<b>250,207,115</b>	<b>-</b>

### 2. Non-Current Investments Unquoted Instruments valued at cost Unless otherwise stated:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment in Equity Instruments -Chitra Utsav Video Pvt. Ltd. 46842 (Previous year 69750) Equity Shares of Rs.10/- each)	48,452,219	68,841,177	68,841,177
Investment in Preference Instruments -Chitra Utsav Video Pvt. Ltd. 1296000 (Previous year 1296000) Preference Shares of Rs.10/- each)	12,960,000	12,960,000	12,960,000
Investment in Equity Instruments -SIPL Textiles Pvt. Ltd. Nil (Previous year 155000) Equity Shares of Rs.10/- each)	-	-	1,550,000
Investment in Equity Instruments -Telecom Finance (India) Ltd. Nil (Previous year 883257) Equity Shares of Rs.10/- each)	-	-	9,628,499
Investment in Equity Instruments -Chene Capital Pvt. Ltd. Nil (Previous year 225000) Equity Shares of Rs.10/- each)	-	-	2,250,000
Investment in Equity Instruments -ADAB Infrastructure Pvt. Ltd. Nil (Previous year 175000) Equity Shares of Rs.10/- each)	-	-	1,750,000
<b>Total</b>	<b>61,412,219</b>	<b>81,801,177</b>	<b>96,979,676</b>

**Notes forming part of the Financial Statements as at 31st March, 2018**

(All Amounts in Indian Rupees,  
unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>3. Long - Term Loans</b> (Unsecured and Considered Good, unless otherwise stated)			
Security Deposits	484,669	484,669	484,669
Other Receivables	13,842	788,790	3,400,972
<b>Total</b>	<b><u>498,511</u></b>	<b><u>1,273,459</u></b>	<b><u>3,885,641</u></b>
<b>4. Inventories</b>			
Raw materials	-	-	-
Finished Goods	7,976,000	7,976,000	7,976,000
	<b><u>7,976,000</u></b>	<b><u>7,976,000</u></b>	<b><u>7,976,000</u></b>
<b>5. Trade Receivables</b> (Unsecured and considered good unless otherwise stated )			
Outstanding for a period exceeding six month	-	10,127,409	11,179,508
Others	14,606,287	2,859,039	2,164,157
<b>Total</b>	<b><u>14,606,287</u></b>	<b><u>12,986,448</u></b>	<b><u>13,343,665</u></b>
<b>6. Cash and Bank Balances</b>			
<b>Cash and Cash Equivalents</b>			
Cash on hand	103,348	-	10,060
Balances with Scheduled Banks			
- In Current Accounts	93,124	1,459,746	53,592
	<b><u>196,472</u></b>	<b><u>1,459,746</u></b>	<b><u>63,652</u></b>
<b>7. Other Bank Balances</b>			
In deposit accounts*	567,546	631,516	925,091
<b>Total</b>	<b><u>567,546</u></b>	<b><u>631,516</u></b>	<b><u>925,091</u></b>
* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.			
<b>8. Short-Term Loans</b> (Unsecured and Considered Good, unless otherwise stated)			
Loans and advances to Related Parties	24,352,340	-	135,000
Prepaid Expenses	23,761	44,232	29,003
Advance Income Tax	214,278	149,385	714,950
<b>Total</b>	<b><u>24,590,379</u></b>	<b><u>193,617</u></b>	<b><u>878,953</u></b>

## Notes forming part of the Financial Statements as at 31st March, 2018

(All Amounts in Indian Rupees,  
unless otherwise stated)

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
<b>9. Share Capital</b>						
<b>Authorised Equity Shares of Rs. 10/- each</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
	15,000,000	150,000,000	15,000,000	150,000,000	15,000,000	150,000,000
	<b>15,000,000</b>	<b>150,000,000</b>	<b>15,000,000</b>	<b>150,000,000</b>	<b>15,000,000</b>	<b>50,000,000</b>
<b>Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
	9,988,883	99,888,830	9,988,883	99,888,830	9,988,883	99,888,830
Addition during the year	-	-	-	-	-	-
Less: Calls in arrears	-	1,880,605	-	1,880,605	-	1,880,605
	<b>9,988,883</b>	<b>98,008,225</b>	<b>9,988,883</b>	<b>98,008,225</b>	<b>9,988,883</b>	<b>98,008,225</b>

### a. Reconciliation of no. of shares

Equity Shares	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	9,988,883	99,888,830	9,988,883	99,888,830	9,988,883	99,888,830
Addition during the year	-	-	-	-	-	-
Balance at the end of the year	<b>9,988,883</b>	<b>99,888,830</b>	<b>9,988,883</b>	<b>99,888,830</b>	<b>9,988,883</b>	<b>99,888,830</b>

### b. Rights, preferences and restrictions attached to the shares

The holders of equity shares are entitled to receive dividend as declared from time to time, and are entitled to one vote per share at meeting of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

### c. The Details of Shareholders holding more than 5% Equity shares:

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
Name of Shareholder	No. of Shares	%	No. of Shares	%	No. of Shares	%
ULL Securities Pvt. Ltd.	1142880	11.44	1142880	11.44	1142880	11.44
United Leasing & Industries Limited	1125300	11.27	1125300	11.27	1125300	11.27
Anil Kumar Khanna	912640	9.14	912640	9.14	912640	9.14
Anoop Kumar Khanna	568960	5.70	568960	5.70	568960	5.70

**Notes forming part of the Financial Statements as at 31st March, 2018**
*(All Amounts in Indian Rupees,  
unless otherwise stated)*

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>10. Non Current Borrowings</b>			
<b>Secured</b>			
<b>Term Loans</b>			
- From Banks	3,356,373	4,588,876	6,914,435
- Vehicle loan from ICICI Bank (secured against hypothecation of respective vehicles)	-	-	123,892
(Security deposit advance against rental of Land. Interest free)	23,577,000	20,000,000	-
<b>Total</b>	<b><u>26,933,373</u></b>	<b><u>24,588,876</u></b>	<b><u>7,038,327</u></b>
<b>Unsecured</b>			
- from Directors	24,959,202	19,001,098	17,607,642
<b>Other Loans and Advances</b>			
- Fixed Deposits	3,050,000	4,941,473	3,050,000
- Inter Corporate Deposits	18,750,674	17,075,363	13,398,168
<b>Total</b>	<b><u>46,759,876</u></b>	<b><u>41,017,934</u></b>	<b><u>34,055,810</u></b>
<b>Total</b>	<b><u>73,693,249</u></b>	<b><u>65,606,810</u></b>	<b><u>41,094,137</u></b>
<b>Secured Loan</b>			
-Secured by equitable mortgage of Factory Land & Building and hypothecation of Imported Plant & Machinery			
-Repayable in 60 equal montly installments from 31.10.2016			
<b>11. Current Borrowings</b>			
<b>Secured</b>			
<b>Loans Repayable on Demand</b>			
- <b>From Banks</b>			
- Term Loan including working capital term loan	3,744,000	3,744,000	3,744,000
- Cash Credit	3,539,182	6,585,555	8,395,181
	<u>7,283,182</u>	<u>10,329,555</u>	<u>12,139,181</u>
<b>Unsecured</b>			
Other Loans and Advances			
- Fixed Deposits	6,501,371	3,072,240	10,151,463
- Inter Corporate Deposits	-	511,025	24,251,031
	<u>6,501,371</u>	<u>3,583,265</u>	<u>34,402,494</u>
<b>Total</b>	<b><u>13,784,553</u></b>	<b><u>13,912,820</u></b>	<b><u>46,541,675</u></b>
<b>12. Trade Payables</b>			
Due to Micro and Small Enterprises	-	-	-
Due to Others	-	-	-
<b>Total</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>13. Other Current Liabilities</b>			
Current maturities of long term debt	-	125,771	825,616
Interest accrued but not due	2,150,505	2,766,287	2,524,899
Statutory dues payable	437,125	366,416	374,939
Other Liabilities	12,892,517	10,425,385	9,012,832
<b>Total</b>	<b><u>15,480,147</u></b>	<b><u>13,683,859</u></b>	<b><u>12,738,286</u></b>
<b>14. Short Term Provisions</b>			
Provision for Income tax	250,000	250,000	250,000
	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>

**Notes forming part of the Financial Statements as at 31st March, 2018***(All Amounts in Indian Rupees,  
unless otherwise stated)*

<b>15. Revenue from operations</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
Revenue from manufacturing Operations	11,486,622	2,917,387
<b>Total</b>	<b><u>11,486,622</u></b>	<b><u>2,917,387</u></b>
<b>16. Other Income</b>		
Interest on Fixed Deposit with Bank	48,93	39,247
Interest on Income Tax refund	300,000	-
Rent Received	600,000	-
Miscellaneous Income	922,717	336,787
<b>Total</b>	<b><u>1,871,649</u></b>	<b><u>376,034</u></b>
<b>17. Cost of Materials Consumed</b>		
Opening Stock of Raw Material		
Add: Purchase of Raw Material	6,565,770	64,487
Less: Closing stock of Raw Material	-	-
<b>Cost of raw material consumed during the year</b>	<b><u>6,565,770</u></b>	<b><u>64,487</u></b>
<b>18. Changes in inventory of work in progress (Increase)/Decrease in stocks</b>	<b>-</b>	<b>-</b>
Stock at the beginning of the year:		
Work in progress		
<b>Stock at the End of the year:</b>		
Work in Progress		
(Increase)/decrease in stocks		
<b>19. Employee Benefits Expense</b>		
Salaries and Wages	2,057,907	730,374
Contribution to Provident fund & other funds	209,495	128,491
Staff welfare expenses	-	8,851
<b>Total</b>	<b><u>2,267,402</u></b>	<b><u>867,716</u></b>
<b>20. Finance Costs</b>		
Interest Expense on		
- Interest on Term Loan and Overdraft	2,027,004	-
- Interest on deposits	-	21,104
- Finance charges on Car Loan	240	-
- Interest on T.D.S.	4,233	7,340
<b>Total</b>	<b><u>2,031,477</u></b>	<b><u>28,444</u></b>

**Notes forming part of the Financial Statements as at 31st March, 2018**

(All Amounts in Indian Rupees,  
unless otherwise stated)

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>21. Other Expenses</b>		
Electricity Charges	428,633	-
Clearing & Forwarding Charges	261,330	-
Freight & Cartage	24,000	-
Postage, Courier and Telephones	75,668	63,353
Traveling and Conveyance Expenses	162,423	24,460
Auditor's Remuneration		
- Statutory Audit Fee	40,000	40,000
- Tax Audit Fee	-	14,375
Fee, Taxes and Insurance	172,927	165,334
Advertisement	40,246	36,878
Bank commission and charges	57,811	2,629
Repair & Maintenance- Others	1,200	-
Listing Fee	287,500	-
Entertainment expenses	8,086	-
Audit Committee Meeting Fee	60,000	80,000
Board Meeting Fee	120,000	130,000
Annual Custody Fee	25,876	42,938
Issuer Fee	25,876	25,763
E-Voting Charges	5,900	5,750
Printing and Stationery	216,085	97,504
Website Maintenance Charges	7,304	21,689
Legal and Professional Charges	214,810	13,246
Miscellaneous Expenses	19,786	29,363
Vehicle running and maintenance	103,387	-
	<b><u>2,357,648</u></b>	<b><u>794,482</u></b>

**Notes forming part of the Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March, 2018****22: Summary of significant accounting policies:****1. Basis of accounting and preparation of Standalone financial statements**

The Standalone financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 the companies Act, 2013 read with Rule 7 of the Companies Accounting Rules, 2014 and the relevant provisions of the Companies Act, 2013 (the 2013 Act)/ Companies Act, 1956 (the 1956 Act) as applicable. The financial statement has been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statement are consistent with those followed in the previous year.

**2. Fixed Assets:**

Fixed assets are stated at cost less accumulated depreciation/amortization (including other expenses related to acquisition and installation) adjusted by revaluation of certain fixed assets.

**Depreciation /Amortization:**

Depreciation is provided on a pro-rata basis on straight line method over the estimated useful lives of the assets determined by Schedule-II of the Companies Act, 2013, accept for certain assets where lower useful life has been used and for which technical evaluation has been made by the Management. The useful life adopted is as under:

<b>Depreciation of Assets</b>	<b>Useful Life (in years)</b>
Factory Building	30
Plant & Machinery	15
Furniture & Fixtures	10
Office Equipments	5
Computers	6
Vehicles	10
A.C. & A.C. Equipments	15

**3. Investments:**

Current investments are stated at lower of cost or market value. Long-term investments are stated at cost.

**4. Inventories:**

Inventories are valued at the lower of Cost or Net Realizable Value except stores & spares which is valued at cost.

**5. Revenue Recognition:**

Sales are accounted for on accrual basis.

**6. Retirement Benefit:**

Provident fund is accounted for on accrual basis while Leave Encashment & Gratuity is accounted for on cash basis.

**7. Foreign Currency Transactions:**

Transactions in Foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Year end balances are valued at the rate prevailing on that date.

**8. Provision for Current and Deferred Tax:**

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. At each balance sheet date, the Company reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**23. Contingent liabilities not provided for in respect of:**

- a) The Sales Tax Department had created a demand on the company in respect of cases for 2 years against which the company has preferred appeals to the appropriate appellate authorities aggregating to Rs. 28,64,433/- (Previous Year Rs 28,64,433/-).
- b) The company has provided a Corporate Guarantee in favour of Syndicate Bank in respect of the credit facility availed by Chitra Utsav Video Pvt. Ltd. amounting to Rs. 1672 Lac (Previous Year Rs. 2475 Lac).

**24. Segment Reporting**

The company business income consist of textiles only. The segment wise details as per Accounting Standard AS - 17 issued by the Institute of Chartered Accountants of India is not required to be disclosed.

**25. Accounting for Taxes on Income (Accounting Standard No:-22):**

The Company has during the year recognized Net Deferred Tax Asset amounting to Rs. 17,74,142 as on 31.03.2018.

Particulars	As on 31.3.2018	As on 31.3.2017
	Deferred Tax Assets/ (Deferred Tax Liability)	Deferred Tax Assets/ (Deferred Tax Liability)
Brought Forward Loss	1,09,80,192	96,15,181
Net Block of Assets	56,04,005	1,00,64,037
<b>Net Deferred Tax Asset / (Liability)</b>	<b>17,74,142</b>	<b>(1,48,856)</b>

26. In accordance with the requirement of Accounting Standards (AS)-18 on Related Party Disclosure, the name of the parties where control exists and/ or with whom the transaction have taken place during the year are as follows:-

**a) Key Management Personal**

Anil Kumar Khanna	-	Managing Director
Ashish Khanna	-	Director
Aditya Khanna	-	Director

**b) Entities where Key Management Personal exercises significant influence**

- i) SIPL Textiles Pvt. Ltd.
- ii) Chene Capital Pvt. Ltd.
- iii) Chitra Utsav Video Pvt. Ltd.
- iv) Rebound Ace India Pvt. Ltd.



<b>SR.NO.</b>	<b>TRANSACTIONS WITH RELATED PARTIES</b>	<b>FOR THE YEAR ENDING 31.03.2018</b>	<b>FOR THE YEAR ENDING 31.03.2017</b>
1.	SALE OF GOODS		
	a) SIPL Textiles Pvt. Ltd.	Nil	Nil
	B) United Leasing & Industries Ltd.	Nil	29,17,387
2.	ADVANCES GIVEN/RECEIVED (NET)		
	a) Chitra Utsav Video Pvt. Ltd.	28,29,567	1,16,78,499
	b) Rebound Ace India Pvt. Ltd.	Nil	17,86,827
3.	Fabric Purchase [SIPL Textiles Pvt. Ltd.]	64,21,558	Nil
4.	Loan Refund to Director (Anil Kumar Khanna)	37,00,000	25,99,571
5.	Loan from Director (Anil Kumar Khanna)	6,75,000	16,75,000
6.	INTEREST ON I.C.D. (Chitra Utsav Video)	Nil	5,64,518

<b>Name of Directors</b>	<b>Nature of Transaction</b>	<b>Amount [Rs.]</b>
Anil Kumar Khanna	Board Meeting Fee	20,000
Ashish Khanna	Board Meeting Fee	20,000
Aditya Khanna	Board Meeting Fee	20,000
B.L. Khurana	Audit Committee & Board Meeting Fee	40,000
Suman Kapur	Audit Committee & Board Meeting Fee	40,000
Pushpa Latha CS	Audit Committee & Board Meeting Fee	40,000

**27. Basic and Diluted Earning Per Share (Accounting Standard No:-20):**

Basic and diluted Earnings per share of the company are as under: -

	<b>31.3.2018 (In Rupees)</b>	<b>31.3.2017 (In Rupees)</b>
Profit or (Loss) after tax (A)	(48,94,119)	(20,87,490)
Avg. Number of Equity shares	99,88,883	99,88,883
Basic and Diluted Earnings per Share Rupee/Share	(0.50)	(0.21)
<b>28. Directors Meeting Fee</b>		
Directors Meeting Fee	1,80,000	2,10,000
<b>29. Directors Remunerations:</b>		
Directors' Commission	NIL	NIL
<b>30. Payment to Auditors:</b>		
Statutory Audit Fee	40,000	40,000
Tax Audit Fee	Nil	14,375

**31. Figures of the previous year have been regrouped & recast wherever necessary.**

**32. Foreign Transactions****1. CIF Value of Imports :-**

	<b><u>31.03.2018</u></b>	<b><u>31.03.2017</u></b>
Raw Material	Nil	Nil
Capital Goods	Nil	Nil

**2. Earning in foreign Currency**

80,26,099

Nil

**3. Expenditure in Foreign Currency**

Purchase of Spare Parts

Nil

1,56,216

As per Our Report of Even Date attached  
For Raj Anirudh & Associates  
(Chartered Accountants)  
FRN-020497N

For and on behalf of the Board

Sd/-  
CA Raj Kumar  
(Proprietor)  
Membership No. 083093

Sd/-  
Anil Kumar Khanna  
(Managing Director)  
DIN-00207839

Sd/-  
Suman Kapur  
(Director)  
DIN-00590936

Sd/-  
Harish Rawat  
(Chief Financial Officer)

Sd/-  
Twinkle Jain  
(Company Secretary)  
Membership No.42107

Place: New Delhi  
Date: May 05, 2018

## **Independent Auditor's Report**

### **TO THE MEMBERS OF RLF LIMITED**

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

We have audited the accompanying consolidated financial statements of RLF LIMITED (hereinafter referred to as "the Holding Company") and its associate CHITRA UTSAV VIDEO PRIVATE LIMITED (collectively referred to as 'the Company' or 'the Group'), comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year 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 Consolidated Financial Statements**

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, 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 company and its associate companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards 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.

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 auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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 sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, 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 and its associates as at 31st March, 2018, and their consolidated loss and their consolidated cash flows for the year ended on that date.

**Other Matters**

The consolidated financial statements also include the Group's share of net profit of Rs. 81,65,954/- for the year ended 31st March, 2018, as considered in the consolidated financial statements, in respect of its associate namely Chitra Utsav Video Private Limited, whose financial statements have not been audited by us. These 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 these associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report, 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 relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of 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 reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the company and its associate companies incorporated in India 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 and the operating effectiveness of such controls, refer to our report in "Annexure A", which is based on the Auditors' Reports of the Company and its associate companies incorporated in India.
- 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact the consolidated financial position of the company and its associates.
- ii. The Company and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its associate companies incorporated in India.

For Raj Anirudh & Associates  
(Chartered Accountants)  
FRN. 020497N

Sd/-  
CA Raj Kumar  
(Proprietor)  
Membership No.083093

Place: New Delhi  
Date: May 05, 2018

## **Annexure “A” to the Independent Auditor's report**

**(Referred to in paragraph (f) under 'Report on Other Legal & Regulatory Requirements' section of our report of even date)**

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

We have audited the internal financial controls over financial reporting RLF 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**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions

and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion to the best of our information and according to the explanation given to us, the Holding Company has, in 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Raj Anirudh & Associates  
(Chartered Accountants)  
FRN. 020497N

Sd/-  
CA Raj Kumar  
(Proprietor)  
Membership No.083093

Place: New Delhi  
Date: May 05, 2018

**Consolidated Balance Sheet as at March 31, 2018***(All Amounts in Indian Rupees,  
unless otherwise stated)*

	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	1	236,745,760	243,437,825	250,207,115
Capital work-in-progress		18,024,219	11,919,527	-
<b>Financial Assets</b>				
- Investments	2	73,859,534	91,482,847	101,367,103
- Loans	3	498,511	1,273,459	3,885,641
<b>Current Assets</b>				
Inventories	4	7,976,000	7,976,000	7,976,000
<b>Financial Assets</b>				
- Trade Receivables	5	14,606,287	12,986,448	13,343,665
- Cash and Cash Equivalents	6	196,472	1,459,746	63,652
- Other Bank Balances	7	567,546	631,516	925,091
- Loans	8	24,590,379	193,617	878,953
Deferred Tax Assets (net)		1,774,142	(148,122)	(3,470,501)
<b>Total</b>		<b>378,838,850</b>	<b>371,212,863</b>	<b>375,176,719</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	9	98,008,225	98,008,225	98,008,225
Other Equity		177,622,676	179,751,149	176,544,396
<b>LIABILITIES</b>				
<b>Non- Current Liabilities</b>				
<b>Financial Liabilities</b>				
- Borrowings	10	73,693,249	65,606,810	41,094,137
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
- Borrowings	11	13,784,553	13,912,820	46,541,675
- Trade Payables	12	-	-	-
Other Current Liabilities	13	15,480,147	13,683,859	12,738,286
Provisions	14	250,000	250,000	250,000
<b>Total</b>		<b>378,838,850</b>	<b>371,212,863</b>	<b>375,176,719</b>

**Summary of significant accounting policies 22****The accompanying notes are an integral part of financial statements**

As per our report of even date  
For Raj Anirudh & Associates  
(Chartered Accountants)  
FRN-020497N

For and on behalf of the Board

Sd/-  
CA Raj Kumar  
(Proprietor)  
Membership No. 083093

Sd/-  
Anil Kumar Khanna  
(Managing Director)  
DIN-00207839

Sd/-  
Suman Kapur  
(Director)  
DIN-00590936

Place: New Delhi  
Date: May 5, 2018

Sd/-  
Harish Rawat  
(Chief Financial Officer)  
PAN-AHKPR3388R

Sd/-  
Twinkle Jain  
(Company Secretary)  
ACS. No. 42107



**Consolidated Statement of Profit and Loss for the year ended March 31, 2018**(All Amounts in Indian Rupees,  
unless otherwise stated)

	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Revenue</b>			
Revenue from operations	15	11,486,622	2,917,387
Other Income	16	1,871,649	376,034
<b>Total</b>		<b><u>13,358,271</u></b>	<b><u>3,293,421</u></b>
<b>Expenses</b>			
Cost of materials consumed	17	6,565,770	64,487
Changes in inventory of work in progress	18	-	-
Employee Benefits Expense	19	2,267,402	867,716
Finance Costs	20	2,031,476	28,444
Depreciation and Amortisation Expenses	1	6,952,357	6,948,161
Other Expenses	21	7,757,957	867,966
<b>Total</b>		<b><u>25,574,962</u></b>	<b><u>8,776,774</u></b>
<b>Share of profit of associates and joint ventures</b>		<b>8,165,954</b>	<b>5,367,727</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b><u>(4,050,737)</u></b>	<b><u>(115,626)</u></b>
Exceptional items		-	-
<b>Profit/ (Loss) before Tax</b>		<b><u>(4,050,737)</u></b>	<b><u>(115,626)</u></b>
Tax Expenses :			
Current Tax		-	-
Deferred Tax		(1,922,264)	(3,322,379)
<b>Profit / (Loss) for the period from continuing operations</b>		<b><u>(2,128,473)</u></b>	<b>3,206,753</b>
<b>Profit/ (Loss) from discontinued operations</b>		<b>-</b>	<b>-</b>
<b>Tax expense of discontinued operations</b>		<b>-</b>	<b>-</b>
<b>Profit/ (Loss) from discontinued operations</b>		<b>-</b>	<b>-</b>
<b>Profit / (Loss) for the period</b>		<b><u>(2,128,473)</u></b>	<b>3,206,753</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period )</b>		<b><u>(2,128,473)</u></b>	<b>3,206,753</b>
<b>Earnings per equity share of Rs.10 each</b>			
- Basic (Rs.)		(0.22)	0.32
- Diluted (Rs.)		(0.22)	0.32
<b>Summary of significant accounting policies</b>	22		

As per our report of even date  
For Raj Anirudh & Associates  
(Chartered Accountants)  
FRN-020497N

For and on behalf of the Board

Sd/-  
CA Raj Kumar  
(Proprietor)  
Membership No. 083093

Sd/-  
Anil Kumar Khanna  
(Managing Director)  
DIN-00207839

Sd/-  
Suman Kapur  
(Director)  
DIN-00590936

Sd/-  
Harish Rawat  
(Chief Financial Officer)  
PAN-AHKPR3388R

Sd/-  
Twinkle Jain  
(Company Secretary)  
ACS. No. 42107

Place: New Delhi  
Date: May 5, 2018

### Consolidated Cash Flow Statement for the year ended 31st March, 2018

(Figures in Rupees)

	March 31, 2018	March 31, 2017
<b>A Cash flow from operating activities</b>		
<b>Net profit before tax</b>	<b>(4,050,737)</b>	<b>(115,626)</b>
Adjustments for:		
Depreciation	6,952,357	6,948,161
Interest Income	(48,932)	(39,247)
Interest expenses (net)	2,031,476	28,444
<b>Operating profit before working capital adjustments</b>	<b>4,884,164</b>	<b>6,821,732</b>
Adjustments for :		
(Increase) / decrease in trade receivables	(1,619,839)	357,217
Increase / (decrease) in trade payables and other liabilities	1,796,288	-
(Increase) / decrease in other current liabilities	-	945,573
(Increase) / decrease in long-term & short-term loans and advances	(23,556,921)	2,731,953
(Increase) / decrease in Inventories	-	-
<b>Cash generated from Operations</b>	<b>(18,496,308)</b>	<b>10,856,475</b>
-Taxes paid(net of refunds)	(64,893)	565,565
<b>Net cash generated from operating activities</b>	<b>(18,561,201)</b>	<b>11,422,040</b>
<b>B Cash flow from investing activities</b>		
Purchase of tangible assets(including CWIP)	(6,364,984)	(12,098,398)
Interest received	48,932	39,247
Sale of Investments	17,623,313	9,884,256
<b>Net cash used in investing activities</b>	<b>11,307,261</b>	<b>(2,174,895)</b>
<b>C Cash flow from financing activities</b>		
Proceeds / (repayments) of short-term borrowings - (net)	(128,267)	(32,628,855)
Proceeds / (repayments) of long-term borrowings - (net)	8,086,439	24,512,673
Interest paid	(2,031,476)	(28,444)
<b>Net cash from financing activities</b>	<b>5,926,696</b>	<b>(8,144,626)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(1,327,244)</b>	<b>1,102,519</b>
Cash and cash equivalents at the beginning of the year	<b>2,091,262</b>	<b>988,743</b>
Cash and cash equivalents at the end of the year	<b>764,018</b>	<b>2,091,262</b>

As per our report of even date  
For Raj Anirudh & Associates  
(Chartered Accountants)  
FRN-020497N

For and on behalf of the Board

Sd/-  
CA Raj Kumar  
(Proprietor)  
Membership No. 083093

Sd/-  
Anil Kumar Khanna  
(Managing Director)  
DIN-00207839

Sd/-  
Suman Kapur  
(Director)  
DIN-00590936

Place: New Delhi  
Date: May 5, 2018

Sd/-  
Harish Rawat  
(Chief Financial Officer)  
PAN-AHKPR3388R

Sd/-  
Twinkle Jain  
(Company Secretary)  
ACS. No. 42107

**STATEMENT OF CHANGES IN EQUITY**

Statement of Consolidated Changes in Equity for the period March 31, 2018

**A. Equity Share Capital**

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
01-Apr-16	98,008,225.00	-	98,008,225.00
31-Mar-17	98,008,225.00	-	98,008,225.00
31-Mar-18	98,008,225.00	-	98,008,225.00

**B. Other Equity**

	Reserve and Surplus				Revaluation Surplus	Total
	Capital Reserve	Investment Allowance Reserve	General Reserve	Retained Earning		
Balance as at April 1, 2016	227,250.00	907,763.00	12,790,193.00	(36,219,150.00)	198,838,340.00	176,544,396.00
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at April 1, 2016	227,250.00	907,763.00	12,790,193.00	(36,219,150.00)	198,838,340.00	176,544,396.00
Total comprehensive income for the year	-	-	-	3,206,753.00	-	3,206,753.00
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Balance at March 31, 2017	227,250.00	907,763.00	12,790,193.00	(33,012,397.00)	198,838,340.00	179,751,149.00
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at March 31, 2017	227,250.00	907,763.00	12,790,193.00	(33,012,397.00)	198,838,340.00	179,751,149.00
Total comprehensive income for the year	-	-	-	(2,128,473.00)	-	(2,128,473.00)
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Balance at March 31, 2018	227,250.00	907,763.00	12,790,193.00	(35,140,870.00)	198,838,340.00	177,622,676.00

**Notes forming part of the Consolidated Financial Statements as at 31st March, 2018**
*(All Amounts in Indian Rupees,  
unless otherwise stated)*
**I. Fixed Assets  
Tangible assets**

Particulars	Gross Block (at cost)				Depreciation				Net Block As at March 31, 2018	Net Block As at March 31, 2017	Net Block As at April 1, 2016
	April 1, 2017	Additions	Deletions	March 31, 2018	April 1, 2017	For the year	Deletions	Adjustment with opening retained earnings			
Land	215,880,030	260,292	-	216,140,322	-	-	-	-	216,140,322	215,880,030	215,880,030
Buildings	12,854,207	-	-	12,854,207	7,410,270	428,044	-	-	7,838,314	5,015,893	5,871,981
Plant & Machinery	140,728,466	-	-	140,728,466	120,711,144	6,074,897	-	-	126,786,041	13,942,425	20,017,322
Computers	613,480	-	-	613,480	613,480	-	-	-	613,480	-	-
Furniture & Fixtures	733,032	-	-	733,032	733,032	-	-	-	733,032	-	-
Office Equipments	1,159,188	-	-	1,159,188	1,159,188	-	-	-	1,159,188	-	-
Vehicles	6,148,703	-	-	6,148,703	4,052,167	449,416	-	-	4,501,583	1,647,120	2,545,952
<b>Total</b>	<b>378,117,106</b>	<b>260,292</b>	<b>-</b>	<b>378,377,398</b>	<b>134,679,281</b>	<b>6,952,357</b>	<b>-</b>	<b>-</b>	<b>141,631,638</b>	<b>236,745,760</b>	<b>243,437,825</b>
<b>As at March 31, 2017</b>	<b>377,938,235</b>	<b>178,871</b>	<b>-</b>	<b>378,117,106</b>	<b>127,731,120</b>	<b>6,948,161</b>	<b>-</b>	<b>-</b>	<b>134,679,281</b>	<b>243,437,825</b>	<b>-</b>
<b>As at April 1, 2016</b>	<b>370,798,632</b>	<b>7,139,603</b>	<b>-</b>	<b>377,938,235</b>	<b>122,493,165</b>	<b>5,237,955</b>	<b>-</b>	<b>-</b>	<b>127,731,120</b>	<b>250,207,115</b>	<b>-</b>

	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
<b>2. Non-Current Investments</b>			
<b>Unquoted Instruments valued at cost Unless otherwise stated:</b>			
Investment in Equity Instruments -Chitra Utsav Video Pvt. Ltd. 46842 (Previous year 69750) Equity Shares of Rs.10/- each) Add: Share of profit/(loss) for current year	52,733,580	73,155,120	70,673,994
Investment in Preference Instruments -Chitra Utsav Video Pvt. Ltd. 1296000 (Previous year 1296000) Preference Shares of Rs.10/- each)	<u>8,165,954</u>	<u>5,367,727</u>	<u>2,481,126</u>
Investment in Equity Instruments -SIPL Textiles Pvt. Ltd. Nil (Previous year 155000) Equity Shares of Rs.10/- each)	60,899,534	78,522,847	73,155,120
Investment in Equity Instruments -Telecom Finance (India) Ltd. Nil (Previous year 883257) Equity Shares of Rs.10/- each)	12,960,000	12,960,000	12,960,000
Investment in Equity Instruments -Chene Capital Pvt. Ltd. Nil (Previous year 225000) Equity Shares of Rs.10/- each)	-	-	1,550,000
Add: Share of profit/(loss) for current year	-	-	9,628,499
Investment in Equity Instruments -ADAB Infrastructure Pvt. Ltd. Nil (Previous year 175000) Equity Shares of Rs.10/- each)	-	-	2,497,214
Add: Share of profit/(loss) for current year	-	-	(6,399)
	-	-	2,490,815
	-	-	1,587,332
	-	-	(4,663)
	-	-	1,582,669
<b>Total</b>	<b><u>73,859,534</u></b>	<b><u>91,482,847</u></b>	<b><u>101,367,103</u></b>

**Notes forming part of the Consolidated Financial Statements as at 31st March, 2018***(All Amounts in Indian Rupees,  
unless otherwise stated)*

	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
<b>3. Long - Term Loans</b>			
Unsecured and Considered Good, unless otherwise stated)			
Security Deposits	484,669	484,669	484,669
Other Receivables	13,842	788,790	3,400,972
<b>Total</b>	<b><u>498,511</u></b>	<b><u>1,273,459</u></b>	<b><u>3,885,641</u></b>
<b>4. Inventories</b>			
Raw materials	-	-	-
Finished Goods	7,976,000	7,976,000	7,976,000
	<b><u>7,976,000</u></b>	<b><u>7,976,000</u></b>	<b><u>7,976,000</u></b>
<b>5. Trade Receivables</b>			
(Unsecured and considered good unless otherwise stated )			
Outstanding for a period exceeding six month	-	10,127,409	11,179,508
Others	14,606,287	2,859,039	2,164,157
<b>Total</b>	<b><u>14,606,287</u></b>	<b><u>12,986,448</u></b>	<b><u>13,343,665</u></b>
<b>6. Cash and Bank Balances</b>			
<b>Cash and Cash Equivalents</b>			
Cash on hand	103,348	-	10,060
Balances with Scheduled Banks - In Current Accounts	93,124	1,459,746	53,592
	<b><u>196,472</u></b>	<b><u>1,459,746</u></b>	<b><u>63,652</u></b>
<b>7. Other Bank Balances</b>			
In deposit accounts*	567,546	631,516	925,091
<b>Total</b>	<b><u>567,546</u></b>	<b><u>631,516</u></b>	<b><u>925,091</u></b>
* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.			
<b>8. Short-Term Loans</b>			
<b>(Unsecured and Considered Good, unless otherwise stated)</b>			
Loans and advances to Related Parties	24,352,340	-	135,000
Prepaid Expenses	23,761	44,232	29,003
Advance Income Tax	214,278	149,385	714,950
<b>Total</b>	<b><u>24,590,379</u></b>	<b><u>193,617</u></b>	<b><u>878,953</u></b>

**Notes forming part of the Consolidated Financial Statements as at 31st March, 2018**

(All Amounts in Indian Rupees,  
unless otherwise stated)

	<b>As at March 31, 2018</b>		<b>As at March 31, 2017</b>		<b>As at April 1, 2016</b>	
<b>9. Share Capital</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
<b>Authorised Equity Shares of Rs. 10/- each</b>	15,000,000	150,000,000	15,000,000	150,000,000	15,000,000	150,000,000
	<b>15,000,000</b>	<b>150,000,000</b>	<b>15,000,000</b>	<b>150,000,000</b>	<b>15,000,000</b>	<b>150,000,000</b>

<b>Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
	9,988,883	99,888,830	9,988,883	99,888,830	9,988,883	99,888,830
Addition during the year	-	-	-	-	-	-
Less: Calls in arrears	-	1,880,605	-	1,880,605	-	1,880,605
	<b>9,988,883</b>	<b>98,008,225</b>	<b>9,988,883</b>	<b>98,008,225</b>	<b>9,988,883</b>	<b>98,008,225</b>

**a. Reconciliation of no. of shares**

<b>Equity Shares</b>	<b>As at March 31, 2018</b>		<b>As at March 31, 2017</b>		<b>As at April 1, 2016</b>	
	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>
Balance at the beginning of the year	9,988,883	99,888,830	9,988,883	99,888,830	9,988,883	99,888,830
Addition during the year	-	-	-	-	-	-
Balance at the end of the year	<b>9,988,883</b>	<b>99,888,830</b>	<b>9,988,883</b>	<b>99,888,830</b>	<b>9,988,883</b>	<b>99,888,830</b>

**b. Rights, preferences and restrictions attached to the shares**

The holders of equity shares are entitled to receive dividend as declared from time to time, and are entitled to one vote per share at meeting of the Company. In the event of liquidation of the Company, all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

**c. The Details of Shareholders holding more than 5% Equity shares:**

	<b>As at March 31, 2018</b>		<b>As at March 31, 2017</b>		<b>As at April 1, 2016</b>	
<b>Name of Shareholder</b>	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
ULL Securities Pvt. Ltd.	1142880	11.44	1142880	11.44	1142880	11.44
United Leasing & Industries Limited	1125300	11.27	1125300	11.27	1125300	11.27
Anil Kumar Khanna	912640	9.14	912640	9.14	912640	9.14
Anoop Kumar Khanna	568960	5.70	568960	5.70	568960	5.70

**Notes forming part of the Consolidated Financial Statements as at 31st March, 2018**
*(All Amounts in Indian Rupees,  
unless otherwise stated)*

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>10. Non Current Borrowings</b>			
<b>Secured</b>			
<b>Term Loans</b>			
- From Banks	3,356,373	4,588,876	6,914,435
- Vehicle loan from ICICI Bank (secured against hypothecation of respective vehicles) (Security deposit advance against rental of Land. Interest free)	-	-	123,892
<b>Total</b>	<u>23,577,000</u> <u>26,933,373</u>	<u>20,000,000</u> <u>24,588,876</u>	<u>-</u> <u>7,038,327</u>
<b>Unsecured</b>			
- from Directors	24,959,202	19,001,098	17,607,642
<b>Other Loans and Advances</b>			
- Fixed Deposits	3,050,000	4,941,473	3,050,000
- Inter Corporate Deposits	18,750,674	17,075,363	13,398,168
<b>Total</b>	<u>46,759,876</u>	<u>41,017,934</u>	<u>34,055,810</u>
<b>Total</b>	<u>73,693,249</u>	<u>65,606,810</u>	<u>41,094,137</u>
<b>Secured Loan</b>			
- Secured by equitable mortgage of Factory Land & Building and hypothecation of Imported Plant & Machinery - Repayable in 60 equal monthly installments from 31.10.2016			
<b>11. Current Borrowings</b>			
<b>Secured</b>			
<b>Loans Repayable on Demand</b>			
- From Banks			
- Term Loan including working capital term loan	3,744,000	3,744,000	3,744,000
- Cash Credit	3,539,182	6,585,555	8,395,181
	<u>7,283,182</u>	<u>10,329,555</u>	<u>12,139,181</u>
<b>Unsecured</b>			
<b>Other Loans and Advances</b>			
- Fixed Deposits	6,501,371	3,072,240	10,151,463
- Inter Corporate Deposits	-	511,025	24,251,031
	<u>6,501,371</u>	<u>3,583,265</u>	<u>34,402,494</u>
<b>Total</b>	<u>13,784,553</u>	<u>13,912,820</u>	<u>46,541,675</u>
<b>12. Trade Payables</b>			
Due to Micro and Small Enterprises	-	-	-
Due to Others	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>13. Other Current Liabilities</b>			
Current maturities of long term debt	-	125,771	825,616
Interest accrued but not due	2,150,505	2,766,287	2,524,899
Statutory dues payable	437,125	366,416	374,939
Other Liabilities	12,892,517	10,425,385	9,012,832
<b>Total</b>	<u>15,480,147</u>	<u>13,683,859</u>	<u>12,738,286</u>
<b>14. Short Term Provisions</b>			
Provision for Income tax	250,000	250,000	250,000
	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>

**Notes forming part of the Consolidated Financial Statements as at 31st March, 2018***(All Amounts in Indian Rupees,  
unless otherwise stated)*

	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
<b>15. Revenue from operations</b>		
Revenue from manufacturing Operations	11,486,622	2,917,387
<b>Total</b>	<b><u>11,486,622</u></b>	<b><u>2,917,387</u></b>
<b>16. Other Income</b>		
Interest on Fixed Deposit with Bank	48,932	39,247
Interest on Income Tax refund	300,000	-
Rent Received	600,000	-
Miscellaneous Income	922,717	336,787
<b>Total</b>	<b><u>1,871,649</u></b>	<b><u>376,034</u></b>
<b>17. Cost of Materials Consumed</b>		
Opening Stock of Raw Material	-	-
Add: Purchase of Raw Material	6,565,770	64,487
Less: Closing stock of Raw Material	-	-
<b>Cost of raw material consumed during the year</b>	<b><u>6,565,770</u></b>	<b><u>64,487</u></b>
<b>18. Changes in inventory of work in progress (Increase)/Decrease in stocks</b>		
<b>Stock at the beginning of the year:</b>		
Work in progress	-	-
<b>Stock at the End of the year:</b>		
Work in Progress	-	-
<b>(Increase)/decrease in stocks</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>19. Employee Benefits Expense</b>		
Salaries and Wages	2,057,907	730,374
Contribution to Provident fund & other funds	209,495	128,491
Staff welfare expenses	-	8,851
<b>Total</b>	<b><u>2,267,402</u></b>	<b><u>867,716</u></b>
<b>20. Finance Costs</b>		
Interest Expense on		
- Interest on Term Loan and Overdraft	2,027,004	-
- Interest on deposits	-	21,104
- Finance charges on Car Loan	239	-
- Interest on T.D.S.	4,233	7,340
<b>Total</b>	<b><u>2,031,476</u></b>	<b><u>28,444</u></b>



**Notes forming part of the Consolidated Financial Statements as at 31st March, 2018***(All Amounts in Indian Rupees,  
unless otherwise stated)*

<b>21. Other Expenses</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
Electricity Charges	428,633	-
Clearing & Forwarding Charges	261,330	-
Freight & Cartage	24,000	-
Postage, Courier and Telephones	75,668	63,353
Traveling and Conveyance Expenses	162,423	24,460
Auditor's Remuneration		
- Statutory Audit Fee	40,000	40,000
- Tax Audit Fee	-	14,375
Fee, Taxes and Insurance	172,927	165,334
Advertisement	40,246	36,878
Bank commission and charges	57,811	2,629
Repair & Maintenance- Others	-	1,200
Listing Fee	287,500	-
Entertainment expenses	8,086	-
Audit Committee Meeting Fee	60,000	80,000
Board Meeting Fee	120,000	130,000
Annual Custody Fee	25,876	42,938
Issuer Fee	25,876	25,763
E-Voting Charges	5,900	5,750
Printing and Stationery	216,085	97,504
Website Maintenance Charges	7,304	21,689
Legal and Professional Charges	214,810	13,246
Miscellaneous Expenses	19,786	29,363
Vehicle running and maintenance	103,387	-
Loss on sale of Investments	5,400,309	73,484
	<b><u>7,757,957</u></b>	<b><u>867,966</u></b>

**Notes forming part of the Consolidated Financial Statements as at and for the year ended 31<sup>st</sup> March, 2018****22: Summary of significant accounting policies:****1. Basis of accounting and preparation of Consolidated financial statements:**

The Consolidated financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 the companies Act, 2013 read with Rule 7 of the Companies Accounting Rules, 2014 and the relevant provisions of the Companies Act, 2013 (the 2013 Act)/ Companies Act, 1956 (the 1956 Act) as applicable. The financial statement has been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statement are consistent with those followed in the previous year.

**2. Principles of consolidation**

The consolidated financial statements have been prepared on the following basis:

Investment in Associates (entity over which the group exercises significant influence, which is neither a subsidiary nor a joint venture) are accounted for using the equity method in accordance with Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements", issued by The Institute of Chartered Accountants of India, whereby the investment is initially recorded at cost, identifying any goodwill/ capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee.

**3. Fixed Assets:**

Fixed assets are stated at cost less accumulated depreciation/amortization (including other expenses related to acquisition and installation) adjusted by revaluation of certain fixed assets.

**Depreciation / Amortization:**

Depreciation is provided on a pro-rata basis on straight line method over the estimated useful lives of the assets determined by Schedule-II of the Companies Act, 2013, except for certain assets where lower useful life has been used and for which technical evaluation has been made by the Management. The useful life adopted is as under:

Depreciation of Assets	Useful Life (in years)
Factory Building	30
Plant & Machinery	15
Furniture & Fixtures	10
Office Equipments	5
Computers	6
Vehicles	10
A.C. & A.C. Equipments	15

**4. Investments:**

Current investments are stated at lower of cost or market value. Long-term investments are stated at cost.

**5. Inventories:**

Inventories are valued at the lower of Cost or Net Realizable Value except stores & spares which is valued at cost.

**6. Revenue Recognition:**

Sales are accounted for on accrual basis.

**7. Retirement Benefit:**

Provident fund is accounted for on accrual basis while Leave Encashment & Gratuity is accounted for on cash basis.

**8. Foreign Currency Transactions:**

Transactions in Foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Year end balances are valued at the rate prevailing on that date.

**9. Provision for Current and Deferred Tax:**

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. At each balance sheet date, the Company reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**23. Contingent liabilities not provided for in respect of:**

- a) The Sales Tax Department had created a demand on the company in respect of cases for 2 years against which the company has preferred appeals to the appropriate appellate authorities aggregating to Rs. 28,64,433/- (**Previous Year Rs 28,64,433**).
- b) The company has provided a Corporate Guarantee in favour of Syndicate Bank in respect of the credit facility availed by Chitra Utsav Video Pvt. Ltd. amounting to Rs. 1672 Lac. (Previous Year Rs. 2475 Lac).

**24. Segment Reporting**

The company business income consists of textiles only. The segment wise details as per Accounting Standard AS-17 issued by the Institute of Chartered Accountants of India is not required to be disclosed.

**25. Accounting for Taxes on Income (Accounting Standard No:-22):**

The Company has during the year recognized Net Deferred Tax Asset amounting to **Rs. 17,74,142** as on 31.03.2018.

Particulars	As on 31.3.2018 Deferred Tax Assets/ (Deferred Tax Liability)	As on 31.3.2017 Deferred Tax Assets/ (Deferred Tax Liability)
Brought Forward Loss	1,09,80,192	96,15,181
Net Block of Assets	56,04,005	1,00,64,037
	-----	-----
<b>Net Deferred Tax Asset / (Liability)</b>	<b>17,74,142</b>	<b>(1,48,856)</b>

26. In accordance with the requirement of Accounting Standards (AS)-18 on Related Party Disclosure, the name of the parties where control exists and/ or with whom the transaction have taken place during the year are as follows:-

**a) Key Management Personal**

Anil Kumar Khanna	-	Managing Director
Ashish Khanna	-	Director
Aditya Khanna	-	Director

**b) Entities where Key Management Personal exercises significant influence**

- i) SIPL Textiles Pvt. Ltd.
- ii) Chene Capital Pvt. Ltd.
- iii) Chitra Utsav Video Pvt. Ltd.
- iv) Rebound Ace India Pvt. Ltd.

SR.NO.	TRANSACTIONS WITH RELATED PARTIES	FORTHE YEAR ENDING 31.03.2018	FORTHE YEAR ENDING 31.03.2017
1.	PURCHASE OF GOODS		
	a) SIPL Textiles Pvt. Ltd.	64,21,558	Nil
2.	SALE OF GOODS		
	a) SIPL Textiles Pvt. Ltd.	Nil	Nil
	b) United Leasing & Industries Ltd.	Nil	29,17,387
3.	ADVANCES GIVEN/RECEIVED (NET)		
	a) Chitra Utsav Video Pvt. Ltd.	28,29,567	1,16,78,499
	b) Rebound Ace India Pvt. Ltd.	Nil	17,86,827
4.	LOAN OF DIRECTOR (Anil Kumar Khanna) REPAID	37,00,000	25,99,571
5.	LOAN FROM DIRECTOR (Anil Kumar Khanna)	6,75,000	16,75,000
6.	INTEREST ON ICD (Chitra Utsav Video Pvt. Ltd.)	Nil	5,64,518

Name of Directors	Nature of Transaction	Amount [Rs.]
Anil Kumar Khanna	Board Meeting Fee	20,000
Ashish Khanna	Board Meeting Fee	20,000
Aditya Khanna	Board Meeting Fee	20,000
B.L.Khurana	Audit Committee & Board Meeting Fee	40,000
Suman Kapur	Audit Committee & Board Meeting Fee	40,000
Pushpa latha CS	Audit Committee & Board Meeting Fee	40,000

**27. Basic and Diluted Earning Per Share (Accounting Standard No:-20):**

Basic and diluted Earnings per share of the company is as under:-

	31.3.2018 (In Rupees)	31.3.2017 (In Rupees)
Profit or (Loss) after tax (A)	32,04,702	32,06,753
Avg. Number of Equity shares	99,88,883	99,88,883
Basic and Diluted Earnings per Share Rupee/Share	0.32	0.32
<b>28. Directors Meeting Fee</b>		
Directors Meeting Fee	1,80,000	2,10,000
<b>29. Directors Remunerations:</b>		
Directors Commission	NIL	NIL
<b>30. Payment to Auditors:</b>		
Statutory Audit Fee	40,000	40,000
Tax Audit	Nil	14,375

**31. Disclosure relating to associates considered in the consolidated financial statements:**

Name of the Company	Country of incorporation	% voting power held as at	
		March 31, 2018	March 31, 2017
Chitra Utsav Video Pvt. Ltd.	India	24.86	37.02

**32. Percentage of Group in Net Assets (total assets minus total liabilities and share in profit or loss)**

Name of the Company	Net Assets		Share in profit or (loss)	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated profit/(loss)	Amount
RLF Limited	77.91	214,731,367	(154.65)	(4,959,201)
<b>Associates:</b>				
Chitra Utsav Video Pvt. Ltd.	22.09	60,899,534	254.65	8,165,954
<b>Total</b>	<b>100</b>	<b>275,630,901</b>	<b>100</b>	<b>3,206,753</b>
<b>As per Consolidated Financial Statements</b>		<b>275,630,901</b>		<b>3,206,753</b>

**33. Figures of the previous year have been regrouped & recast wherever necessary.****34. Foreign Transactions:****1. CIF Value of Imports :-**

	31.03.2018	31.03.2017
Raw Material	Nil	Nil
Capital Goods	Nil	Nil

**2. Earning in foreign Currency**

80,26,099	Nil
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**3. Expenditure in Foreign Currency**

Purchase of Spare Parts	Nil	1,56,216
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As per our report of even date  
For Raj Anirudh & Associates  
(Chartered Accountants)  
FRN-020497N

For and on behalf of the Board

Sd/-  
CA Raj Kumar  
(Proprietor)  
Membership No. 083093

Sd/-  
Anil Kumar Khanna  
(Managing Director)  
DIN-00207839

Sd/-  
Suman Kapur  
(Director)  
DIN-00590936

Sd/-  
Harish Rawat  
(Chief Financial Officer)  
PAN-AHKPR3388R

Sd/-  
Twinkle Jain  
(Company Secretary)  
ACS. No. 42107

Place: New Delhi  
Date: May 5, 2018



CIN NO :- L74999HR1979PLC032747

**LINK INTIME INDIA PRIVATE LIMITED**  
**(CATEGORY-I REGISTRAR & SHARE TRANSFER AGENTS)**  
**44, Community Centre, Phase-I, Near PVR, Naraina Industrial Area, New Delhi-110028.**  
**Phone No: 011-41410592-93-94 Fax: 011-41410591 E-Mail: delhi@linkintime.co.in**

**(MANDATORY - FOR SHAREHOLDERS HAVING SHARES IN PHYSICAL FORM AS PER SEBI CIRCULAR)**

03<sup>rd</sup> August, 2018

(Name of the Shareholder)

(Address of the Shareholder)

(Unit: RLF Limited)

Folio No./ DP ID /Client ID :

Subject: (i) Seeking copy of PAN Card and Bank details  
(ii) Intimation for Dematerialization of Shares

Dear Shareholder,

- A. Securities Exchange Board of India (SEBI) has, vide its Circular No. SEBI/HO/MIRSD/DOPI/CIR/P/2018/73 dated April 20, 2018, mandated the Company/RTA to obtain copy of PAN Card and Bank account details from all the shareholders holding Shares in physical form. The Company/RTA have been directed to exercise enhanced due diligence in case where, inter-alia, these details have not been provided by the shareholder.

Accordingly, you are requested to kindly furnish the following:-

1. Self- attested copy of PAN card of the first shareholder and joint Shareholders, if any.
2. Original cancelled cheque leaf/attested bank passbook showing the name of account holder along with the details mentioned in Annexure 'A' below.  
You may send the above details (Annexure-A) to Company's RTA i.e. Link Intime India Pvt. Ltd. within 21 days from the receipt of this letter.

- B. Further SEBI, vide SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 dated 8th June, 2018 and BSE, vide its Circular No. list/comp/15/2018-19 dated 5th July 2018, mandated that after 5th December, 2018, requests for transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

You are requested to dematerialize your shares at the earliest possible. Dematerialization facility is available both on NSDL and CDSL. Company's ISIN No. is INE629C01014.

In order to give effect to above amendment, you are requested to dematerialize your securities, as the Company shall not be able to entertain any request for transfer of securities in physical form after 5th December 2018. For the purpose of dematerialization, you are requested to contact your Depository Participant (DP) with whom you have opened your Demat Account. In case you have not yet opened your Demat Account, you are requested to contact any DP of your local area.

Thanking you,  
Yours faithfully,  
For Link Intime India Pvt. Ltd.  
(Unit: RLF LTD.)  
Sd/-  
Authorised Signatory



CIN NO :- L74999HRI979PLC032747

To  
Link Intime India Pvt. Ltd.  
(Unit: RLF LTD.)  
44, Community Centre, Phase-I, Near PVR,  
Naraina Industrial Area, New Delhi-110028

Dear Sir,

I/We hereby furnish the details as required by you. Kindly record the same and confirm:

Folio No.		
	Name of Shareholder (s)	PAN (Enclose self-attested copy of PAN card/s of all holders)
First Holder		
Joint Holder 1		
Joint Holder 2		
Bank Account No.(Enclose name printed original cancelled cheque / attested copy of passbook with details of account holder printed)		
Name of Bank / Branch		
IFSC Code		
MICR No.		
Email ID		
Mobile / Telephone number		
Name of Shareholder (s)		Signature of Shareholder (s)
I.		
II.		
III.		



CIN NO :- L74999HRI979PLC032747

## 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:

Name of the Company:

Registered office:

Name of the member(s):  
Registered Address:  
E-Mail Id:  
Folio No./Client ID:

I being the holder of \_\_\_\_\_ Equity Shares of the above named Company, hereby appoint

I. Name:

Address:

Signature:-----

as my proxy to attend and vote (on a poll) for me and on my behalf at the 38th Annual General Meeting of the company, to be held on the 25th day of September, 2018 at 12.00 Noon at 14 Kms, Gurugram Pataudi Road, Village Jhund Sarai Veeran, Distt. Gurugram, Haryana and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.

All resolutions.

Signed this 23<sup>rd</sup> day of September, 2018

Signature of Shareholder

.....

Signature of Proxy holder

.....

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

## ATTENDANCE SLIP

DPID-CLID /Folio No. -

Name of Shareholder (s) -

Address -

I / We certify that I am / we are Member(s) / Proxy of the Member(s) of the Company holding \_\_\_\_\_ shares.

I hereby record my presence at the 38th Annual General Meeting of the Company to be held on Tuesday, September 25th, 2018 at 12:00 Noon at 14 Kms, Gurugram Pataudi Road, Village Jhund Sarai Veeran, Distt. Gurugram, Haryana.

.....  
Signature of Member / Proxy

### Notes:

1. A member or his duly appointed Proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance.

2. Name of the Proxy in Block letters..... (in case the Proxy attends the meeting)

3. Those who hold shares in Demat form to quote their Demat Account No. and Depository Participant (D.P.) ID. No.

4. Shareholders/proxy holders desiring to attend the meeting may bring his/her copy of Annual Report for reference at meeting.

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### Electronic Voting Particulars

*Electronic Voting Sequence No. (EVSN)*	User ID	Sequence Number

\*The EVSN has been mentioned on the address slip of each receiver.

**Note:** Please read the instructions printed under the Important Notes No.13 to the Notice dated August 03, 2018 of the 38th Annual General Meeting. The voting period starts from 9.00 a.m. (IST) on 22nd September, 2018 and ends at 05:00 p.m. (IST) on 24th September, 2018.

The voting module shall be disabled by CDSL for voting thereafter.