



Date: - 27th August, 2022

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
Fax: 022-26598237/38

BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
PJ Towers, Dalal Street,
Fort, Mumbai - 400 001
Fax: 022-22722061/41/39/37

Company Code: CINELINE (NSE) / 532807(BSE)
Sub: Annual Report of the Company for the Financial Year 2021-2022

Dear Sir,

Pursuant to Regulation 34(1) and Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Annual Report of the Company for the Financial Year 2021-2022 along with the Notice of 20th Annual General Meeting of the Members of the Company.

The aforesaid documents are also available on the Company's website www.moviemax.co.in

This is for your information and record.

Thanking You,
Yours faithfully,
For Cinline India Limited


Himanshu Kanakia
Managing Director
DIN: 00015908

Encl: As above

Cinline India Limited

CINELINE INDIA LIMITED

Corporate Identity Number: L92142MH2002PLC135964
Registered Office Address: Kanakia Future City, Residential Building No.2, CTS No.101,
Village Tirandaz, Powai. Mumbai City, Maharashtra – 400 076, India
Contact Number: 91-22-35023666 / 35023777
E-mail ID: investor@cineline.co.in | **Website:** www.moviemax.co.in

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 20TH (TWENTIETH) ANNUAL GENERAL MEETING (“AGM”) OF THE MEMBERS OF THE CINELINE INDIA LIMITED (“COMPANY”) WILL BE HELD ON THURSDAY, SEPTEMBER 22, 2022 AT 11:00 A.M. (IST) THROUGH VIDEO CONFERENCING (“VC”) OR OTHER AUDIO-VISUAL MEANS (“OAVM”), FOR WHICH PURPOSE THE REGISTERED OFFICE OF THE COMPANY SITUATED AT KANAKIA FUTURE CITY, RESIDENTIAL BUILDING NO. 2, CTS NO.101, VILLAGE TIRANDAZ, POWAI. MUMBAI CITY, MAHARASHTRA – 400 076, INDIA SHALL BE DEEMED AS THE VENUE FOR THE AGM AND THE PROCEEDINGS OF THE AGM SHALL BE DEEMED TO BE MADE THEREAT, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

Item No. 1: Adoption of financial statements.

To receive, consider and adopt the Standalone and Consolidated Annual Audited Financial Statements of the Company for the financial year ended March 31, 2022 along with the notes forming part thereof and the Report of the Directors and the Auditors thereon. and, in this regard, pass the following resolutions as an **Ordinary Resolutions**.

“**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered, adopted and approved.”

“**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

Item No. 2: Appointment of Director.

To appoint a Director in place of Mr. Rasesh Kanakia (DIN:00015857) who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolutions as an Ordinary Resolution.

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act 2013, Mr. Rasesh Kanakia (DIN:00015857), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS

Item No. 3: To approve the extension of the tenure of the loan given to the related party under Section 185 of Companies Act, 2013.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 185 of the Companies Act, 2013 (“Act”) read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force) and other applicable provisions of the Act and the rules and regulations made thereunder and the enabling provisions of the Memorandum and Articles of Association of the Company and in continuation of the resolution passed by the

shareholders of the Company in the Seventeenth Annual General Meeting of the Company held on September 26, 2019 and approval of members obtained through postal ballot process on December, 22 2019, consent of the members be and is hereby accorded to extend the tenure of the loan granted ("Loan") up to Rs. 50 crores (Rupees Fifty Crores only) to Kanakia Spaces Realty Private Limited ("KSRPL") (CIN No.U45201MH2004PTC146948), in one or more tranches, for the principal business activities of KSRPL, on existing terms and conditions as agreed between the Company and KSRPL.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to do all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalise the terms and conditions and execute such agreements, documents and writings and to make such filings as may be necessary, expedient and desirable in order to give effect to this Resolution in the best interest of the Company."

Item No. 4: To approve material related party transaction.

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") (as amended from time to time) and applicable provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder, and the enabling provisions of the Memorandum and Articles of Association of the Company, consent of the members be and is hereby accorded to the material related party transaction for extension of the tenure of the loan granted ("Loan") up to Rs. 50 crores (Rupees Fifty Crores only) to Kanakia Spaces Realty Private Limited ("KSRPL") (CIN No.U45201MH2004PTC146948), a 'Related Party' of the Company as per the provisions of Regulation 2(1)(zb) of SEBI LODR, in one or more tranches, for the principal business activities of KSRPL on existing terms and conditions as agreed between the Company and KSRPL .

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to do all such acts, deeds and things , settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalise the terms and conditions and execute such agreements, documents and writings and to make such filings as may be necessary, expedient and desirable, in order to give effect to this Resolution in the best interest of the Company."

By Order of the Board of Directors
For **CINELINE INDIA LIMITED**

Sd/-
Rasesh Kanakia
Executive Director & Chairperson of the Company
DIN:00015857

Place : Mumbai
Date : August 10, 2022

CINELINE INDIA LIMITED
Corporate Identity Number: L92142MH2002PLC135964

Registered Office Address:
Kanakia Future City,
Residential Building No.2,
CTS No.101, Village Tirandaz, Powai.
Mumbai City, Maharashtra – 400 076, India.

E-mail ID: investor@cineline.co.in
Website: www.moviemax.co.in

Notes:

- 1. Annual General Meeting through Video Conferencing facility or Other Audio-Visual Means:** In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its General Circular dated 13th January, 2021 allowed the holding of Annual General Meeting in accordance with relevant provisions of circular dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 02/2020 dated 13th January, 2021 and General Circular No. 21/2021 dated 14th December, 2021 and General Circular No. 02/2022 dated 5th May, 2022 (collectively referred to as MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide circular dated 12th May, 2020, 15th January, 2021 and 13th May, 2022 ("SEBI Circular") permitted the holding of the Annual General Meeting ("the Meeting / AGM") through Video Conferencing facility or Other Audio-Visual Means ("VC / OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circular, the Meeting of the Company is being convened and conducted through VC / OAVM. Members participating through the VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013 ("Act"). Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
- 2. Proxies, Attendance Slip & route map of the AGM venue:** Pursuant to MCA Circulars and SEBI Circular, since the AGM will be held through VC/ OAVM, the physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form, Attendance Slip and route map of the AGM venue are not annexed to this Notice.
- 3. Authorised Representative:** Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.

The said Resolution/Authorization shall be sent to investor@cineline.co.in not less than 48 (forty eight) hours before the commencement of the AGM i.e. by 11.00 A.M. on 20th September, 2022.

- 4. Prior registration of Speakers at AGM:** Members who would like to speak during the meeting, express views or ask questions, shall register as a speaker by sending email at investor@cineline.co.in. Please mention name, folio or DP ID and client ID, email, mobile number etc. The said request should reach the Company on or before 20th September, 2022. If any member would like to ask question or want information, please mention the same in the aforementioned request. This would help to conduct meeting smoothly keeping in view the AGM is being held through VC.
- 5. Explanatory Statement:** The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted at the Meeting forms part of the Notice.
- 6.** Brief resume of the Directors including those proposed to be appointed / re-appointed, their functional expertise and qualification, names of the Companies in which they hold directorships etc. as stipulated under Companies Act, 2013, Secretarial Standard on General Meetings (SS-2) and Regulation 36(3) of SEBI (LODR) Regulations, 2015, are provided below as Annexure to notice and forming part of the Notice.
- 7. Cut-off Date for Dispatch:** Members of the Company, holding shares either in dematerialised form or physical form, as on Friday, 19th August, 2022, (cut-off date for receiving Notice and Annual Report), shall be entitled for receiving of the Annual Report for the period 2021-22, through their registered mail id. Any person, who acquires shares of the Company and become Member of the Company after sending of the Notice and holding shares as on cut-off date i.e. Thursday, 15th September, 2022, may obtain login ID and password by writing to Registrar & Share Transfer Agent of the Company, Link Intime India Private Limited at e-mail rnt.helpdesk@linkintime.co.in.
- 8. Communication:** Notice of the AGM and the Annual Report for the Financial Year 2021-22 are being sent electronically to the Members whose E-mail IDs are registered with the Depository Participant(s) and / or Company's Registrar and Share Transfer Agents. Any member, who has not registered his Email id, may register his / her Email ID with Registrar and Share Transfer Agents and may also request for a copy of Annual Report electronically. Annual Report for 2021-22 along with

Notice of the AGM is available at the website of the Company at www.moviemax.co.in and website of the Stock Exchanges i.e. National Stock Exchange Limited of India at www.nseindia.com and BSE Limited at www.bseindia.com.

9. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Link Intime India Private Limited is our Registrar and Transfer Agent (RTA) of the Company. All the investor related communication and grievances may be addressed to them at their following address:

Link Intime India Private Limited (Cineline Division)
C-101, 247 Park, L.B.S. Marg,
Vikhroli (W), Mumbai – 400083. Website: www.linkintime.co.in Email: rnt.helpdesk@linkintime.co.in
Tel No: 022-2596 0320 / Fax No: 022-2596 0329

11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Private Limited (LIPL) to provide efficient and better services.
12. Members holding shares in physical form are requested to intimate such changes to (LIPL). Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or (LIPL) for assistance in this regard.
13. SEBI vide its notification dated 8th June, 2018 has amended Regulation 40 of the Listing Regulations, 2015 and it has been stated that (except in case of transmission or transposition of securities), the transfer of securities shall be processed only in dematerialized form with effect from 1st April, 2019. In compliance with the aforesaid notifications, the members are advised to dematerialize their shares immediately.
14. Non-Resident Indian Members are requested to inform the RTA immediately about the change in residential status on their return to India, if any.
15. **Nomination Facility:** Members holding shares in the physical form and desirous of making / changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13, as applicable for this purpose to the Company's Registrar and Share Transfer Agents (RTA), Link Intime India Private Limited, who will provide the form on request. In respect of shares held in electronic / demat form, the Members may please contact their respective depository participant.
16. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio by submitting duly filled and signed form ISR-4.
17. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, 15th September, 2022.
18. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
19. Members seeking any information with regard to the Accounts, operations, etc are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
20. **Go Green Initiative:** Members holding Shares in physical form are requested to register their email IDs with the Company's RTA i.e. Link Intime India Private Limited and Members holding Shares in electronic / demat mode are requested to register their email IDs with their respective Depository Participants (DPs). Members whose email IDs have undergone any change or whose IDs require any correction, may kindly update the same with the RTA or the DPs, as stated above.

- 21. Mandatory PAN Submission:** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's RTA, Link Intime India Private Limited.
- 22. Unclaimed Dividend:** Members are requested to note that as per Section 124(5) of the Companies Act, 2013, dividends not encashed/ claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against the Company. Members are requested to contact M/s. Link Intime India Private Limited / Secretarial Department of the Company for encashing the unclaimed dividends standing to the credit of their account.
- 23.** All the relevant documents referred to in this AGM Notice and Explanatory Statement etc., Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents or have any other queries, may write to us at investor@cineline.co.in or + 91-22-35023666.
- 24.** If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may write an email to instameet@linkintime.co.in or call on +91 (022) 4918 6175.
- 25.** All grievances connected with the facility for voting by electronic means may be addressed to instameet@linkintime.co.in or call on +91 (022) 4918 6175.
- 26. Explanatory Statement:** The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted at the Meeting forms part of the Notice.

EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3 to 4 of the accompanying Notice:

Item No. 3 & 4: To approve the extension of the tenure of the loan granted to related party under Section 185 of Companies Act, 2013 being a material related party transaction.

The Company on receipt of request from Kanakia Spaces Realty Private Limited (“KSRPL”) to grant financial assistance, the Company vide at Seventeenth Annual General Meeting held on September 26, 2019 and special resolution passed by the members of the Company through Postal Ballot on December 22, 2019 granted loan (“Loan”) up to Rs. 50 crores (Rupees Fifty Crores only) to KSRPL, in one or more tranches, for the principal business activities of KSRPL, on such terms and conditions as may be mutually agreed between the Company and KSRPL and more particularly stated in the Notice of Postal Ballot dated November 14, 2019. KSRPL is a ‘Related Party’ of your Company in terms of Section 2(76) of the Companies Act, 2013 (“Act”) and Regulation 2(1)(zb) of the SEBI LODR. Further, the Loan qualifies as a ‘Material Related Party Transaction’ as per Regulation 23(1) of SEBI LODR. In terms of Section 185 of the Act (as amended by Companies (Amendment) Act, 2017 and notified by Ministry of Corporate Affairs vide notification dated May 7, 2018), the revision in terms of the Loan requires the approval of the members of the Company by way of a Special Resolution, since the Company and KSRPL have common directors i.e. Mr. Rasesh Kanakia and Mr. Himanshu Kanakia.

In terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 all material related party transactions requires approval of the Members of the Company. A transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent (10%) of the annual consolidated turnover of the company as per the last audited financial statements of the company.

In terms of Sub Clause (4) of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the contracts/arrangements/transactions are material in nature as these transactions are likely to exceed 10% of the annual consolidated turnover of the Company as per the audited financial statements of the Company as on March 31, 2019 and shall require approval of the shareholders through resolution.

The Audit Committee of the Company, at its meeting held on August 10, 2022, was pleased to approve the extension of the tenure of the Loan granted, without modifying the other existing terms and recommended to the Board of Directors for approval subject to fulfilment of other requirements, if any., The Board of Directors of the Company, at its meeting held on August 10, 2022, were pleased to unanimously approve the revised terms of the Loan, subject to the approval of the members of the Company and other requisite approvals and requirements, if any. The particulars of the Related Party Transactions, which are required to be stated in the Explanatory Statement, as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Particulars	Information
Name of the Related Party	Kanakia Spaces Realty Private Limited (KSRPL)
Name of Director(s) or Key Managerial Person who is related	Mr. Rasesh Kanakia, Chairman, Mr. Himanshu Kanakia, Managing Director and Mrs. Hiral Kanakia, Whole Time Director, of the Company.
Nature of relationship	Related Party under Section 2(76) of the Companies Act, 2013
Purpose	Financial assistance related to expansion of principal business activities of Kanakia Spaces Realty Private Limited.
Material terms of the transaction:	
Total limit	Loan up to Rs. 50 crores (Rupees Fifty Crores Only) given through one or more tranches over a period of time.
Nature of loan	Short Term Loan
Tenure	Repayable on demand made by the Company as and when required or within three (3) years, whichever is earlier (or such extended period as may be mutually agreed between Company and KSRPL subject to requisite approvals)
Interest	<ul style="list-style-type: none"> • Interest at the rate of 14.00% p.a. • Payment of interest to be made on quarterly basis.

As per Regulation 23(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all entities falling within the definition of related parties shall abstain from voting on these resolutions and accordingly, the promoters and the promoter group entities shall not vote on these resolutions.

Accordingly, as per Regulation 23 of SEBI LODR, approval of the shareholders is sought to enable the Company to enter into related party transaction to extend the tenure of the Loan granted, without modifying the other existing terms for the principal business activities of KSRPL in one or more tranches over a period of time.

The Board of Directors of your Company recommends the Resolution as set out in Item No. 3 & 4 of the accompanying notice for the approval of members of the Company by way of Special Resolution.

All the Directors except for the Independent Directors are concerned or interested in the aforesaid resolution, financially or otherwise.

Annexure

Details of Directors seeking appointment/re-appointment at the Annual General Meeting, Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	Mr. Rasesh Kanakia
DIN	00015857
Date of Birth	14th September, 1961
Date of Appointment	1st May, 2021
Nationality	Indian
Qualification	Owner President Management Programme from Harvard University
Experience in Functional Area	Mr. Rasesh Kanakia is the Chairman since incorporation and has as career spanning of around 36 years. He began his career as a real estate consultant in the year 1984 and subsequently ventured into real estate development in the year 1986. He has been pioneer in getting the Company into movie exhibition business. As the Chairman of our Company, he looks after critical functions of the management viz., Finance, Strategic management and Public Relations.
Directorship in other Companies (Public Limited Companies)	NIL
Membership/ Chairmanship of Board Committees of other Companies (Includes only Audit Committee and Stakeholders Relationship Committee)	NIL
Number of Board Meetings attended in the Financial Year 2021-2022	6 meetings
No. of shares held in the Company	12,73,924
Terms & Conditions of Appointment/ Re-appointment	Appointed as a Director liable to retire by rotation
Relationship with other Directors/ Manager/KMP	Brother of Mr. Himanshu Kanakia and brother in-law of Mrs. Hiral Kanakia
Resignation details in the listed entities during the last three years.	Nil
Remuneration	The remuneration details are given in the Corporate Governance Section of the Annual Report.

INFORMATION AND OTHER INSTRUCTIONS RELATING TO E-VOTING ARE AS UNDER:

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL
 1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsd.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
 2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
 1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
 2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
 3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
 4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
3. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN:

Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above

*Shareholders holding shares in **NSDL form**, shall provide ‘D’ above

- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶ Click at least one numeral, at least one alphabet

3. Click on ‘**Login**’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
4. After selecting the desired option i.e. **Favour / Against**, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘**No**’ and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22- 23058542-43.

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- ▶ Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- ▶ Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- ▶ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ▶ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- ▶ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

GENERAL INSTRUCTIONS

1. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Thursday, September 15, 2022.
2. The e-voting period commences on Monday, September 19, 2022 (9.00 a.m. IST) and ends on Wednesday, September 21, 2022 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Thursday, September 15, 2022 i.e. cut-off date, may cast their vote electronically.

3. The facility for e-voting shall also be available at the AGM. Members who have already cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote at the AGM. Only those Members who attend the AGM and have not cast their votes through remote e-voting and are otherwise not barred from doing so will be allowed to vote through the e-voting facility available at the AGM.
4. Any person, who acquires shares of the Company and becomes its Member after the sending of Notice of the AGM and holds shares as on the cut-off date for voting i.e. Thursday, September 15, 2022, may obtain the login ID and password by sending a request to enotices@linkintime.co.in. However, if he/she is already registered with LIPL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
5. Mr. Dharmesh Zaveri, proprietor of M/s. D. M. Zaveri & Co., Company Secretaries (FCS No. 5418 CP. No. 4363) has been appointed as the Scrutinizer to scrutinize the remote e-voting and ensure that the voting process at the AGM is conducted in a fair and transparent manner.
6. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour/against, if any, to the Chairperson or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.
7. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company www.moviemax.co.in and on the LIPL website <https://instavote.linkintime.co.in> and shall also be forwarded to BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
 - ▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -
- A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No**
- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
 - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the email id i.e. investor@cineline.co.in created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

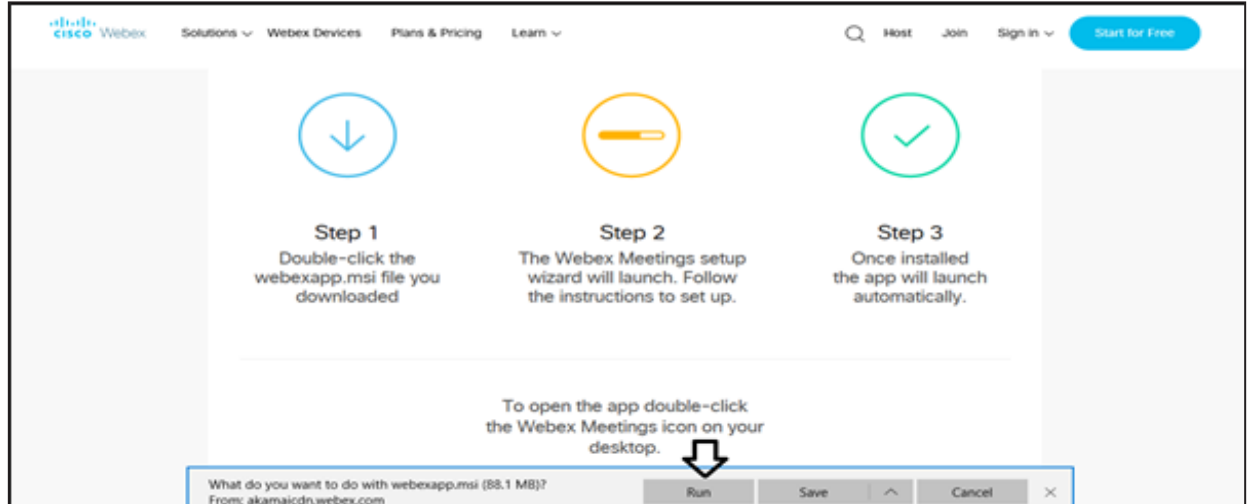
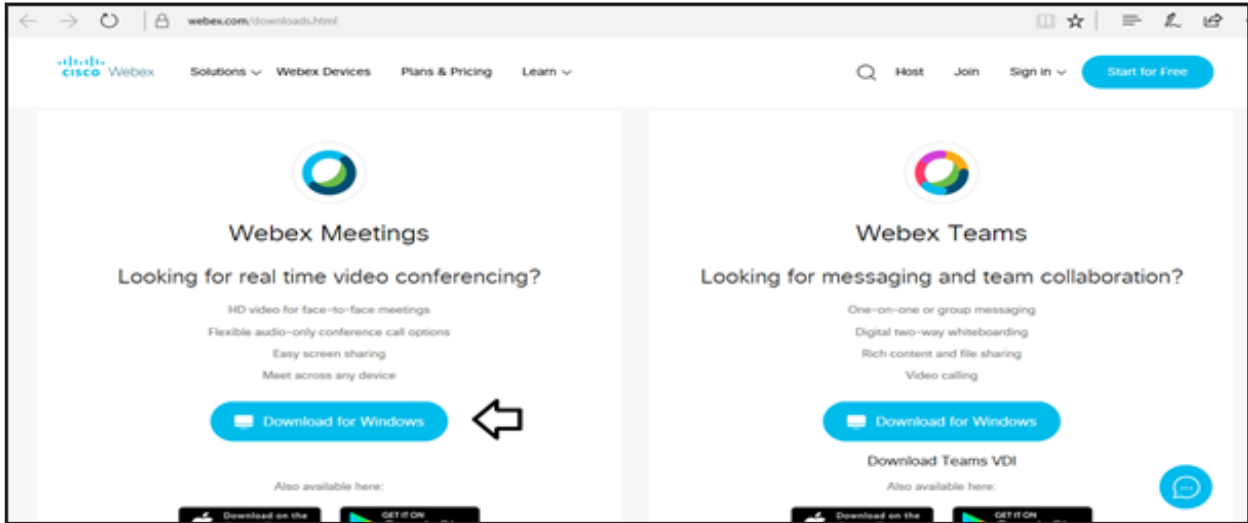
Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>



Step 1
Double-click the webexapp.msi file downloaded

Step 3
Once installed app will launch automatically.

To open the app double-click the Webex Meetings icon on your

Step 1
Double-click the webexapp.msi file downloaded

Step 3
Once installed app will launch automatically.

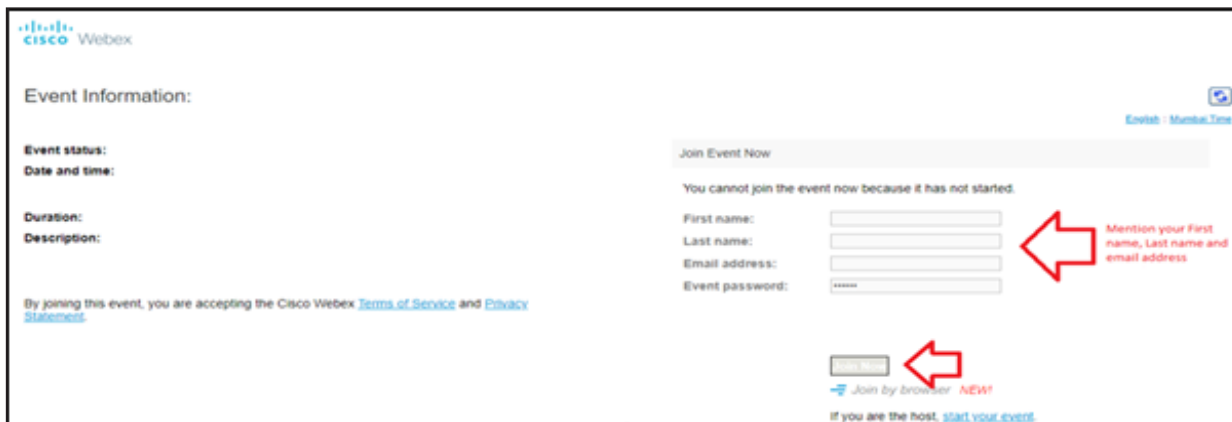
Step 1
Double-click the webexapp.msi file downloaded

Step 3
Once installed app will launch automatically.

Or

b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application . Click on Run a temporary application , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



**ANNUAL
REPORT**

2022

MOVIE MAX

**THE
COMEBACK
STORY**

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5,013.69

Total revenue (₹ lakhs)



3

Number of business verticals



11

Number of rental assets



1

Number of windmill



1

Number of hotel



To get this report online and for any other information, log on to www.moviemax.co.in

Entertainment. Entertainment. Entertainment.

That's all about **MOVIE MAX**,
the Brand that is Born to Redefine
the Finest Cinema Experience in India.

At a time when everyone thought that the golden days of cinema were over and theatres began closing down, we stepped back into the game as a strong and experienced player. We have an incredible history in the cinema exhibition industry, and are ready to give our patrons a premium moviegoing experience.

As the exhibition business inches towards normalcy, post-Covid, we see a strong pipeline of movies coming up. Therefore, patrons' excitement to return to theatres will be quite high. We are constantly scouting opportunities to expand pan-India and drive exponential growth in this space.

We intend to make MovieMax the most loved cinema brand in the country by bringing unique innovations and features, ensuring that our patrons have a memorable experience every time.

CHAIRMAN'S MESSAGE

THE COMEBACK STORY



Dear Shareholders,

FY 2021-22 has been an extraordinary year marked by unprecedented challenges caused by the COVID-19 pandemic, supply chain disruptions and geopolitical tensions due to the prolonged Russia-Ukraine war, and high inflationary pressures.

The Indian economy has demonstrated its strong fundamentals in the world. A lot of credit goes to the Government for the incredible work in keeping the Indian economy buoyant alongside effectively handling the COVID-19 crisis. Rapid vaccination of the population along with sustained fiscal and policy interventions improved consumer sentiments.

We took a landmark step on April 1, 2022 as we made a powerful comeback in the movie exhibition business with the launch of MovieMax. Post the pandemic, we see huge opportunities in the film exhibition space and intend to aggressively grow this business. We have already tied up with 101 screens with over more than 22,600 seats.

“ We continue to work towards keeping MovieMax at the top of the mind for our consumers when it comes to watching movies in India. I am extremely bullish on the prospects of the business and firmly believe that the best is yet to come.

Company has raised capital of ₹ 25.50 crores through allotment of 20,97,902 equity shares to an investor entity and allotment of 14,68,532 convertible warrants to the members of the promoter group of the Company, both on preferential basis in order to increase penetration and acquire more screens. The members of the promoter group exercised the option of conversion of warrants on May 9, 2022 and paid the balance amount. We are focusing on Tier II and III cities due to lack of entertainment avenues, especially multiplexes in these regions.

As we came out of the third wave of the COVID-19 pandemic, we significantly ramped up our operations as audiences came back to theatres.

As operations returned to normalcy with the removal of restrictions, an influx of a steady flow of content, and consumers renewing their big screen moviegoing experience, we witnessed a strong bounce back in the film exhibition industry. The pace of recovery of admissions once new content was released, post the second and third waves exceeded our expectations. Big budget Bollywood releases like Pushpa, RRR, and KGF 2, were blockbuster hits and garnered significant global box office collections. And, with the excellent content lineup for the rest of the year, we hope that this momentum would continue.

Going forward, with multiple holiday weekends like Independence Day, Dussehra, Diwali, and Christmas, there are huge expectations from forthcoming releases such as Jugjugg Jeeyo, Laal Singh Chaddha, Raksha Bandhan, Ek Villain Returns, Shamshera, Liger, Brahmastra, Vikram Vedha, horror comedy Bhediya, Shehzada, Cirkus, etc. In addition to big Bollywood releases, we also saw successful mid-sized Bollywood movies released in the past few months such as Jersey, Runway 34, Jayeshbhai Jordaar, and Anek.

Much interestingly, regional movies are breaking the geographical and language barrier by being dubbed in multiple regional languages and connecting to audiences pan-India. Huge proliferation of OTT platforms and the subsequent consumption of foreign and regional content on these platforms over the past two years is a welcome move.

Our total revenue on a consolidated basis during FY 2021-22 stood at ₹ 5,013.69 lakhs as against ₹ 5,440.80 lakhs in FY 2020-21, registering a de-growth of 7.85%. EBITDA for the year stood at ₹ 1,648.66 lakhs compared to ₹ 3,782.92 lakhs in the previous year. Loss after tax stood at ₹ 3,546.41 lakhs in FY 2021-22 vis-à-vis ₹ 478.64 lakhs in FY 2020-21.

Our aim is to grow pan India and create a strong consumer-oriented brand in the

cinema space. We have also set plans to monetize our non-core business to reduce debt and become an asset-light company. We intend to become a prominent player in the film exhibition industry with an ambitious target to add 300 screens by FY 2024-25 and continue our growth momentum.

We continue to work towards keeping MovieMax at the top of the mind for our consumers when it comes to watching movies in India. I am extremely bullish on the prospects of the business and firmly believe that the best is yet to come.

I would like to take this opportunity to thank our Board members and our stakeholders for their constant support and guidance. I also express my gratitude to our dedicated employees for their relentless hard work and contributions in our journey of transformation and quest to scale the next level of growth.

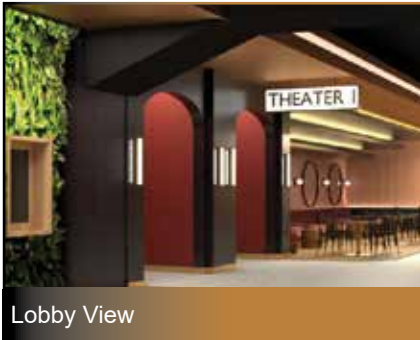
Regards,

Rasesh Kanakia

Chairman

PROPERTIES

OUR CINEMAS



Lobby View



Lobby View



Auditorium



Auditorium



Cafe Lounge



Cafe Lounge

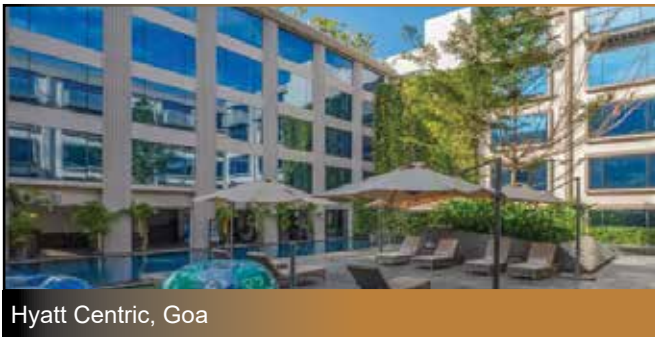


Entry



Entry

OUR HOTEL



Hyatt Centric, Goa

FINANCIAL HIGHLIGHTS

In ₹ Lacs (except per share data)

For the year ended 31 st March	2022	2021
Total Income	2,477.60	4,366.56
Expenditure	909.67	906.16
EBDITA	1,567.93	3,460.40
Depreciation	627.67	396.99
Interest & Financial Charges	2,020.45	1,910.32
Exceptional Items	-	-
Profit Before Tax (PBT)	-1,080.19	1,153.09
Tax Expense	-342.53	360.73
Profit After Tax (PAT)	-737.66	792.36
Other comprehensive income / (loss) for the year (net of tax)	-0.23	2.16
Total comprehensive income for the year	-737.89	794.51
Share Capital	1,504.90	1,400.00
Reserves and Surplus	12,513.26	11,593.48
Total Debt (including Current Maturity)	19,078.37	18,594.59
Gross Block	190.02	1,126.03
Net Block	110.24	714.34
Current Assets	17,315.89	15,754.86
Current Liabilities	1,493.08	800.94
Cash & Cash Equivalents	2,520.01	962.80
No. of Equity Shares	3,00,97,902	2,80,00,000
Earnings Per Share (In ₹) = Basic & Diluted	-2.54	2.83

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rasesh B. Kanakia

Chairman

Mr. Himanshu B. Kanakia

Managing Director

Mrs. Hiral Kanakia

Director

Mr. Anand Bathiya

Independent Director

Mr. Naushad Panjwani

Independent Director

Mr. Shantilal Haria

Independent Director

SENIOR MANAGEMENT

Mr. Ashish Kanakia

Chief Executive Officer

Mr. Vipul Parekh

Chief Financial Officer

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Rashmi Shah

STATUTORY AUDITORS

KKC & Associates LLP

Chartered Accountants

Sunshine Tower, Level 19,

Senapati Bapat Marg, Elphinstone (W),

Mumbai - 400 013

INTERNAL AUDITORS

Deloitte Haskins & Sells

29th Floor, Indiabulls Finance Centre, Tower 3,

Elphinstone Mill Compound,

Senapati Bapat Marg, Elphinstone (W),

Mumbai - 400 013

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Private Limited

C-101, 247 Park

L.B.S. Marg, Vikhroli (W),

Mumbai - 400 083

REGISTERED OFFICE

Kanakia Future City

Residential Building No. 2, CTS No.101,

Village Tirandaz, Powai,

Mumbai - 400 076.

Tel No: 91-22-35023666/35023777

Website: www.moviemax.co.in

FINANCIAL INSTITUTION

Aditya Birla Finance Limited

DIRECTOR'S' REPORT

To,
The Members of
Cineline India Limited

Your Directors have pleasure in presenting their Twentieth Annual Report together with the Audited Accounts and Auditors Report of the Company for the Year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS:

Particulars	Standalone(Rs. In Lacs)		Consolidated(Rs. In Lacs)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Gross Income	2,477.60	4,366.56	5,013.69	5,440.80
Profit before Interest, Depreciation and tax	1,567.93	3,460.40	1,648.66	3,782.92
Interest & Financial Charges	2,020.45	1,910.32	3,498.60	2,225.70
Depreciation/ Amortisation	627.67	396.99	1,924.30	793.64
Profit/(loss) before tax	(1,080.19)	1,153.09	(3,774.24)	763.58
Provision for Tax (including Deferred)	(342.53)	360.73	(227.83)	284.94
Profit/(loss) after Tax	(737.66)	792.36	(3,546.41)	478.64
Less: Profit/(Loss) attributable to Non-Controlling Interest	-	-	-	-
Add: Surplus brought forward from previous year	7,957.46	7,162.94	7,594.95	7,161.40
Amount available for Appropriation	7,219.80	7,955.30	4,048.54	7,640.04
Appropriation:				
Other comprehensive income / (loss)*	(0.23)	2.16	3.76	2.20
Transfer to Furniture & Fixtures Reserve	-	-	(85.68)	(47.27)
Surplus Carried to Balance Sheet	7,219.57	7,957.46	3,966.63	7,594.95

Note: Figures are regrouped wherever necessary to make the information comparable

REVIEW OF MARKET, BUSINESS AND OPERATION :

Gross revenues of the Company for the Financial Year 2021-22 stood at Rs. 2,477.60 Lacs. Profit before interest, depreciation and taxation stood at Rs. 1,567.93 Lacs. After providing depreciation of Rs. 627.67 Lacs and tax reversal of Rs. 342.53 Lacs, the net loss of the Company for the year were placed at Rs. 737.66 Lacs as against profit of Rs. 792.36 Lacs in the previous year.

2. DIVIDEND:

With a view to conserve the resources for future operations, your Directors have thought it prudent not to recommend dividend on equity shares for the financial year 2021-22.

3. TRANSFER TO RESERVES:

During the year, no amount was transferred to General Reserve.

4. FINANCE:

Cash and cash equivalents as at March 31, 2022 were Rs. 2520.94 Lacs. The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

5. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

Your Company has three wholly owned subsidiary being “Transquare Realty Private Limited”, “Cineline Realty Private Limited” and “Cineline Industries Private Limited” and one stepdown Subsidiary Company being “R&H Spaces Private Limited”. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 (“Act”).

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company’s subsidiary in Form AOC-1 forms part of this report as Annexure 1. The financial statements of all the above mentioned subsidiaries have been considered in the annual audited consolidated financial results of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiary, are available on the website of the Company at www.moviemax.co.in

Further, in terms of Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, R&H Spaces Private Limited has become a material subsidiary of the Company and accordingly, Mr. Shantilal Haria was appointed as an additional Independent director on the Board of R&H Spaces Private Limited w.e.f 14th February, 2022. Policy for determining material subsidiary is available at www.moviemax.co.in.

6. SHARE CAPITAL:

The paid up equity share capital as on March 31, 2022 was Rs. 15,04,89,510/-. During the year the Company has neither issued shares with differential voting rights nor granted stock options or sweat equity.

7. PREFERENTIAL ISSUE:

A. WARRANTS:

The Board of Directors at its meeting held on August 05, 2021 approved preferential issue of upto 14,68,532 warrants (“Warrants”) each convertible into, or exchangeable for, one equity share within the period of 18 months at a price of ₹71.50/- (Indian Rupees Seventy One and Fifty Paise Only) each (“Warrant Issue Price”)

aggregating upto ₹10,50,00,038/- (Indian Rupees Ten Crores Fifty Lakhs Thirty Eight Only) (“Total Warrant Issue Size”) to certain members of the promoter group of the Company (“Warrant Holder(s)”) in accordance with the provisions of Section 42 and Section 62(1)(c) of the Act read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Listing Regulations and such other acts / rules / regulations as may be applicable. The said preferential issue was also approved by the shareholders of the Company at their Annual General Meeting held on 03rd September 2021, and in-principle approvals were received from the BSE Limited vide its letter No. DCS/PREF/JR/PRE/1473/2021-22 dated 15th September 2021 and National Stock Exchange of India Limited vide its letter No. NSE/LIST/28130 dated 16th September 2021. The details of the issue are as under:

Issue size	Preferential Issue of upto 14,68,532 warrants at an Issue price of ₹71.50/- each aggregating to ₹10,50,00,038/-
Conversion	Each warrant convertible into one fully paid up equity share of ₹ 5 each
Payment terms	25% (₹17.88/- per warrant) to be called upfront; and balance 75% (₹53.62/- per warrant) on exercising the conversion option within 18 months from the date of allotment.

The said Warrants were allotted to the Warrant Holders as listed below by the Board of Directors in their meeting held on 23rd September, 2021

Sr. No.	Name of the Warrant Allottees	Number of Warrants to be allotted
1.	Ashish Rasesh Kanakia	3,67,133
2.	Niyati Rasesh Kanakia	3,67,133
3.	Vrutant Himanshu Kanakia	3,67,133
4.	Vrusti Benefit Trust	3,67,133
	Total	14,68,532

B. EQUITY SHARES:

The Board of Directors at its meeting held on August 05, 2021 approved preferential issue of 20,97,902 fully paid up Equity Shares (“Equity Shares”) at a price of ₹71.50/- (Indian Rupees Seventy One and Fifty Paise Only) (“Equity Share Issue Price”) comprising of face value of Rs. 5/- (Indian Rupees Five only) each and premium of Rs. 66.50/- (Indian Rupees Sixty-six and Fifty paise only)

each to One Up Financial Consultants Private Limited, non-promoter group member of the Company (“**Equity Holder**” / “**Allottee**”) in accordance with the provisions of Section 42 and Section 62(1)(c) of the Act read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Listing Regulations and such other acts / rules / regulations as may be applicable.

The said preferential issue was also approved by the shareholders of the Company at their Annual General Meeting held on 03rd September 2021, and in-principle approvals were received from the BSE Limited vide its letter No. DCS/PREF/JR/PRE/1473/2021-22 dated 15th September 2021 and National Stock Exchange of India Limited vide its letter No. NSE/LIST/28130 dated 16th September 2021.

Further, the Listing Approvals were received from the BSE Limited vide its letter No. LOD/PREF/KK/FIP/1597/2021-22 dated 25th October, 2021 and National Stock Exchange of India Limited vide its letter No. NSE/LIST/28560 dated 14th October, 2021 and the Trading Approvals were received from the BSE Limited vide its letter No. LOD/PREF/TP/KK/12888/2021-22 dated 08th November, 2021 and National Stock Exchange of India Limited vide its letter No. NSE/LIST/ 28911 dated 08th November, 2021.

8. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which the financial statements relate and the date of this Director's Report.

9. PUBLIC DEPOSIT:

Your Company has not accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

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

There are no significant and material orders passed by the regulators / courts that would impact the going concern status of the Company and its future operations.

11. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report covering a wide range of issues relating to Performance, outlook etc., is annexed as Annexure-A to this report.

12. CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of the Corporate Governance aligned with the best practices. Pursuant to applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance forms a part of this Report. The Company is in compliance with the various requirements and disclosures that have to be made in this regard. The detailed report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure-B** to this report. A Certificate from the Secretarial Auditor confirming compliance of the conditions of Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure-C** to this report.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

13.1 Directors:

Your Company has Six (6) Directors consisting of Whole Time Director, Managing Director, Executive Director and Three (3) Independent Directors as on 31.03.2022.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Rasesh Kanakia, Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

During the financial year 2021-22, there is no change in the Board of Directors of the Company.

13.2 Key Managerial Personnel:

The following are the Key Managerial Personnel of the Company for the year:

Sr. No.	Name of the Person	Designation
1	Mr. Himanshu Kanakia	Managing Director
2	Mr. Vipul Parekh	Chief Financial Officer
3	Mrs. Rashmi Shah	Company Secretary

14. DECLARATION GIVEN BY INDEPENDENT DIRECTOR:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on 14th February, 2022 inter alia, to

- review the performance of the Non-Independent Directors and the Board of Directors as a whole;
- review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors
- assess the quality, content and timeliness of the flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties

15. MEETINGS:

During the year, the Board met 6 (Six) times. The details of which are given in the Corporate Governance Report which forms part of Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

16. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

17. DIRECTOR'S RESPONSIBILITY STATEMENT:

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for

certain financial instruments, which are measured at fair values, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with applicable transition guidance. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

In terms of Section 134(5) of the Companies Act, 2013, the directors would like to state that:

- In the preparation of the annual accounts for the year ended 31-03-2022, the applicable accounting standards have been followed.
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a going concern basis.
- The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

18. COMMITTEES OF THE BOARD:

The Board of Directors of your Company has constituted various Committees as follows:

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

- Corporate Social Responsibility Committee
- Securities Allotment Committee

The details with respect to the composition, powers, roles, terms of reference, number of meetings held, attendance at the meetings etc. of Statutory Committees are given in detail in the Corporate Governance Report.

19. AUDIT COMMITTEE:

The Audit Committee of the Board has been constituted in terms of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The constitution and other relevant details of the Audit Committee are given in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

20. PERFORMANCE EVALUATION OF THE BOARD:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 4(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process based on the recommendation of the Nomination & Remuneration Committee.

Further, The Securities and Exchange Board of India ('SEBI') vide circular no. SEBI/HO/CFD/ CMD/ CIR/P/2017/004 dated January 05, 2017 had come up with a "Guidance Note on Board Evaluation". The Board Evaluation framework of the Company is aligning with this Guidance Note.

21. FAMILIARIZATION PROGRAMME:

The Familiarization Programme seeks to update the Independent Directors on various matters covering Company's strategy, business model, operations, organization structure, finance, risk management etc. It also seeks to update the Independent Directors with their roles, rights, responsibilities, duties under the Companies Act, 2013 and other statutes.

The policy and details of familiarization programme imparted to the Independent Directors of the Company is available at www.moviemax.co.in.

22. POLICY ON DIRECTOR APPOINTMENT AND REMUNERATION:

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down the criteria for selection and appointment of Board members. The Remuneration Policy forms part of this report as **Annexure 2**.

23. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company has an Internal Control system, commensurate with the size, scale and complexity of its operations. The Internal and operational audit is entrusted to M/s Deloitte Haskins & Sells, a reputed firm of Chartered Accountants. Internal controls were reviewed by designated firm and based on their evaluation, it was concluded that the Company's internal controls are adequate and were operating effectively as of March 31, 2022. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee of the Board of Directors, Statutory Auditors and the Senior Management are periodically apprised of the internal audit findings and corrective actions taken. Audit provides a key role in providing assurance to the Board of Directors. Significant

audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

25. RELATED PARTY TRANSACTIONS:

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Policy on Related Party Transactions which is available on Company's website at www.moviemax.co.in. This policy deals with the review and approval of related party transactions. The Board of Directors of the Company has approved the criteria for giving the omnibus approval by the Audit Committee within the overall framework of the Policy on Related Party Transactions.

Omnibus approval was obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length basis. Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all related party transactions were placed before the Audit Committee on a quarterly basis, specifying the nature, value and terms & conditions of the transactions for their review and approval.

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. During the year, the Company had not entered into any new contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the company on a materiality of related party transactions. During the year the company has not entered into any contracts / arrangements / transactions with related parties which could be considered material in accordance with policy of the Company on material related party transactions or under section 188 (1) of the Act. Accordingly there are no particulars to report in Form AOC - 2.

26. WHISTLE BLOWER POLICY:

Your Company has formed a Whistle Blower Policy for establishing a vigil mechanism for directors and employee to report genuine concerns regarding unethical behaviour and mismanagement, if any. The said mechanism also provides for strict confidentiality, adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate cases. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy. The Whistle Blower policy has been posted on the Company's website www.moviemax.co.in.

27. RISK MANAGEMENT:

Vigil management mechanism is periodically reviewed by the Board. At present the Company has not identified any element of risk which may threaten the existence of the Company.

28. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Pursuant to section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee and has adopted Corporate Social Responsibility Policy and link for the same is www.moviemax.co.in. The Report on information required to be provided under Section 134(3)(o) of the Companies Act, 2013 read with the Rule 9 of the Companies (Accounts) Rules, 2014 in relation to disclosure about Corporate Social Responsibility is annexed as **Annexure - 3** and forms an integral part of this Report.

29. AUDITORS:

29.1 Statutory Auditors

Based on the recommendations of the Audit Committee and the Board, members of the Company at the Sixteenth AGM held on September 27, 2018 have approved the appointment of M/s. KKC & Associates LLP (Formerly Khimji Kunverji & Co LLP) Chartered Accountants (Firm Registration No. 105146W) as the Statutory Auditors of the Company for a period of five consecutive years i.e. till the conclusion of Twenty-First AGM. The requirement of ratification of appointment of Statutory Auditors at every AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 07, 2018. Thus, M/s. KKC & Associates LLP (Formerly Khimji Kunverji & Co LLP) will continue to hold office till the conclusion of Twenty-First AGM of the Company.

The Auditor's Report on Standalone and Consolidated Ind AS financial statements is a part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

During the year, the Statutory Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

29.2 Secretarial Audit

Pursuant to Section 204 of the Companies Act 2013, your Company had appointed Mr. Dharmesh Zaveri, a Company Secretary in Whole-time Practice having Certificate of Practice No. 4363 and Membership No. 5418 as its Secretarial Auditor to conduct the secretarial audit of the Company for the Financial Year 2021-22. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Secretarial Audit Report is included as **Annexure-4** and forms an integral part of this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

During the year, the Secretarial Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

30. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARKS MADE, IF ANY:

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors on the Financial Statements of the Company, in their report for the financial year ended 31st March, 2022.

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Since the Company does not own any manufacturing facility, the other particulars relating to conservation of energy and technology absorption stipulated in the with Rule (8)(3) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

The Company has not made any foreign exchange outgo towards traveling, marketing and import of Capital Goods.

32. SEXUAL HARASSMENT DISCLOSURE:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. During the year no complaints of sexual harassment were received by the Company and hence there are no Complaints pending as on 31st March 2022.

33. HUMAN CAPITAL AND PARTICULARS OF EMPLOYEES:

Your Company had 42 (including Directors) employees as of March 31, 2022. The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read along with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as no employees were in receipt of remuneration above the limits specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure- 5** and forms part of this Report.

34. STOCK OPTIONS:

Your Company does not have any stock options scheme.

35. CODE OF CONDUCT:

The Board of Directors have approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings/ behaviours of any form and the Board has laid down the directives to counter such acts. The Code has been posted on the Company's website www.moviemax.co.in.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

36. PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company Securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on the Company's website www.moviemax.co.in

The Board has approved and adopted revised Code of Conduct for prohibition of Insider Trading and Code for fair Disclosure pursuant to the requirements of SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 with effect from 26th December, 2019.

37. APPLICABILITY OF COST RECORDS:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the activity of your Company falls under Non-regulated sectors and hence, maintenance of cost record is not applicable to the Company for the Financial Year 2021-22.

38. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to

be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. The details of shares and dividends transferred to IEPF by the Company during the year are available at www.moviemax.co.in. Year-wise amounts of unpaid / unclaimed dividends lying in the unpaid account upto the year and the corresponding shares, which are liable to be transferred are available on our website, at www.moviemax.co.in. The Company intimates concerned shareholders and issues public notice in respect of shares to be transferred to IEPF in the newspaper, on timely basis.

39. OTHER INFORMATION / DISCLOSURES

There are no significant material orders passed by the Regulator, Courts or Tribunal which would impact the going concern status of the Company and its future operations.

There have been no material changes and commitments affecting the financial position of the Company, occurred between end of financial year and date of this Report.

In accordance with section 134(3)(a) and section 92(3) of the Act, an annual return as at 31 March 2022 in Form MGT-7 is posted in section of investors, corporate governance on the Company's website or link www.moviemax.co.in.

Wherever applicable, refer the Company's website www.moviemax.co.in or relevant details will be provided to the members on written request to the Company Secretary.

40. APPRECIATION

Your Company has been able to perform better with the continuous improvement in all functions and areas which coupled with an efficient utilization of the Company's resources led to sustainable and profitable growth of the Organization. Your Directors express their deep sense of appreciation and extend their sincere thanks to every employee and associates for their dedicated and sustained contribution and they look forward the continuance of the same in future.

41. ACKNOWLEDGEMENTS:

Your Board takes this opportunity to thank our, clients, business partners, shareholders and bankers for the faith

reposed in the Company and also thank the Government of India, various regulatory authorities and agencies for their support and looks forward to their continued encouragement. Your Directors are deeply touched by the efforts, sincerity and loyalty displayed by the employees without whom the growth was unattainable. Your Directors

wish to thank the investors and shareholders for placing immense faith in them and the plans designed for growth of your Company. Your Directors seek and look forward to the same support in future and hope that they can continue to satisfy you in the years to come.

**For and on behalf
of the Board of Directors**

Rasesh Kanakia
Chairman
(DIN: 00015857)

Date: 27th May, 2022
Place: Mumbai

Annexure 1 to Board's Report Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate/companies/joint ventures

Part "A": Subsidiary

Sr. No.	Particulars	Amount	Amount	Amount	Amount
		(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)	(Rs. In lacs)
1	Name of the subsidiary	Transquare Realty Private Limited	R&H Spaces Private Limited	Cineline Industries Private Limited	Cineline Realty Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period same as Holding Company	Reporting period same as Holding Company	Reporting period same as Holding Company	Reporting period same as Holding Company
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4	Share capital	1.00	1.00	1.00	1.00
5	Reserves & surplus	8,955.59	(10,092.56)	(0.50)	(0.32)
6	Total assets	8,960.88	16,999.41	0.87	1.05
7	Total Liabilities	4.29	27,090.97	0.37	0.37
8	Investments	8,944.34	0.00	0.00	0.00
9	Turnover	0.00	3,417.76	0.00	0.00
10	Profit before taxation	(2.17)	(2,302.78)	(0.50)	(0.32)
11	Provision for taxation	0.00	114.70	0.00	0.00
12	Profit after taxation	(2.17)	(2,417.48)	(0.50)	(0.32)
13	Proposed Dividend	NIL	NIL	NIL	NIL
14	% of shareholding	100%	100%	100%	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

**For and on behalf
of the Board of Directors**

Rasesh Kanakia
Chairman
(DIN: 00015857)

Date: 27th May, 2022
Place: Mumbai

Annexure 2 to Board's Report

POLICY ON DIRECTORS NOMINATION AND REMUNERATION

The philosophy for remuneration of Directors, KMP and all other employees of Cineline India Limited ("Company") is based on commitment demonstrated by the Directors, KMPs and other employees towards the Company and truly fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

I. PREAMBLE:

This Remuneration Policy is formulated in compliance with Section 178 of the Companies Act, 2013, read with the applicable Rules thereto and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into by the Company with Stock Exchanges, as amended from time to time. This Policy has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors based on the recommendations of the NRC.

II. OBJECTIVE:

The objective of the Policy is to ensure that:

- (i) To lay down criteria and terms and conditions with regards to the identification of persons who are qualified to become Directors (executive, non-executive and independent) including their qualifications, positive attributes and independence and who may be appointed as the Senior Management of the Company.
- (ii) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- (iii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iv) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

III. COMPLIANCE WITH APPLICABLE LAWS:

The procedure and limits for payment of remuneration under this policy shall be in accordance with provisions of (a) the Companies Act, 2013 read with Rules framed

thereunder, (b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges, (c) Articles of Association of the Company and (d) any other applicable law or regulations. In the absence of any of the above provisions, the procedure and limits shall be governed by the prevailing HR Policy of the Company.

IV. CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:

In accordance with the provisions of Section 178(3) of the Act and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose are as under:

Criteria for determining qualifications, positive attributes and independence of a director:

I. QUALIFICATIONS:

- (a) He/ She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- (b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed there under and the Listing Agreement with Stock Exchanges.

II. POSITIVE ATTRIBUTES:

- (a) He/ She should be a person of integrity, with high ethical standard.
- (b) He/ She should be able to commit to his/her responsibilities and devote sufficient time and attention to his/her professional obligation as a director.
- (c) He/ She should be having courtesy, humility and positive thinking.
- (d) He/ She should be knowledgeable and diligent in updating his/her knowledge.

- (e) He/ She should have skills, experience and expertise by which the Company can benefit.
- (f) In respect of Executive/Whole time Director/ Managing Director, in addition to I (a) & (b) and II (a) to (e) above, he/she should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented and ability to enhance reputation of the organization.

III. INDEPENDENCE:

In respect of an Independent director, in addition to I (a) & (b) and II (a) to (e) above, he/she should fulfil the criteria for being appointed as an Independent Director prescribed under Section 149 of the Companies Act, 2013 read with Schedule IV to the said Act and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

V. REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

- c) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- The Services are rendered by such Director in his capacity as the professional; and
- In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

4) Premium on Insurance Policy:

Where any insurance is taken by the Company on behalf of its Non-Executive / Independent Directors, for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration.

Where any insurance is taken by the Company on behalf of its MD/EDs, KMP and any other employees for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of the remuneration. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

VI. POLICY IMPLEMENTATION

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

VII. REVIEW OF THE POLICY

This Policy will be reviewed and reassessed by the Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

**For and on behalf
of the Board of Directors**

Rasesh Kanakia
Chairman
(DIN: 00015857)

Date: 27th May, 2022
Place: Mumbai

Annexure 3 to Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

For The Financial Year Ended on March 31, 2021

(Pursuant to section 135 of the Companies Act, 2013 and Rule No. 9 of the Companies (Accounts) Rules, 2014)

1. Brief outline on CSR Policy of the Company:

The Board of Directors (Board) adopted the CSR Policy (Policy) on 26th May, 2014 which is available on the Company's website. The Company's CSR is in alignment with the Companies focus initiatives – Education, Health, Art, Culture, etc. Besides, it also undertakes interventions in the areas of sports, environment and ethnicity all aimed at improving the quality of life of the communities.

2. The Composition of the CSR Committee

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Anand Bathiya	Non-Executive Independent Director (Chairman-CSR Committee)	1	1
2.	Mr. Rasesh Kanakia	Whole-time Director (Member -CSR Committee)	1	1
3.	Mr. Himanshu Kanakia	Managing Director (Member - CSR Committee)	1	1

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

- Composition of CSR Committee : <http://moviemax.co.in/corporategovernanceandpolicies>
- CSR Policy: <http://moviemax.co.in/corporategovernanceandpolicies>
- CSR projects approved by the board: <http://moviemax.co.in/corporategovernanceandpolicies>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : N.A

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : N.A

6. Average net profit of the company as per section 135(5) : Rs. 1,179.68/- lacs

7. (a) Two percent of average net profit of the company as per section 135(5) : Rs. 23.59/- lacs.
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: N.A
 (c) Amount required to be set off for the financial year, if any: N.A
 (d) Total CSR obligation for the financial year (7a+7b-7c) : Rs. 23.59/- lacs.

8. (a) CSR amount spent or unspent for the financial year: Spent-Rs. 29.00/- lacs Unspent -Nil
 (b) Details of CSR amount spent against ongoing projects for the financial year: Nil
 (c) Details of CSR amount spent against other than ongoing projects for the financial year:

1 Sr No.	2 Name of the Project	3 Item from the list of activities in Schedule VII	4 Local area (Yes/No)	5 Location of the project		6 Amount spent for the project	8 Mode of Implementation- Through Implementing Agency		
				State	District		7 Mode of Implementation - Direct (Yes/No)	Name	CSR Registration number
1	Housing for children suffering from chronic diseases presently focusing on cancer.	Promoting Home for orphans & Health Care	Yes	Maharastra	Mumbai	Rs. 2.00 Lacs	No.	Through St. Jude India Childcare Centers	CSR0001026
2	Promoting Education	Promoting Education	Yes	Maharastra	Mumbai	Rs. 27.00 Lacs	No.	Through Babubhai Kanakia Foundation	CSR00012576
	Total Amount Spent					Rs. 29.00 Lacs			

- (d) Amount spent in Administrative Overheads - NIL
(e) Amount spent on Impact Assessment, if applicable - N. A.
(f) Total amount spent for the Financial Year - Rs. 29.00 Lacs (8b+8c+8d+8e)
(g) Excess amount for set-off, if any

Sr. No.	Particulars	(Rs. in lakhs)
i.	Two percent of average net profit of the company as per Section 135(5)	23.59
ii.	Total amount spent for the Financial Year	29.00
iii.	Excess amount spent for the financial year [(ii)-(i)]	5.41
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
v.	Amount available for set-off in succeeding financial years [(iii)-(iv)]	5.41

9. (a) Details of Unspent CSR amount for the preceding three financial years: N. A
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): N. A
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): No amount has been spent on creation or acquisition of capital assets after the notification of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 on January 22, 2021.
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N. A

Anand Bathiya
Chairman- CSR Committee
(DIN: 0001643)

Rasesh Kanakia
Member- CSR Committee
(DIN: 00015857)

Date: 27th May, 2022
Place: Mumbai

**Annexure 4 to Board's Report
Secretarial Audit Report
Form No. MR-3**

For the Financial year ended 31st March, 2022

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

To,
The Members,
Cineline India Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Cineline India Limited** (hereinafter called '**the Company**'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Cineline India Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings as may be applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('The SEBI'):-
 - (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, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not relevant / applicable during the year under review)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not relevant / applicable during the year under review)**
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not relevant / applicable during the year under review)**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Since the Company is in service industry there are no laws that are specifically applicable to the Company.

I have also examined compliance with the applicable clauses to the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;

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

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non – Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the period under review, Pursuant to special resolutions passed at the 19th Annual General Meeting held on 3rd September, 2021, the consent of the members of the Company was obtained for the following;

1. Issued upto 14,68,532 (Fourteen Lakhs Sixty-Eight Thousand Five Hundred Thirty-Two) warrants each convertible into, or exchangeable for, one equity shares of the Company within the period of 18 (eighteen months) at a price of Rs. 71.50/- (Indian Rupees Seventy One and Fifty Paise Only) each ("Warrant Issue Price") aggregating upto Rs. 10,50,00,038/- (Indian Rupees Ten Crores Fifty Lakhs Thirty Eight Only) in accordance with the applicable law to the members of the promoter group of the Company on preferential basis; The said Warrants were Allotted to the Warrant Holders by the Board of Directors in their meeting held on 23rd September, 2021.
2. Issued upto 20,97,902 (Twenty Lakhs Ninety-Seven Thousand Nine Hundred Two) Equity Shares at a price of Rs. 71.50/- (Indian Rupees Seventy One and Fifty Paise Only) ("Equity Share Issue Price") comprising of face value of Rs. 5/- (Indian Rupees Five only) each and premium of Rs. 66.50/- (Indian Rupees Sixty-six and Fifty paise only) each to One Up Financial Consultants Private Limited, non-promoter group member of the Company on preferential basis; The said shares were Allotted by the Board of Directors in their meeting held on 23rd September, 2021.

**For D. M. Zaveri & Co
Company Secretaries**

**Dharmesh Zaveri
(Proprietor)**

**FCS. No.: 5418
CP No.: 4363**

**Place: Mumbai
Date: 27th May 2022**

ICSI UDIN: F005418D000351863

Peer Review Certificate No.: 1187/2021

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

To,
The Members,
Cineline India Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the pandemic caused by Covid-19 and prevailing lockdowns/restrictions on movement of people imposed by the Government, for the purpose of issuing this report, we have conducted our audit remotely based on the records and information made available to us by the Company electronically.

For D. M. Zaveri & Co
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No.: 5418
CP No.: 4363

Place: Mumbai
Date: 27th May 2022

Annexure 5 to Board's Report

[Pursuant to Section 197(12) and Rule 5(1) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31 March, 2022:

Sr. No.	Director	Remuneration (Rs. In lacs)	Median Remuneration (Rs. In lacs)	Ratio
1	Mr. Rasesh Kanakia, Chairman	11.20	4.78	2.34
2	Mr. Himanshu Kanakia, Managing Director	11.20	4.78	2.34
3	Mrs. Hiral Kanakia, Whole-time Director	10.50	4.78	2.34
4	Mr. Shantilal Haria, Independent Director	Nil	Nil	Nil
5	Mr. Naushad Panjwani, Independent Director	Nil	Nil	Nil
6	Mr. Anand Bathiya, Independent Director	Nil	Nil	Nil

(Sitting Fees paid to the Independent Directors have not been considered as remuneration.)

- The Percentage increase in remuneration of each Director, CFO, Company Secretary in the financial year:

Sr. No.	Director	% increase
1	Mr. Rasesh Kanakia	0%
2	Mr. Himanshu Kanakia	0%
3	Mrs. Hiral Kanakia	Nil
4	Mr. Anand Bathiya	NA
5	Mr. Naushad Panjwani	NA
6	Mr. Shantilal Haria	NA

Sr. No.	Company Secretary & CFO	% increase
1	Mrs. Rashmi Shah, Company Secretary	0%
2	Mr. Vipul Parekh, CFO	NA

- Percentage increase in median remuneration of employees in the financial year: NIL
- The number of permanent employees on the rolls of the company as on 31 March, 2022: 43 (including directors)
- Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

There has been no increase in the average salaries in the financial year 2021-22.

6. The key parameters for any variable component of remuneration availed by the directors:

Please refer to the remuneration policy given as Annexure – 2 to the Directors' Report.

7. It is affirmed that the remuneration paid is as per the remuneration policy of the company.

Sr. No.	Name	Designation	Qualification	Date of Birth	Date of Joining	Remuneration Received (Rs.)	Experience (In years)	Particulars of last employment held - Designation & Organisation
1	Sameer Mustafa Munshi	Vice-President Business Development	IHM-Mumbai	11.05.1973	1.10.2021	2157342	18 + yrs	AVP-Ops-Mirage Cinemas
2	Vipul Navinchandra Parekh	CFO-Cineline India Ltd	ICAI	10.10.68	1.08.2021	1861904	30 + yrs	Lavasa Corp Limited
3	Kunal Somnath Sawhney	COO- Cineline India Ltd	Graduate	29.12.1982	15.12.2021	1691752	20 yrs	COO & Director- Carnival Cinemas
4	Teddy Joshua Devasagayam Sydney	Head Projects- Cineline India Ltd	BE-Electricals & Electronics	29.5.1980	16.09.2021	1477713	21 yrs	PVR cinemas- AVP Engineering
5	Rasesh Kanakia	Chairman	OPM from Harvard Business School	14.09.1961	22.05.2002	1119996	36	NA
6	Himanshu Kanakia	Managing Director	Engineer	01.01.1964	22.05.2002	1119996	33	NA
7	Nikhil Ashvin Mehta	Manager - Accounts & Audit	MBA in Finance	05.08.1984	20.05.2015	1053084	18	Accounts Manager - Décor Exclusive Granites Pvt. Ltd.
8	Hiral Kanakia	Executive Director	Bachelor in Arts	29.08.1970	01.04.2015	1050000	25	NA
9	Ashish Barai	General Manager – Mall	MBA in Marketing & Finance, DBM, BSC.	05.05.1977	21.04.2007	1004837	21	Store Manager, Big Bazaar, Future Group,
10	Ajay Amarjeet Vishwakarma	Manager- Accounts & Taxation	Master in Finance Management. B.com	15-05-88	01.12.2019	955440	12	DB Reality

**For and on behalf
of the Board of Directors**

Rasesh Kanakia
Chairman
(DIN: 00015857)

Date: 27th May, 2022

Place: Mumbai

ANNEXURE-A TO DIRECTOR'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC REVIEW

GLOBAL ECONOMY

The global economy was seen recovering in 2021 after the high market volatility and deep recession in 2020. After a strong rebound, global activity slowed owing to the Russia-Ukraine crisis. At the end of 2021, inflation in several regions surged to multi-decadal highs. A key driver of inflation across the world has been the rapid surge in energy, food, and commodity prices. Central banks across the world have started tightening their stances and others are expected to follow in response to domestic macroeconomic conditions, including rising inflationary pressures. As per the International Monetary Fund (IMF), global growth is projected to decline from 6.1% in 2021 to 3.6% in 2022 and 2023.

As countries grapple with higher volatility, spending pressures, and tighter financial market conditions, the likelihood that some countries will become financially constrained increases. Notwithstanding the immediate challenges, policymakers need to focus on longer-term goals.

Growth across Advanced Economies (AEs) is expected to moderate to 3.3% in 2022 from 5.2% clocked in 2021. The United States (US) economy has been facing headwinds from surging inflation and gradual withdrawal of fiscal and monetary policy support. The rebound that was underway in Europe has suffered a setback due to the Russia-Ukraine conflict with inflation at unpredictable levels.

Emerging Markets and Developing Economies (EMDEs) are expected to grow at 3.8% as against the 6.8% growth recorded in 2021. The risk of newer Covid-19 variants in China has led to mobility restrictions and plummeted private consumption. Emerging and Developing Europe, including Russia and Ukraine will see Gross Domestic Product (GDP) contract significantly owing to higher energy prices and disruption of trade.

Global Economic Growth: Actual and Projections (%)

Particulars	2021	2022 (P)	2023 (E)
World output	6.1	3.6	3.6
Advanced Economies	5.2	3.3	2.4
Emerging Markets and Developing Economies (EMDEs)	6.8	3.8	4.4

P- Projections, E-Estimates

(Source: IMF World Economic Outlook, April 2022)

INDIAN ECONOMY

India's underlying economic fundamentals remain strong and despite the short-term turbulences caused by the emergence of geopolitical tensions, supply-chain disruptions, and rising inflation, the impact on the long-term outlook will be marginal. The results of growth-enhancing policies and schemes such as production-linked incentives and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and efficiency—all leading to accelerated economic growth.

India's Gross Domestic Product (GDP) has grown by 8.7% in FY 2021-22, and growth is expected at 8.2% in FY 2022-23. Growth has surpassed the pre-pandemic levels on the back of improved performance in the manufacturing and construction sectors. With this, India continues to remain the fastest-growing economy in the world in FY 2021-22 despite the marginal slowdown in the fourth quarter of the year due to the omicron variant of Covid-19.

The government expanded infrastructure spending to restore medium-term demand thereby assisting in overall economic growth. On the strength of several efforts on the fronts like promoting technology-enabled development, energy transition, and climate action taken by the government in the Union Budget 2022-23, the Indian economy is prepared to grow at the fastest rate among the league of large nations. However, continued geopolitical conflicts, high inflationary pressures, and renewed coronavirus variants pose significant challenges to the economic outlook.

INDUSTRY OVERVIEW

INDIAN REAL ESTATE SECTOR

The real estate industry contributes a major share to the country's GDP as well as is the highest employment generator after the agriculture sector. India's real estate sector, specifically the residential segment, has shown a quick recovery from the pandemic-induced crisis. A number of factors like low interest rates, fall in house prices, and state governments' stimulus has supported the housing market revival in 2021. Once the unlocking process was initiated, both the residential and office markets started showing promising signs of revival. With the impact of the second and third waves of the pandemic waning, an improving business environment, increased understanding of the pandemic, and focus on vaccinations supported the recovery in the real estate market.

INDIAN RESIDENTIAL REAL ESTATE MARKET

While the operational hurdles triggered by the first and second waves of the pandemic dented sales volumes during 2020 and the first half of 2021, the Omicron variant in Q1 2022 had little impact on the residential market which achieved record sales and launch volumes during the period. Low interest rates, improving affordability, high savings, and a resurging interest in homeownership due to space constraints imposed by the pandemic have been the primary drivers of the revival in housing demand.

The residential sector had an unprecedented year of growth with sales rising by 51% YoY at 232,903 units across the top eight cities of the country. New home launches also saw a significant rise of 58% YoY with the addition of 232,382 units in 2021.

Affordability Matrix

Affordability has improved over the years across all markets with growing incomes and housing prices correcting. The Knight Frank Affordability Index, that tracks the EMI (Equated Monthly Instalment) to income ratio for households, improved further in 2021 across all cities. Affordability has improved dramatically since 2015 as the combined impact of slowing price growth and falling interest rates was much greater in this period. The home loan interest rate is at a decadal low, aiding housing affordability.

City	2010	2020	2021
Mumbai	93%	60%	53%
NCR	53%	38%	28%
Bengaluru	48%	28%	26%
Pune	39%	26%	24%
Chennai	51%	26%	25%
Hyderabad	47%	31%	29%
Kolkata	45%	29%	25%
Ahmedabad	46%	23%	20%

(Source: Knight Frank Report)

INDIAN COMMERCIAL REAL ESTATE MARKET

2021 began on a positive note with the first quarter of the year showing encouraging signs of recovery and growth, but the intense second wave of the pandemic curtailed market traction in Q2 2021. However, improving economic fundamentals and business environment coupled with a better understanding of the pandemic encouraged corporate India to gradually return to office in the second half of the year. 2.4 mn sq m (25.9 mn sq ft) of office space was transacted during H2 2021. Office

completions also picked up significantly with 2.2 mn sq m (23.7 mn sq ft) getting delivered during the period.

(Source: Knight Frank Report)

RETAIL INDUSTRY IN INDIA

India is the fourth largest retail market in the world, with a size of about USD 883 billion in FY 2019-20, which is projected to increase to USD 1.7 trillion by FY 2025-26 at a CAGR of ~12%. (Source: Statista). The retail industry has played a significant role in transforming the Indian economy. It has a 10% contribution to India's GDP and an 8% share in India's employment. The increase in share of the retail market is largely driven by the growth of middle-class consumers, increase in working population, higher consumption in the rural market, and technology adoption by retailers and buyers.

The Covid-19 pandemic has tested the resiliency of retail sales in India's smaller cities. The impact of the pandemic on retail activity has been less severe in tier 2 and smaller cities than in tier 1 and metro cities. With faster reopening of stores, successful vaccination drives, and increase in travel and tourism, retail demand is expected to return to normal.

INDIAN MULTIPLEX INDUSTRY

India is the world's largest film producer and film market in terms of ticket sales, and the fifth-largest box office market in terms of revenue.

In India, the movie-going experience has changed dramatically in recent years, with multiplex audiences increasing multi-fold. Footfall at multiplexes has increased as the lifestyle choices of the young working population have improved. The lack of out-of-home entertainment options in India, combined with excellent audio and visual experiences, wide variety of F&B offerings, and comfortable seating, are some of the factors driving the growth.

FY 2021-22 was marked by the second and third waves of the pandemic hitting the film exhibition industry hard. Revenues of the multiplex industry fell dramatically in 2021 as cinemas were shut for a large part of the year and the release of big-budget films was pushed back. However, the restrictions imposed by various states were eased and multiplexes started opening in the last quarter of the fiscal year. Given the consistent flow of strong content and removal of all restrictions across India, occupancy levels at cinemas bounced back significantly to almost the pre-pandemic levels.

(CRISIL Research)

Multiplex chains are on an expansion spree encouraged by the fast business recovery, strong patronage for big-screen viewing, and willingness of audiences to come back to cinemas for high-quality content. Moreover, India is an extremely under-screened market with only 7 screens per million (people) compared to 50 in Japan and 58 in China. This low penetration, as well as the replacement of single screens in the market, provide a significant growth opportunity for multiplexes.

COMPANY OVERVIEW

Cineline India Limited is amongst the most prestigious and renowned real estate players in Mumbai and is a part of the Kanakia Group. The Company's modus operandi comprises identifying and acquiring commercial properties and renting out retailing, parking, and advertising spaces across markets such as Mumbai and Nagpur. The Company has a diverse business model with a presence in the renewable energy business as well, wherein the Company owns and operates 1 windmill in Gujarat and 1 in Maharashtra with a power generation capacity of 0.6 MWA and 1.6 MWA, respectively.

Cineline, with a strong history of operating the film exhibition business, has re-entered the segment with the launch of 'MovieMax' during the year under review. It plans to hive off its non-core business to become an asset-light company and grow the cinema exhibition business. The Company intends to create a strong consumer-oriented brand and become a leading, pan-India film exhibition player.

FINANCIAL OVERVIEW

The Company's revenue during FY 2021-22 stood at Rs. 2,477.60 lakhs compared to Rs. 4,366.56 lakhs in FY 2020-21, registering a de-growth of 43% y-o-y. EBITDA of the Company stood at Rs. 1,567.93 lakhs as against Rs. 3,460.40 lakhs in FY 2020-21.

Key Financial Ratios

Year	FY 2021-22	FY 2020-21
Debtors Turnover Ratio	5.90	7.54
Interest Coverage Ratio	0.78	1.81
Current Ratio	11.60	19.67
Debt Equity Ratio	1.36	1.43
Operational Profit Margin	58.99%	73.50%
Net Profit Margin	-29.77%	18.15%
Return on net Worth	-5.68%	6.51%

OPPORTUNITIES AND OUTLOOK

After two years of severe disruptions, 2022 began with the hope that the worst of the pandemic is over and that the growth of the economy will resume. A slew of indications points to the recovery, including a rebound in employment, higher wage growth, and recovery in consumer confidence, among others.

Given the enormous opportunities, the Company has set ambitious growth plans for the film exhibition business and targets to tie up 300+ screens by FY 2024-25. It intends to increase penetration in this segment and acquire screens pan-India to become a prominent player. Towards this, it plans to monetize its non-core business to reduce debt and become an asset-light company.

RISK MANAGEMENT

Huge capital requirements in the real estate sector may hamper the continuity of business and pose risks for the Company. Economic slowdown, geopolitical tensions, rising interest rates, and inflation, and adverse market developments may also cause demand fluctuations in the market. The Covid-19 crisis has resulted in project delays, restriction of operations, and unavailability of labour and materials for the Company. With the recovery in economic activities and diversification of business, the Company is, however, optimistic of driving incremental revenues and business growth. It ensures right investments in right assets at right locations, supported by its core capabilities and highly experienced team.

HUMAN RESOURCES

Employees are the most important asset of the Company. The HR policy of the Company focuses on fostering a conducive work environment and attracting the best talent in the industry. The Company provides its employees with an ever-changing learning environment by way of conducting robust learning and development programs. The Company adopts a pragmatic approach towards the health and safety of its employees in line with the prescribed safety protocols and standards. Further, it has in place a well-designed appraisal system to align individual efforts with the long-term strategy and growth objectives of the Company. As on March 31, 2022, the Company had a total of 42 employees.

INTERNAL CONTROL SYSTEMS

The internal control systems are adequate for the size and nature of the Company's operations. Well-documented policies and procedures are put in place for monitoring business and operational performance and ensuring the safeguarding of

assets and proper reporting of financial transactions. Periodic audits are conducted by the internal audit team of the Company to ensure the efficacy and adequacy of internal control systems and appropriate actions are thereafter taken by the management.

CAUTIONARY STATEMENT

The Management Discussion and Analysis contains statements describing the Company's objectives, projections,

estimates and expectations, which may be forward-looking in nature. These statements are made within the meaning of applicable laws and regulations and are based on informed judgments and estimates. There cannot be any guarantee of previous performance continuity as future performance also involves risks and uncertainties. These may include but are not limited to the general market, macroeconomic, interest rate movements, competitive pressures, technological and legislative developments, and other key factors that may affect the Company's business and financial performance.

CORPORATE GOVERNANCE

ANNEXURE-B TO DIRECTOR'S REPORT

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2022, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Regulations and Disclosure Requirements), 2015 ("Listing Regulation").

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

"Corporate governance is about maintaining an appropriate balance of accountability between three key players: the corporation's owners, the directors whom the owners elect and the managers whom the directors select. Accountability requires not only good transparency, but also an effective means to take action for poor performance or bad decisions."

Corporate governance is about commitment to values and ethical business conduct. It is about how an organization is managed. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the company is an important part of corporate governance. This improves public understanding of the structure, activities and policies of the organization. Consequently, the organization is able to attract investors and enhance the trust and confidence of the stakeholders.

We believe that sound corporate governance is critical to enhance and retain investors trust. Accordingly, we always seek to ensure that we attain our performance goals with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term.

Our disclosures always seek to attain the best practices in international corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

Our corporate governance philosophy is based on the following principles:

1. Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.

2. Be transparent and maintain a high degree of disclosure levels.
3. Communicate externally, in a truthful manner, about how the Company is run internally.
4. Have a simple and transparent corporate structure driven solely by business needs.

The Company, through its Corporate Governance envisages an attainment of transparency, accountability, integrity and propriety in total functioning of the Company and conduct of business, both internally and externally. The Company defines Corporate Governance as a set of guidelines that are followed by the Board of Directors and the Management of the Company voluntarily.

II. BOARD OF DIRECTORS

Composition and category of Directors as on 31st March, 2022:

The Board of Directors of your Company comprises of Six (6) Directors as on 31st March, 2022 representing the optimum combination of professionalism, knowledge and experience. Of these six members, three of them are non-independent executive Directors out of which one is a woman director and are forming part of the promoters group of the Company and other three are independent non-executive directors.

Name of Director	Designation	Category	
		Executive/ Non-Executive	Independent/ Non-Independent
Mr. Rasesh Kanakia	Chairman	Executive	Non - Independent
Mr. Himanshu Kanakia	Managing Director	Executive	Non - Independent
Mrs. Hiral Kanakia	Whole-time Director	Executive	Non - Independent
Mr. Anand Bathiya	Director	Non - Executive	Independent
Mr. Naushad Panjwani	Director	Non - Executive	Independent
Mr. Shantilal Haria	Director	Non - Executive	Independent

Directorship / Committee Membership as on 31st March, 2022 (including CINELINE):

Sr. No.	Name of the Director	No .of Directorships*	Board Committees**	Chairmanships of Board Committees**	Names of other listed companies where he/she is a Director	
					Name of the Company	Category of Directorship
1	Mr. Rasesh Kanakia	1	2	Nil	Nil	Nil
2	Mr. Himanshu Kanakia	1	1	Nil	Nil	Nil
3	Mrs. Hiral Kanakia	1	Nil	Nil	Nil	Nil
4	Mr. Anand Bathiya	3	4	3	IIFL Securities Limited	Non-Executive-Independent
					Goldcrest Corporation Limited	Non-Executive-Independent
5	Mr. Naushad Panjwani	1	1	Nil	Nil	Nil
6	Mr. Shantilal Haria	2	3	Nil	G M BREWERIES LIMITED	Non-Executive-Independent

*The Directorships excludes Private Limited Companies, Foreign Companies, Companies registered under Section 8 of the Companies Act, 2013 and Alternate Directorship.

** Chairmanship/Membership of Committees only includes Audit Committee and Stakeholder Relationship Committee in Indian Public Limited companies including Cinline India Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairman of more than five such Committees.

Matrix of expertise and skill of Directors

Present Directors of the Company (including directors seeking appointment) having different skill and expertise in respective domain area viz. sales and marketing, technology and business management, accounting, finance and taxation etc. Following is the qualification, expertise and skill of the Directors of the Company. The Board is of the opinion that the skill or competence required for the Directors in relation to the present business of the Company includes finance, accounts, taxation, technology, legal, operation, business development and compliance:-

Sr. No.	Name of Director	Designation	Qualification	Skills/expertise/competence/experience
1	Mr. Rasesh Kanakia	Executive Chairman	Owner President Management Programme from Harvard University	Management & Strategy, Global Business Leadership, Finance, Investment & Treasury, Regulatory and Government matters and CSR matters.
2	Mr. Himanshu Kanakia	Executive Managing Director	Engineer	Management & Strategy, Global Business Leadership, Engineering, Operations Finance, Investment & Treasury, Regulatory and Government matters and CSR matters.
3	Mrs. Hiral Kanakia	Executive, Whole-time Director	Bachelor in Arts	Human Resource and Administration.

Sr. No.	Name of Director	Designation	Qualification	Skills/expertise/competence/experience
4	Mr. Anand Bathiya	Independent Director	Bachelor of Commerce, Company Secretary and Chartered Accountant	Management & Strategy, Finance & Taxation, Banking & Treasury, Financial Services, Audit & Risk Management, Business Advisory, Company Law, Regulatory matters, Corporate Governance and Ethics.
5	Mr. Naushad Panjwani	Independent Director	Bachelor of Commerce and Chartered Accountant	Management & Strategy, Finance & Taxation, Banking & Treasury, Financial Services, Audit & Risk Management, Business Advisory, Regulatory matters and Ethics.
6	Mr. Shantilal Haria	Independent Director	Bachelor of Commerce, Company Secretary and Chartered Accountant	Management & Strategy, Finance & Taxation, Banking & Treasury, Financial Services, Audit & Risk Management, Business Advisory, Company Law, Regulatory matters, Corporate Governance and Ethics.

Independent Directors:

The Non-Executive Independent Directors fulfill the conditions of Independence specified in Section 149(6) of the Companies Act, 2013 and Rules made there under and meet with the requirements of Regulation 16(1)(b) of the Listing Regulation. A formal letter of appointment to the Independent Director as provided in the Companies Act, 2013 and the Listing Regulation has been issued and disclosed on the website of the Company viz. www.moviemax.co.in

Personal Shareholding of Non- Executive Directors, in the Company as on 31st March, 2022 is as follows:

Name of Director	No of equity shares of Rs. 5/- each, held
Mr. Anand Bathiya	Nil
Mr. Naushad Panjwani	Nil
Mr. Shantilal Haria	Nil

Directors of the Company do not hold any options or instruments convertible into equity shares of the Company.

Board Meetings

Board meets at regular intervals to discuss and decide on business strategies / policies and review the financial performance of the Company. The Board meetings are pre-scheduled and a tentative calendar of the Board meetings is circulated to the Directors in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at subsequent Board meeting.

The notice of each Board meeting is given in writing to each Director. The Agenda along with relevant notes and other material information are sent in advance to Directors and in exceptional cases tabled at the meeting. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis budgets/targets.

In the financial year 2021-22, the Board met Six times. The meetings were held on 10th June, 2021, 05th August, 2021, 23rd September, 2021, 12th November, 2021, 22nd December, 2021 and 14th February, 2022. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulation.

Attendance of the Directors at the Board Meeting and at the last Annual General Meeting (AGM):

Sr. No.	Name of Director	No. of Board meetings held	No. of Board meetings attended	Attendance at AGM held on 22nd December, 2020
1	Mr. Rasesh Kanakia	6	6	Present
2	Mr. Himanshu Kanakia	6	5	Present
3	Mrs. Hiral Kanakia	6	5	Present
4	Mr. Anand Bathiya	6	6	Present
5	Mr. Naushad Panjwani	6	6	Present
6	Mr. Shantilal Haria	6	5	Present

Information given to the Board:

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulation to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

Post Meeting Mechanism:

The important decisions taken at the Board/Board Committee meetings are communicated to the concerned departments/divisions.

Board Support:

The Company Secretary attends the Board/Committee meetings and advises on Compliances with applicable laws and governance.

Familiarization Program for Directors:

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director also explained in detail the Compliance required from him under the Companies Act, 2013, Listing Regulation and other relevant regulations and affirmations taken with respect to the same. The Chairman and the Managing Director also has one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further the Company has put into place a system to familiarise the Independent Director about the Company, its business and the on-going events relating to the Company. The details of such program are available on the web link www.moviemax.co.in

Disclosure of relationship between Directors inter-se:

Mr. Himanshu Kanakia is younger brother of Mr. Rasesh Kanakia, being the Chairman of the Company and Mrs. Hiral Kanakia is wife of Mr. Himanshu Kanakia, being the Managing Director of the Company.

III. COMMITTEES OF THE BOARD

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and need a closer review. The Board Committees are formed with approval of the Board and

functions under their respective Charters. These Board Committees play an important role in overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals, takes necessary steps to perform its duties entrusted by the Board. To ensure good governance, the Minutes of the Committee Meetings are placed before the Board for their noting.

The Board has currently the following Committees:

(A) AUDIT COMMITTEE

Composition:

The Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provision of Regulation 18 of the Listing Regulation. All members of the Audit Committee are financially literate and bring expertise in the field of Finance, Taxation, Economics and Risk.

The Audit Committee as on 31st March, 2022 comprised of four (4) members namely, Mr. Anand Bathiya - Chairman, Mr. Naushad Panjwani, Mr. Shantilal Haria and Mr. Rasesh Kanakia of which first three are independent directors. The Managing Director, the Chief Financial Officer, Statutory Auditors and Internal Auditors are invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary of the Audit Committee.

Objective:

The Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliances with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting processes of the Company, the audit of the Company's Financial Statements, the appointment, independence and performance of the statutory and internal auditors and the Company's risk management policies.

Meetings and Attendance:

The Audit Committee met Four (4) times during the Financial Year 2021-22. The maximum gap between two

meetings was not more than 120 days. The Committee met on 10th June, 2021, 05th August, 2021, 12th November, 2021 and 14th February, 2022.. The necessary quorum was present for all meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company. The table below provides the attendance of the Audit Committee:

Attendance of each Member at the Audit Committee Meetings:

Name of Committee Member	Designation	No. of Meeting Held	No. of Meeting Attended
Mr. Anand Bathiya	Chairman, Independent Director	4	4
Mr. Rasesh Kanakia	Member, Executive Director	4	4
Mr. Naushad Panjwani	Member, Independent Director	4	4
Mr. Shantilal Haria	Member, Independent Director	4	4

Terms of References: The terms of reference / powers of the Audit Committee are as under:

A. Powers of the Committee: The Committee is vested with the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Other powers as may be mandated by any Law for time being force or as per Listing Agreement.

B. Role of Committee: The Committee shall function primarily in the following roles:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the auditors and the fixation of the audit fees;

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

14. Discussion with internal auditors on any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
20. Reviewing the utilization of loans/ advances/ investment in the subsidiary > Rs. 100 Crore / 10% of the asset size of the subsidiary;
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders and
22. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

C. Review of information by Audit Committee: The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
6. Statement of Deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).

- (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice.

(B) NOMINATION AND REMUNERATION COMMITTEE

Composition:

The Nomination and Remuneration Committee as on 31st March, 2022 comprised of three (3) Directors. Mr. Anand Bathiya, Non-Executive, Independent Director, is the Chairman of the Committee. The other member of the Nomination and Remuneration Committee includes Mr. Naushad Panjwani and Mr. Shantilal Haria. The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulation.

Meeting and Attendance:

The Nomination and Remuneration Committee met One (1) time during the Financial Year 2021-22. The Committee met on 14th February, 2022.

Attendance of each Member at the Nomination and Remuneration Committee Meetings:

Name of Committee Member	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Anand Bathiya	Member, Independent Director	1	1
Mr. Naushad Panjwani	Member, Independent Director	1	1
Mr. Shantilal Haria	Member, Independent Director	1	1

Terms of Reference:

The Board has framed the Nomination and Remuneration Committee policy which ensures effective compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulation. The Board has clearly defined terms of reference for the Nomination and Remuneration Committee, which are as follows:

- a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- c) devising a policy on diversity of board of directors;
- d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- e) whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors.

Performance evaluation criteria for Independent Directors:

Each Independent Director’s performance was evaluated by Schedule IV of the Companies Act, 2013 having regard to the following criteria of evaluation viz. (i) preparedness (ii) participation (iii) value addition (iv) focus on governance and (v) communication.

The Non-Executive Directors of the Company comprises of Independent Directors and are paid sitting fees for the time devoted to the Company. Apart from the sitting fees, there is no other material pecuniary relationship or transactions by the Company with the Directors. The performance criteria for payment of remuneration are stated in the Remuneration Policy as specified in **Annexure 3** to the Director’s Report.

Other service contracts, notice period and severance fees, among others – None

(C) REMUNERATION OF DIRECTORS

In accordance with the provision of section 178(3) of the Act, the Nomination and Remuneration Committee recommended the remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees which was approved and adopted by the Board and the same is annexed as **Annexure 4** to the Director’s Report.

Criteria of making payments to non-executive directors are disclosed in **Annexure 4** to the Director’s Report and also available on the web link www.moviemax.co.in

Details of Remuneration to Directors during the financial year 2021-22:

Name of the Director	Sitting Fees for Board & Committees Meeting (Amount in ₹)	Salary & Perquisites (including PF, etc.) (Amount in ₹)
Mr. Rasesh Kanakia	N.A.	11,20,000
Mr. Himanshu Kanakia	N.A.	11,20,000
Mrs. Hiral Kanakia	N.A.	11,20,000
Non-Executive Director		
Mr. Anand Bathiya, Independent Director	1,20,000	N.A.
Mr. Naushad Panjwani, Independent Director	1,05,000	N.A.
Mr. Shantilal Haria, Independent Director	95,000	N.A.

The Non-Executive Directors are paid remuneration in accordance with the prevalent practice in the industry and commensurate with their experience, time devoted to the Company and also taking into account profits of the Company and is specified in detail in **Annexure 1** to the Director’s Report.

Apart from the above remuneration, there is no other material pecuniary relationship or transactions by the Company with the Directors.

(D) STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulation, as on 31st March, 2022 the Stakeholder Relationship Committee comprised of three Directors. Mr. Anand Bathiya, Non-Executive, Independent Director is the Chairman of this Committee. The other members of the stakeholders Relationship Committee includes Mr. Rakesh Kanakia and Mr. Himanshu Kanakia.

Meeting and Attendance:

The Stakeholders’ Relationship Committee met two (2) times during the Financial Year 2021-22. The Committee met on 10th June, 2021 and 12th November, 2021.

Attendance of each Member at the Stakeholders' Relationship Committee Meetings:

Name of Committee Member	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Anand Bathiya	Chairman, Independent Director	2	2
Mr. Rasesh Kanakia	Member, Executive Director	2	2
Mr. Himanshu Kanakia	Member, Executive Director	2	1

Role of Committee: The Committee shall function primarily in the following roles:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Terms of Reference: The terms of reference for the Committee are:

- a) transfer/transmission of shares as may be issued by the Company from time to time;
- b) issue of duplicate share certificates for shares and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- c) monitoring expeditious redressal of investors / stakeholders grievances;
- d) to oversee the performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services;

- e) to issue and allot debentures, bonds and other securities subject to such approvals as may be required;
- f) to monitor dematerialization / rematerialisation of shares and all matters incidental or related thereto;
- g) to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- h) to perform any other function, duty as stipulated by the Companies Act, Securities & Exchange Board of India, Stock Exchanges and any other regulatory authority or under any applicable laws, as amended from time to time.

Mrs. Rashmi Shah, Company Secretary of the Company is the Compliance Officer of the Company and also acts as Secretary to the Committee. The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Link Intime India Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. Their addresses of correspondences are specified herein below.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and e-mail addresses to facilitate prompt action.

Details of Shareholder's Complaints:

The total numbers of complaints received and replied to the shareholders during the year ended 31st March, 2022 was nil, as per details given below. There were no complaints outstanding as on March 31, 2022.

Nature of Complaints	Received	Resolved
Non-Receipt of Annual Reports	Nil	Nil
Non-Receipt of Dividends	Nil	Nil
Miscellaneous	Nil	Nil
Total	Nil	Nil

(E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee as on 31st March, 2022 comprised of three (3) Directors. Mr. Anand Bathiya, Non-Executive, Independent Director is the Chairman of the Committee. The other members of the CSR Committee include Mr. Rasesh Kanakia and Mr. Himanshu Kanakia. The Company has formulated CSR Policy which is uploaded on the website of the Company.

Terms of Reference:

The terms of reference of the Corporate Social Responsibility Committee broadly comprises:

- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- c. To monitor the CSR policy of the Company from time to time;
- d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The CSR Committee meeting was held on 10th June, 2021 during the Financial Year 2021-2022. All members of the Committee were present, except Mr. Himanshu Kanakia who was granted leave of absence.

(F) INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on 14th February, 2022 inter alia, to discuss;

1. Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
2. Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The necessary quorum was present at the meeting.

(G) SECURITIES ALLOTMENT COMMITTEE:

Pursuant to the members' approval in the Annual General Meeting held on 3rd September, 2021 a Securities Allotment Committee of the Board of Directors was constituted on 23rd September, 2021 for issue and allotment of equal equity shares against 14,68,532 warrants issued to the warrant holders.

The Securities Allotment Committee consists of 4 members:

1. Mr. Anand Bathiya – Independent Director
2. Mr. Shantilal Haria – Independent Director
3. Mr. Naushad Panjwani – Independent Director
4. Mr. Rasesh Kanakia – Whole Time Director

Mr. Shantilal Haria was designated as the Chairman of the said Committee.

IV. GENERAL BODY MEETING:

ANNUAL GENERAL MEETING

Location and time, where Last three Annual General Meetings (AGM) held:

Year	Venue/Location	Day, Date and Time	Special resolutions passed
2021	Video Conferencing	Friday, 03rd September, 2021 at 11:00 A.M.	<ol style="list-style-type: none"> 1. Issue of upto 14,68,532 (Fourteen Lakhs Sixty Eight Thousand Five Hundred and Thirty Two) warrants each convertible into or exchangeable for, one equity share of the Company within the period of 18 (Eighteen months) in accordance with the applicable law to the members of the promoter group of the Company on preferential basis. 2. Issue of upto 20,97,902 (Twenty Lakhs Ninety Seven Thousand Nine Hundred and Two) Equity Shares of the Company to an entity on preferential basis.
2020	Video Conferencing	Tuesday, 22nd December, 2020 at 11:45 A.M.	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Rasesh Kanakia (DIN: 00015857) as Executive Chairman of the Company 2. Re-appointment of Mr. Himanshu Kanakia (DIN: 00015908) as Executive Managing Director of the Company. 3. To give loan, guarantees, provide securities and make investments in Wholly Owned Subsidiary. 4. Approval of loans, guarantee or security under section 185 of Companies act, 2013
2019	Cinemax Theatre, Eagle's Flight, Behind Gurunak Petrol Pump, Andheri Kurla Road, Andheri (East). Mumbai-400093	Thursday, 26th September, 2019 at 10.30 AM	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Anand Bathiya (DIN: 03084831) as an Independent Director of the Company. 2. Appointment of Mr. Naushad Panjwani (DIN: 06640459) as an Independent Director of the Company. 3. Appointment of Mr. Shantilal Haria (DIN: 00295097) as an Independent Director of the Company. 4. Re-appointment of Mrs. Hiral Kanakia (DIN: 00015924) as Executive Director of the Company. 5. To approve sale of undertaking under Section 180 (1) (a) of the Companies Act, 2013. 6. To make investments, give loan, guarantees and provide securities under section 186 of the Companies Act, 2013. 7. To approve the loan to related party under Section 185 of Companies Act, 2013. 8. To approve material related party transaction.

Postal Ballot:

For the year ended March 31, 2022 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

V. AFFIRMATIONS AND DISCLOSURES

1. Compliances with Governance Framework:

The Company is in compliance with all mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Related Party Transactions:

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulation during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulation and amendment thereon the Board approved and adopted revised Related Party Transaction Policy as per the Companies (Meetings of Board and its Power) Rules, 2014 and Securities Exchange Board of India (LODR) Regulations, 2015 as amended by SEBI (LODR) (Amendment) Regulations, 2018 with effect from 1st April, 2019. The Policy is available on the website of the Company viz., www.moviemax.co.in

None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis or fair value.

3. Material Subsidiary Company:

During the year under review, the Company had a material subsidiary viz. R & H Spaces Private Limited, as per

the Listing Regulations. The Board of Directors of the Company has approved a policy for determining material subsidiaries of the Company and the same is disclosed on the website of the Company under the web link: www.moviemax.co.in.

The audited annual financial statements of the subsidiary companies are tabled at the Audit and Risk Management Committee and Board Meetings. Copies of the Minutes of the Board Meetings of subsidiary companies are periodically tabled/placed at the Board Meetings of the Company.

4. Details of non-compliances by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years:

The Company has complied with all requirements of the Listing Regulation entered into with Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no stricture or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

5. Whistle Blower Policy/ Vigil Mechanism Policy:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimisation of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is displayed on the website of the company viz., www.moviemax.co.in

6. Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The Significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

7. Mandatory/ Non-Mandatory requirements:

The Company has complied with the mandatory requirements of the Corporate Governance of the Listing Regulation and also followed non mandatory requirements relating to financial statements with unmodified audit opinion/without qualification.

8. Code of Conduct:

In compliance with Regulation 26(3) of the Listing Regulation and the Companies Act, 2013, the Company has framed and adopted Code of Conduct and Ethics ("the Code") which is applicable to the Board of Directors and Senior Management team (one level below the Board) of the Company. The Board of Directors and members of Senior Management team are required to affirm annual compliance of this Code. The Code requires Director and Employees to act honestly, fair, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the website of the Company viz., www.moviemax.co.in

The Board of Directors and members of Senior Management team have affirmed compliance to the Code as on 31st March, 2022. A declaration to this effect signed by the Chairman and Managing Director of the Company and is annexed separately to this report.

9. Conflict of Interest:

Each Director informs the Company on an annual basis about the Board and the Committees position he occupies in other companies including Chairmanship and notifies changes during the year. Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The members of the Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

10. Insider Trading Code:

The Company has adopted an Insider Trading Policy in accordance with requirements of SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of

deals by employees and to maintain the highest ethical standards of dealing in Company Securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on the Company's website www.moviemax.co.in.

The Board has approved and adopted revised Code of Conduct for prohibition of Insider Trading and Code for fair Disclosure pursuant to the requirements of SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 with effect from 1st April, 2019.

11. Certification under Regulation 17(8) of Listing Regulation:

The MD and CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of the financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the financial year ended March 31, 2022.

12. Details of Penalties:

No penalties or strictures have been imposed by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years.

13. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A) of LODR Regulations:

The Company had allotted 20,97,902 equity shares of Rs. 5/- each at a price of Rs. 71.50/- per equity share aggregating to approximately Rs 15 crores and additionally, the Company also allotted 14,68,532 warrants each convertible or exchangeable for 1 fully paid-up equity share of the Company having face value Rs. 5/- each at a price of Rs. 71.50, out of which Rs. 17.88/- was received upfront as warrant subscription price aggregating to Rs. 26,25,73,523 and the balance of Rs. 53.62/- which was received upon conversion to equity shares was the warrant exercise price aggregating to Rs. 7,87,42,686. The said funds raised by the Company, have been utilized in accordance with the objects for which funds have been raised. As of March 31, 2022, the funds have been fully utilized against this preferential allotment.

14. Loans and advances in the nature of loans to firms/ companies in which directors are interested:

The details of loans and advances in the nature of loans to firms/ companies in which directors are interested are given below:

Name of the entity	Particulars	Amount
Kanakia Spaces Realty Private Limited	Entities under common control	10,90,93,896/-
R&H Spaces Private Limited	Subsidiary Company	1,29,05,34,614/-
Transquare Realty Private Limited	Subsidiary Company	4,13,309/-
Cineline Industries Private Limited	Subsidiary Company	10,000/-
Cineline Realty Private Limited	Subsidiary Company	10,000/-

15. Certificate under Regulation 34(3) of the Listing Regulations:

The Company has obtained a Certificate pursuant to Regulation 34(3) read with Schedule V of Listing Regulations from M/s. D. M. Zaveri & Co., Practicing Company Secretary certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority. The said certificate has been annexed as **Annexure 1** with this Report.

16. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable

17. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

The details of total fees for all services paid by the Company and its wholly owned subsidiary, on a consolidated basis, to the Statutory Auditor for the FY 2021-22 are given below: Neither Company nor its wholly owned subsidiary company has paid fees to network firm / network entity of the statutory auditor:-

Type of Services	Fees (in Rs)
Fees for Audit	Rs. 13,60,000/-
Other professional fees	Rs. 1,50,000/-

18. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- Number of complaints filed during the financial year 2021-22: Nil
- Number of complaints disposed of during the financial year 2021-22: N.A.
- Number of complaints pending as on end of the financial year 2021-22: N.A.

I. MEANS OF COMMUNICATION TO SHAREHOLDERS:

- The unaudited quarterly/half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the date of the closure of the financial year as per the requirement of the Listing Regulations with the Stock Exchanges.
- The approved financial results are forthwith sent to the Stock Exchanges and are published in one vernacular newspaper viz., "Nav Shakti" and one English newspaper viz., "Free Press Journal", within forty-eight hours of the approval thereof.
- The Company's financial results and official press releases are displayed on the Company's website www.moviemax.co.in
- Any presentation made to the institutional investors and analysts are also posted on the Company's website.
- The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz., BSE Limited and National Stock Exchange of India Limited are filed electronically. The Company had complied with filing submissions through BSE's BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal.
- In line with the existing provisions of the Listing Regulations, the Company has created a separate email address viz., investor@cineline.co.in to receive complaints and grievances of the shareholders.

VI. GENERAL SHAREHOLDERS INFORMATION

- Annual General Meeting for the Financial Year 2021-22: 22nd September, 2022
- Tentative Calendar for Financial Year 2022-23:-

Sr. No.	The Financial year of the company ends on every 31st March.	Tentative date
i)	Un-audited results for the quarter ended June 30, 2022	Second Week of August, 2022
ii)	Un-audited results for the quarter/half year ending September 30, 2022	Second Week of November 2022
iii)	Un-audited results for the quarter/nine months ending December 31, 2022	Second Week of February 2023
iv)	Audited results for the year ending March 31, 2023	Last week of May 2023

3. Listing in Stock Exchanges and stock codes:

The name of the stock exchanges at which the equity shares are listed and respective stock codes are as under:

Name of the Stock Exchanges	Trading Symbol / Code
The Bombay Stock Exchange (BSE) 1st Floor, New Trading Ring, PJ Towers, Dalal Street, Fort, Mumbai - 400 001	532807
The National Stock Exchange (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	CINELINE

The Company has paid Annual Listing Fees for all the above Stock Exchanges for the financial year 2021 -22 .

4. Depositories Information:

The ISIN numbers allotted to the Company for demat of shares is as under:

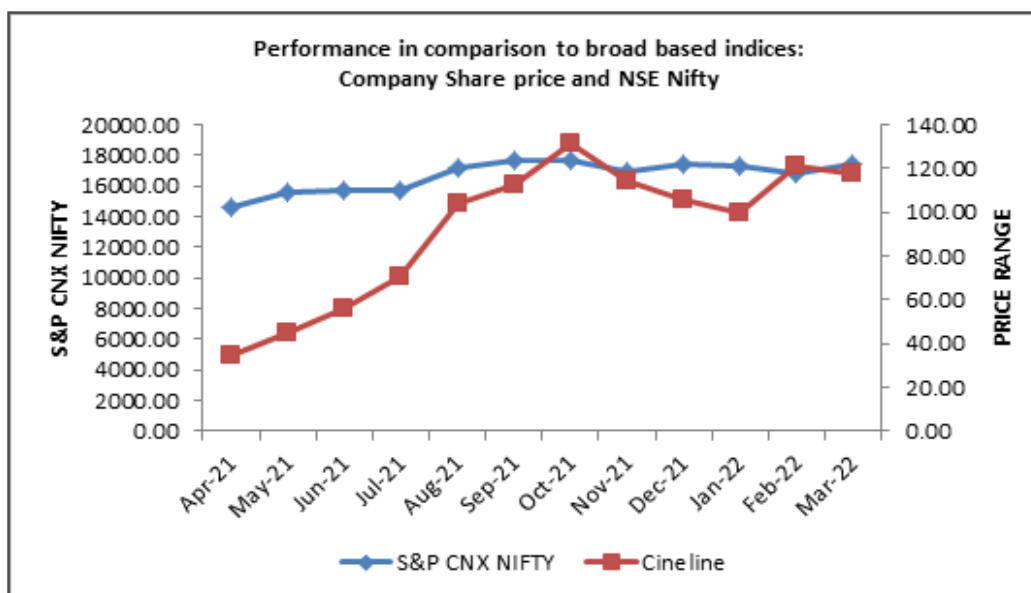
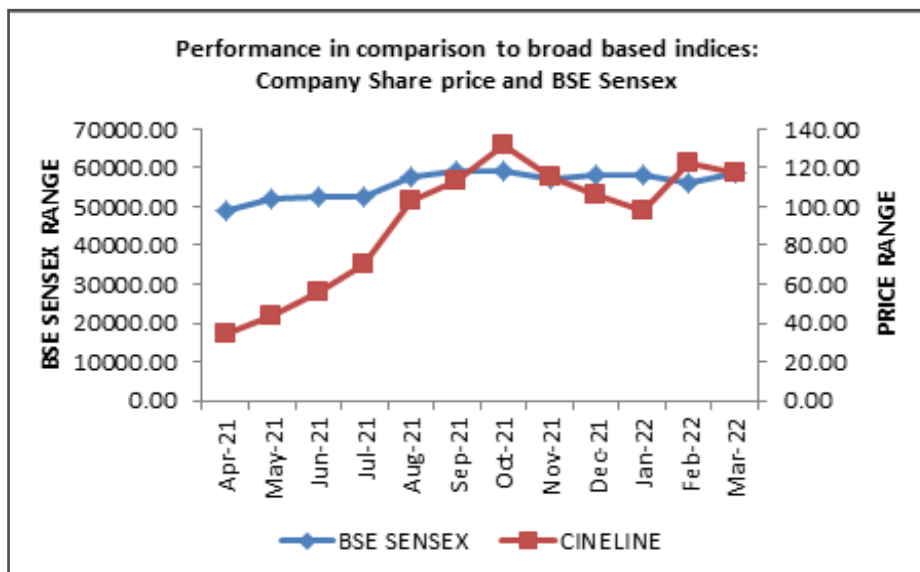
Name of the Depository	ISIN Number
Central Depository Services (India) Ltd. (CDSL)	INE704H01022
National Securities Depository Limited (NSDL)	INE704H01022

The Company has depository connectivity with NSDL and CDSL and has paid Annual Custody Fees for the financial year 2021-22.

5. Share Price & Volume (Tables / Graphs):

Month	BSE				NSE			
	Month's High (In Rs.)	Month's Low (In Rs.)	Volume (No. in Lacs)	Sensex	Month's High (In Rs.)	Month's Low (In Rs.)	Volume (No. in Lacs)	Nifty
Apr-21	34.90	27.50	49.21	48782.36	35.00	28.45	240.72	14631.10
May-21	44.15	30.75	119.70	51937.44	44.80	31.15	1177.17	15582.80
Jun-21	55.90	40.05	405.36	52482.71	55.95	40.00	3690.61	15721.50
Jul-21	70.00	41.50	452.16	52586.84	70.20	46.10	4671.19	15763.05
Aug-21	103.30	62.50	1332.82	57552.39	104.25	63.25	13597.76	17132.20
Sep-21	112.95	95.65	310.02	59126.36	112.85	95.20	2518.22	17618.15
Oct-21	131.30	104.20	248.38	59306.93	131.70	106.00	1857.08	17671.65
Nov-21	114.80	85.00	67.96	57064.87	114.45	84.35	812.51	16983.20
Dec-21	105.95	82.10	172.62	58253.82	105.70	85.00	1031.32	17354.05
Jan-22	98.05	84.15	91.64	58014.17	99.85	84.25	811.90	17339.85
Feb-22	122.50	86.00	211.31	56247.28	121.00	86.00	2609.52	16793.90
Mar-22	116.95	84.45	182.41	58568.51	117.40	84.50	1996.64	17464.75
		Total:	3643.59			Total:	35014.64	

6. Stock Performance vis-à-vis Index (NSE & BSE) as on 31.03.2022:



7. Shareholding Pattern as on 31st March, 2022:

Sr. No.	Category	Holders	%	No. of Shares	%
1	Corporate Bodies (Promoter Co)	2	0.01	280	0.138
2	Clearing Members	50	0.276	103772	0.345
3	Other Bodies Corporate	102	0.563	4579870	15.217
4	Hindu Undivided Family	643	3.555	452781	1.504
5	Non Resident Indians	128	0.707	90594	0.301
6	Non Resident (Non Repatriable)	98	0.542	32151	0.107
7	Public	17040	94.211	5078979	16.875
8	Promoters	11	0.061	7405436	24.604

Sr. No.	Category	Holders	%	No. of Shares	%
9	Trusts	1	0.005	2286	0.008
10	Promoter- Trust	4	0.022	12275200	40.784
11	Body Corporate - Ltd Liability Partnership	6	0.033	41602	0.138
12	Foreign Portfolio Investors (Corporate)	1	0.005	15462	0.051
10	Investor Education And Protection Fund	1	0.005	19489	0.065
	Total :	18087	100	30097902	100

8. Distribution Schedule as of 31st March, 2022:

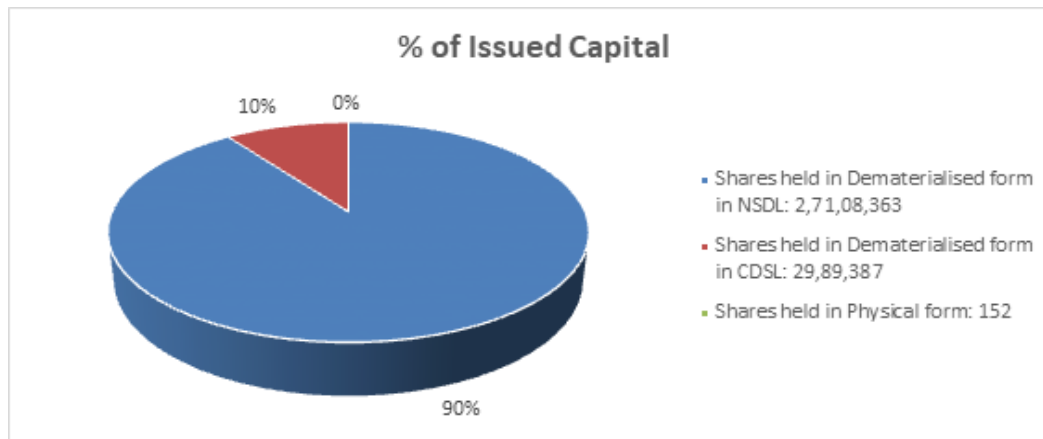
Distribution	No. of Shareholders	No of Shares	% of Shareholding
1 to 500	16701	1326301	93.0936
501 to 1000	585	478969	3.2609
1001 to 2000	261	403045	1.4548
2001 to 3000	109	287150	0.6076
3001 to 4000	54	193735	0.301
4001 to 5000	48	233282	0.2676
5001 to 10000	62	504150	0.3456
10001 to 9999999999	120	26671270	0.6689
Total	17940	30097902	100.00

9. Share Transfer System:

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of 30 days from the date of receipt thereof provided all documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the System of transfer and a certificate to that effect is issued. On March 31, 2022, there were no unprocessed transfers pending.

10. Dematerialization of Shares and liquidity:

99.99% of the Company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2022. The Company has entered into agreements with NSDL/CDSL whereby shareholders have an option to dematerialise their shares with either of the Depositories.



11. Reconciliation of Share Capital Audit Report:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirm that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares held in dematerialised form (held in NSDL and CDSL) and total number of shares in physical form.

12. ECS Mandate:

To service the investors better, the Company requests all the shareholders who hold shares in dematerialised form to update their bank particulars with their respective depositories immediately. Shareholders holding shares in the physical form may kindly forward the bank particulars to our Registrars to the address mentioned herein.

13. Address of correspondence:

Correspondence with the Company	Compliance Officer	Link Intime India Private Limited Registrar & Transfer Agent
Cineline India Limited Kanakia Futue City, Residential Building No. 2, CTS No. 101, Village Tirandaz, Powai, Mumbai – 400076. Phones: 91-22-35023666 / 35023777 Email: investor@cineline.co.in Website: www.moviemax.co.in	Mrs. Rashmi Shah Company Secretary Phones: 91-22-35023666 / 35023777 Email: investor@cineline.co.in	(Unit – Cineline India Limited) C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai-400 083 Ph : 022 – 4918 6000 Fax: 022 – 4918 6060 Email: mumbai@linkintime.co.in Website: www.linkintime.co.in

For and on behalf of the Board of Directors

Place: Mumbai
Date: 27th May, 2022

Rasesh Kanakia
Chairman
(DIN: 00015857)

DECLARATION**Declaration regarding Affirmation of Code of Conduct of Business Conduct and Ethics**

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for the year ended 31st March, 2022.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 27th May, 2022

Rasesh Kanakia
Chairman
(DIN: 00015857)

Himanshu Kanakia
Managing Director
(DIN: 00015908)

ANNEXURE 1 TO CORPORATE GOVERNANCE REPORT**MD- CFO CERTIFICATE**

To,
The Board of Directors
Cineline India Limited

Subject: Certificate on financial statements for the financial year ended March 31, 2022 pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

We, Himanshu B. Kanakia, MD and Vipul Parekh, CFO, have reviewed the financial statements and the cash flow statement of the Company for the financial year ended March 31, 2022 and that to the best of our knowledge and belief, we hereby certify that:

- (a) 1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies.
- (d) We have indicated to the Auditors and Audit Committee that:
 1. There are no significant changes in internal control over financial reporting during the year;
 2. There are no significant changes in accounting policies during the year; and
 3. There are no instances of significant fraud of which we are aware and which involve management or any employees, having significant role in the Company's internal control system over financial reporting.

For Cineline India Limited

Himanshu B. Kanakia
MD

Vipul Parekh
CFO

Place: Mumbai
Date: 27th May, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of,

Cineline India Limited

Kanakia Futue City, Residential Building No. 2,
CTS No. 101, Village Tirandaz,
Powai, Mumbai – 400076

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Cineline India Limited having CIN L92142MH2002PLC135964 and having registered office at Kanakia Future City, Residential Building No.2, CTS No. 101, Village Tirandaz, Powai Mumbai – 400076 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

Sr. No.	Name of Directors	DIN	Date of appointment in the Company
1.	Mr. Rasesh Babubhai Kanakia	00015857	22/05/2002
2.	Mr. Himanshu Babubhai Kanakia	00015908	01/05/2006
3.	Mrs. Hiral Himanshu Kanakia	00015924	10/09/2015
4.	Mr. Anand Shailesh Bathiya	03084831	10/09/2015
5.	Mr. Naushad Alimohmed Panjwani	06640459	28/06/2019
6.	Mr. Shantilal Vershi Haria	00295097	14/08/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For D. M. Zaveri & Co.
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No.: 5418
CP No.: 4363
Place: Mumbai
Date: 27th May, 2022

ICSI UDIN:- F005418D000351885
Peer Review Certificate No.: 1187/2021

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
CINELINE INDIA LIMITED

I have examined the compliance of conditions of Corporate Governance by Cinline India Limited ('the Company'), for the Financial Year ended 31st March 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility

The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the year ended 31st March 2022.

I further 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.

Restriction on Use

This certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any events or circumstances occurring after the date of this Certificate.

For D. M. Zaveri & Co.
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No.: 5418
CP No.: 4363

Place: Mumbai
Date: 27th May, 2022
ICSI UDIN: F005418D000351929
Peer Review Certificate No.: 1187/2021

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INDEPENDENT AUDITOR'S REPORT

To

The Members of

Cineline India Limited

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone Ind AS financial statements of Cineline India Limited (the Company), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Financial Statement").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss and other comprehensive loss, changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient

and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. We have determined that there are no key audit matters to be communicated in our report.

Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Financial Statements and our auditors' report thereon.
6. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Standalone Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, loss and other comprehensive loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act

for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the Standalone Financial Statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 12.1. Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our

opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 12.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- 12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 12.4. Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 12.5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order, 2020 (the Order), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. As required by Section 143(3) of the Act, we report that:
 - 17.1. 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.
 - 17.2. 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.
 - 17.3. The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account.
 - 17.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
 - 17.5. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

- 17.6. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.

- 17.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

18. 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:

- 18.1. The Company does not have any pending litigations which would impact its financial position.

- 18.2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- 18.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- 18.4. The management has represented to us, to the best of their knowledge that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

- 18.5. The management has represented to us, to the best of their knowledge that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the

Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

18.6. In our opinion and according to the information and explanations given to us, there are no dividend declared or paid during the year.

For KKC & Associates LLP

Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Hasmukh B. Dedhia

Partner
ICAI Membership No: 033494
UDIN: 22033494AJSVWJ3656

Place: Mumbai
Date: 27 May 2022

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Cineline India Limited for the year ended 31 March 2022

(Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment (PPE).

The Company does not have any intangible assets.

- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified at regular intervals. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and

the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company does not have any inventory. Accordingly, paragraph 3(ii)(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from financial institutions on the basis of security of current assets. The company is not required to file the quarterly returns or statements with the bank or financial institutions.
- iii. (a) In our opinion and according to the information and explanations given to us, the Company has made not investments in, provided any guarantee or security, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. During the year under report, the Company has granted unsecured loans and advance in nature of loans and the details are mentioned in the following table:

Particulars	Loans
Aggregate amount granted/provided during the year	
Subsidiaries	Rs. 3,497.46 Lakhs
Others	Rs. 2,490.00 Lakhs
Balance outstanding as at balance sheet date in respect of above cases	
Subsidiaries	Rs. 12,909.68 Lakhs
Others	Rs. 1,090.94 Lakhs

- (b) In our opinion and according to the information and explanations given to us, the Company has not made any investments or provided any guarantees or securities or granted any advances in nature of loans and in respect of loans granted, the terms and conditions are not prejudicial to the Company's interest.
- (c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular during the year.
- (d) In our opinion and according to the information and explanations given to us, no amount is overdue in respect of loans and advances in the nature of loans.
- (e) In our opinion and according to the information and explanations given to us, neither loans or advances in nature of loans have been renewed or extended nor any fresh loans have been granted to settle the overdue of existing loans.
- (f) In our opinion and according to the information and explanations given to us, the Company has granted loans or advances in the nature of loans to Related Parties (as defined in section 2(76) of the Act) which are repayable on demand and the details are mentioned below:

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	Rs. 14,000.62 Lakhs	-	Rs. 14,000.62 Lakhs
- Agreement does not specify any terms or period of repayment (B)	Rs. NIL	-	Rs. NIL
Total (A+B)	Rs. 14,000.62 Lakhs	-	Rs. 14,000.62 Lakhs
Percentage of loans/ advances in nature of loans to the total loans	100%	-	100%

- iv. In our opinion and according to the information and explanations given to us, the Company has not made provided any guarantees and security covered under section 185 and 186 of the Act and in respect of loans given and investment made by the Company, the provisions of sections 185 and 186 of the Act have been complied with.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. paragraph 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, 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 have generally been regularly deposited by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
- (b) We confirm that there are no dues of Goods and Services Tax, 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, which have not been deposited to/with the appropriate authority on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books

- of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion, the Company has not defaulted in repayment of loans or in the payment of interest thereon to the financial institution. The Company has not taken any loans or other borrowings from any banks, government, debenture holders or any other lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the company has not raised funds on short-term basis. Accordingly, paragraph 3(ix)(d) is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 42 and 62 of the Act in connection with the funds raised through private placement of shares and the same have been utilised for the purposes for which they were raised.
- xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.
- (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India.
- (d) The Group has no CIC as a part of the Group.
- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) According to information and explanations given to us and based on our examination of the records of the Company, the Company is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of section 135 of the Act.
- (b) There are no ongoing projects towards Corporate Social Responsibility during the year. Accordingly, paragraph 3(xx)(b) of the Order is not applicable to the Company.
- xxi. Reporting under paragraph 3(xxi) of the Order is not applicable at the standalone level of reporting.

For KKC & Associates LLP

Chartered Accountants

(Formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Hasmukh B. Dedhia

Partner

ICAI Membership No: 033494

UDIN: 22033494AJSVWJ3656

Place: Mumbai

Date: 27 May 2022

Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of Cineline India Limited for the year ended 31 March 2022

(Referred to in paragraph 17.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

Opinion

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of Cineline India Limited (the Company) as at 31 March 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the Guidance Note).

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the

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

Auditor's responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (SA), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, 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 judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
6. 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 with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

7. A company's internal financial controls with reference to the Standalone Financial Statements is a process

designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Standalone Financial Statements include 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, 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 with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For KKC & Associates LLP

Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Hasmukh B. Dedhia

Partner
ICAI Membership No: 033494
UDIN: 22033494AJSVWJ3656

Place: Mumbai

Date: 27 May 2022

STANDALONE BALANCE SHEET

as at 31 March, 2022

(₹ in lakhs)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
(a) Property, Plant and Equipment	4	110.24	714.34
(b) Capital work in progress	5	329.24	-
(c) Investment Property	6	6,178.27	7,307.15
(d) Financial assets			
(i) Investments	7	8,963.00	8,963.00
(ii) Other non-current financial assets	8	753.45	12.26
(e) Other non-current assets	9	74.01	76.93
(f) Non-current tax assets (net)	10	466.40	563.43
Total non current assets		16,874.61	17,637.11
Current assets			
(a) Financial Assets			
(i) Trade receivables	11	140.23	277.92
(ii) Cash and bank balances	12	2,520.01	962.80
(iii) Bank balance other than (ii) above	13	0.93	0.93
(iv) Loans	14	14,000.62	13,759.24
(v) Other current financial assets	8	309.39	119.74
(b) Other current assets	9	344.71	634.23
Total current assets		17,315.89	15,754.86
Assets held for sale	15	82.50	-
Total assets		34,273.00	33,391.97
Equity and Liabilities			
Equity			
(a) Equity Share capital	16	1,504.90	1,400.00
(b) Other Equity	17	12,513.26	11,593.48
Total equity		14,018.16	12,993.48
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	18,295.45	18,196.38
(ii) Lease liabilities		86.53	78.73
(iii) Other non current financial liabilities	19	89.66	609.72
(b) Provisions	20	25.61	21.18
(c) Deferred tax liabilities (net)	21	229.62	608.00
(d) Other non-current liabilities	22	34.89	83.55
Total non current liabilities		18,761.76	19,597.56
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings			
- Current maturities on long Term borrowings	18	782.92	398.21
(ii) Lease liabilities		20.99	20.32
(iii) Trade payables	23		
- Total outstanding dues of Micro Enterprise & Small Enterprise		3.30	-
- Total outstanding dues of Other Creditors		145.32	164.76
(iv) Other current financial liabilities	19	473.27	143.63
(b) Other current liabilities	22	59.24	67.28
(c) Provisions	20	8.04	6.74
Total current liabilities		1,493.08	800.94
Total equity and liabilities		34,273.00	33,391.97

Notes 1 to 54 form an integral part of these financial statements

As per our audit report of even date

For KKC & Associates LLP

Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration No.: 105146W / W100621

Hasmukh B. Dedhia

Partner
Membership No. : 033494

Place: Mumbai
Date: 27 May 2022

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 27 May 2022

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March, 2022

(₹ in lakhs, except per share data)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenue			
Revenue from operations	24	1,234.01	1,745.01
Other income	25	1,243.59	2,621.55
Total		2,477.60	4,366.56
Expenses			
Operating expenses	26	337.47	382.00
Employee benefits expense	27	168.61	80.47
Finance costs	28	2,020.45	1,910.32
Depreciation & impairment expenses	29	627.67	396.99
Other expenses	30	403.59	443.69
Total		3,557.79	3,213.47
Profit before tax		-1,080.19	1,153.09
Tax expense / (credit)			
Current tax	31	-	203.53
MAT credit reversal		-	255.98
Deferred tax charge / (credit)	31	-378.29	-99.91
Prior year's tax adjustments		35.76	1.13
		-342.53	360.73
Profit for the year		-737.66	792.36
Other comprehensive income / (loss)			
Items that will not be reclassified to statement of profit or loss			
Remeasurement of post employment benefit obligations		-0.32	3.04
Income tax effect on above		0.09	-0.89
		-0.23	2.16
Total comprehensive income for the year		-737.89	794.51
Paid up equity share capital		1,504.90	1,400.00
Other equity (excluding revaluation reserve)		12,513.26	11,593.48
Earnings per equity share (Face value of ₹ 5 each)	32		
Basic earnings per share		-2.54	2.83
Diluted earnings per share		-2.54	2.83

Notes 1 to 54 form an integral part of these financial statements

As per our audit report of even date

For KKC & Associates LLP
Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 27 May 2022

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 27 May 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

A Equity share capital

Issued, subscribed and fully paid up equity shares of ₹ 5 each

As at 31 March 2022

(₹ in lakhs)

Particulars	Balance at the beginning of year	Changes in equity due to prior period errors	Restated balance at the beginning of year	Changes in equity capital during the year	Balance at the end of year
No. of shares	2,80,00,000	-	-	20,97,902	3,00,97,902
Amount	1,400.00	-	-	104.90	1,504.90

As at 31 March 2021

(₹ in lakhs)

Particulars	Balance at the beginning of year	Changes in equity due to prior period errors	Restated balance at the beginning of year	Changes in equity capital during the year	Balance at the end of year
No. of shares	2,80,00,000	-	-	-	2,80,00,000
Amount	1,400.00	-	-	-	1,400.00

B Other equity

As at 31 March 2022

(₹ in lakhs)

Particulars	Reserves and surplus					Total
	Securities premium reserve	General reserve	Capital redemption reserve	Retained earnings	Money received against share warrants	
Balance as at 31 March 2021	3,564.00	55.00	17.02	7,957.46	-	11,593.48
Profit for the year	-	-	-	(737.66)	-	(737.66)
Issued during the year	1,395.10	-	-	-	262.57	1,657.67
Converted to equity during the year	-	-	-	-	-	-
Other comprehensive income	-	-	-	(0.23)	-	(0.23)
Other adjustments (net of taxes)	-	-	-	-	-	-
Balance as at 31 March 2022	4,959.10	55.00	17.02	7,219.57	262.57	12,513.26

As at 31 March 2021

(₹ in lakhs)

Particulars	Reserves and surplus					Total
	Securities premium reserve	General reserve	Capital redemption reserve	Retained earnings	Money received against share warrants	
Balance as at 31 March 2020	3,564.00	55.00	17.02	7,162.94	-	10,798.96
Profit for the year	-	-	-	792.36	-	792.36
Other comprehensive income	-	-	-	2.16	-	2.16
Balance as at 31 March 2021	3,564.00	55.00	17.02	7,957.46	-	11,593.48

As per our audit report of even date

For KKC & Associates LLP

Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia

Partner
Membership No. : 033494

Place: Mumbai
Date: 27 May 2022

For and on behalf of the Board of Directors**Rasesh B. Kanakia**

Chairman
DIN: 00015857

Himanshu B. Kanakia

Managing Director
DIN: 00015908

Vipul N. Parekh

Chief Financial Officer

Rashmi Shah

Company Secretary

Place: Mumbai
Date: 27 May 2022

STANDALONE CASH FLOW STATEMENT

for the year ended 31 March 2022

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from operating activities		
Profit before tax	(1,080.51)	1,156.13
Adjustments for:		
Depreciation expense	331.28	396.99
Impairment of assets	43.55	-
(Profit)/Loss on sale of assets	252.84	108.89
Provision for doubtful debts	32.86	-
Provisions and balances no longer required written back	(0.95)	-
Finance costs	2,011.93	1,901.32
Interest income	(1,114.70)	(2,474.10)
(Gain) / Loss on sale of short term investments	(43.22)	-
(Gain) / Loss due to modification of lease liability	(8.10)	-
Operating profit before working capital changes	424.99	1,089.23
Changes in working capital		
Decrease in Trade receivables	104.83	(105.06)
Decrease in Other assets	292.44	(481.95)
Increase in Financial assets	(738.52)	(8,275.64)
Decrease in Trade payables	(15.19)	65.36
Increase in Provisions	5.73	(5.53)
Decrease in Other liabilities	(56.70)	(111.26)
Increase in Financial liabilities	(196.25)	(1,459.79)
Cash generated from operations	(178.66)	(9,284.64)
Income taxes (paid) / refunds (net)	61.27	(273.11)
Net cash generated from operating activities	(117.39)	(9,557.75)
Cash flow from investing activities:		
Sale of property, plant and equipment & investment property	698.47	3,354.28
Interest received	965.60	2,420.97
Loan given to subsidiary company	(500.17)	(12,405.47)
Loan received back from related party	258.79	17,570.09
Net cash generated from / (used) in investing activities	1,422.69	10,939.87
Interest paid	(1,993.38)	(1,892.83)
Interest paid on lease liability	(12.72)	(13.54)
Increase in principal towards lease liability	11.67	(18.22)
Proceeds from issue of equity shares	1,500.00	-
Proceeds from issue of warrants	262.57	-
Net proceeds / (repayments) of long term borrowings	483.78	1,456.59
Net cash used in financing activities	251.92	(468.00)
Net decrease / (increase) in cash and cash equivalents	1,557.22	914.12
Cash and cash equivalents as at the beginning of the year	962.80	48.68
Cash and cash equivalents as at the end of the year	2,520.02	962.80
Notes to cash flow statement	Year ended 31 March 2022	Year ended 31 March 2021
Cash on hand	2.53	0.51
Balances with banks - in current accounts	519.11	162.29
Investment in liquid funds	1,868.04	-
Deposits	130.34	800.00
	2,520.02	962.80

As per our audit report of even date

For KKC & Associates LLP
Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 27 May 2022

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 27 May 2022

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

1. Corporate information

Cineline India Limited (the 'Company') is a company domiciled in India, incorporated under the Companies Act, 1956 on 22 May 2002. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is into the business of renting out premises owned by the Company and operating windmill.

2. Significant accounting policies

a. Statement of Compliance:

The Company has prepared the financial statements which comprise the balance sheet as at 31 March 2022, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the year ended 31 March 2022, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as financial statements).

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act"), other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

b. Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost basis except for the following –

- Certain financial assets and liabilities have been measured at fair value (refer accounting policy regarding financial instruments); and
- Defined benefit plans – measured using actuarial valuation.

The financial statements have been prepared using the significant accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements, except where the Company had applied certain accounting policies and exemptions upon transition to Ind AS.

Functional and presentation currency

The financial statements are prepared in Indian Rupees, which is the Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lakhs, unless otherwise stated.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as not exceeding twelve months for the purpose of current / non-current classification of assets and liabilities.

c. Critical estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

The management believes that these estimates are prudent and reasonable and are based upon the management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

Below is an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

- **Useful lives of property, plant and equipment and investment property** - Property, plant and equipment and investment property represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management, based on those prescribed under Schedule II to the Act, at the time the asset is acquired and reviewed periodically, including at each financial year end.
- **Defined benefit obligation** - The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty. The assumptions used are disclosed in the notes to these financial statements.
- **Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

- **Impairment of assets** – In assessing impairment, management estimates the recoverable amounts of each asset (in case of non-financial assets) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate.
- **Income tax** - Significant judgments are involved in determining the provision for income tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.
- **Provisions** - Provisions are recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligation and compensated expenses) are not discounted to its present value and are determined based on the best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

d. Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that the economic benefits will flow to the Company. Amount disclosed as revenue are reported net of applicable taxes, which are collected on behalf of the government or on behalf of third parties.

i. Leased operations and windmill income

- a) Revenue from rent and common area maintenance is recognised based upon the agreement, for the period the property has been let out and when no significant uncertainty exists regarding the amount of consideration that will be derived. Ind AS 116 mandates straight lining of lease rental income, only if the escalation rate is not in line with the general inflation rate.
- b) Revenue from sale of power is booked on monthly basis as per the power generation reports at wind farm and the same is sold to the State Government.
- c) Revenue from car parking is based on the actual collection depending on the vehicles parked at the respective sites or as per the agreement entered into for the property.
- d) Advertisement income is recognised as and when advertisements are displayed at the property.

ii. Other income

- a) Other income is recognised when no significant uncertainty as to its determination or realisation exists.
- b) Interest income is recognised using the effective interest method.
- c) Dividend income is accounted for when the right to receive the income is established.

e. Leases

i. The Company as Lessee

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated on a straight-line basis over the lease term. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and Right-of-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

ii. The Company as Lessor

The company has recognized rental income on straight line basis in the statement of profit and loss in accordance with IND AS 116.

Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ('OCI') or directly in equity.

Current tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current income-tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the balance sheet date. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in the OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in the OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off such amounts.

Minimum alternate tax

Minimum alternate tax (MAT) paid in accordance with the tax laws gives rise to future economic benefits in the form of adjustments of future income tax liability. The same is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT credit is recognised as a deferred tax asset in the balance sheet when it is probable that the future economic benefits associated with it will flow to the Company and the asset can be measured reliably.

f. Financial instruments

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

i. Recognition, initial measurement and derecognition

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability.

The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows under an eligible transaction.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

ii. Subsequent Measurement

Non-Derivative Financial Instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii. Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

g. Investment in subsidiary

The Company's investment in subsidiary is carried at cost.

h. Equity shares

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

i. Cash and cash equivalents and cash flows

Cash and cash equivalents comprise cash on hand and demand deposits, together with other current / short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

The Cashflow Statement of the company is prepared under 'Indirect' method as per Ind AS.

j. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes inward freight and expenses incidental to acquisition and installation, net of tax credits up to the point

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

the asset is ready for its intended use. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss when incurred.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets, and are recognised in the statement of profit and loss within 'other income' or 'other expenses' respectively.

k. Capital work-in-progress

Amount paid towards the acquisition of property, plant and equipment and leasehold improvements outstanding as of each reporting date and the cost of property, plant and equipment and leasehold improvements under construction and not ready for intended use before such date are classified under Capital work-in-progress. These assets are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

l. Intangible assets under development

Cost related to brand creation and development are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. The cost which can be capitalised include the cost of material, direct labour, overhead cost that are directly attributable to preparing the asset for its intended use.

m. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit or loss as incurred.

n. Depreciation

Depreciation is provided on property, plant and equipment on pro rata basis for the period of use, on the straight line method (SLM) as per the useful life of the assets prescribed under Schedule II to the Companies Act, 2013, which is in line with the management's estimate of useful life.

Freehold land is not depreciated. Depreciation on assets under construction commences only when the assets are ready for their intended use.

Depreciation method, useful life and residual value are reviewed periodically and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

o. Investment property

Investment property are those that are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company in a period exceeding one year and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are depreciated using the SLM method over their estimated useful lives, based on the rates prescribed under Schedule II to the Companies Act, 2013.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

p. Impairment of non-financial assets

The carrying amount of the non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there were no impairment.

q. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

r. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

s. Employee benefits

• Defined contribution plans

The Company contributes to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the employee renders services.

• Defined benefit plans

The Company's gratuity benefit scheme is a unfunded defined benefit plan. The Company's obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods recognised as a liability at the present value of the defined benefit obligations at the balance sheet date based on an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The discount rates used for determining the present value of the obligations under the defined benefit plan are based on the market yields on government bonds as at the balance sheet date.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined. Re-measurement recognized in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss in the subsequent period

• Other long-term employee benefits

Liability in respect of compensated absences is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

• Short-term employee benefits

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

t. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate of the amount required to settle the obligation at the date of the balance sheet. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, existence of which would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

u. Earnings per share

Basic earnings per share are computed by dividing net profit after tax (excluding other comprehensive income) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share after considering the income tax effect of all finance costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

v. Operating segments

An operating segment is a component of a Company that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relates to transactions with any of the Company's other components, for which discrete financial information is available, and such information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make key decision on operations of the segments and assess its performance.

w. Non-current assets (or disposal groups) classified as held for disposal

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell. To classify any Asset as Asset held for disposal the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for disposal". Once classified as held for disposal, these non-current assets are no longer amortised or depreciated.

3. Recent accounting pronouncements

The MCA had notified the amendments to Schedule III to the Companies Act, 2013 on 24 March 2021. The amendment contained significant additional disclosures requirement in the financial statements. The Company has adopted such changes in preparing these Standalone Financial Statements.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Note 4: Property, plant and equipment

(₹ in lakhs)

Particulars	Plant and equipment	Theatre furniture and fixtures	Other furniture, fixtures and office equipments	Computers	Vehicles	Right to use Asset	Wind energy generator **	Total
Gross block								
Balance as at 31 March 2020	1.00	0.49	51.65	1.14	14.71	121.70	942.76	1,133.45
Additions	-	-	-	-	-	-	-	-
Sale / Reversal during year	-	-	-	-	(7.42)	-	-	(7.42)
Balance as at 31 March 2021	1.00	0.49	51.65	1.14	7.29	121.70	942.76	1,126.03
Additions	-	-	-	1.85	-	126.60	-	128.45
Sale during year	-	-	-	-	-	(121.70)	(942.76)	(1,064.46)
Balance as at 31 March 2022	1.00	0.49	51.65	2.99	7.29	126.60	-	190.02
Accumulated depreciation								
Balance as at 31 March 2020	1.00	0.40	39.73	1.05	10.70	6.09	263.70	322.67
Depreciation charge for the year	-	0.06	2.64	0.08	2.64	24.34	65.94	95.71
Reversal on disposals	-	-	-	-	(6.71)	-	-	(6.71)
Balance as at 31 March 2021	1.00	0.47	42.37	1.13	6.63	30.43	329.64	411.67
Depreciation charge for the year	-	-	2.59	0.10	0.14	25.32	28.33	56.48
Reversal on disposals	-	-	-	-	-	(30.43)	(357.97)	(388.40)
Balance as at 31 March 2022	1.00	0.47	44.96	1.23	6.77	25.32	-	79.75
Net block								
Balance as at 31 March 2022	-	0.02	6.69	1.76	0.49	101.28	-	110.24
Balance as at 31 March 2021	-	0.02	9.28	0.01	0.66	91.27	613.12	714.34

Windmills have been lien marked towards loan facility availed from Aditya Birla Finance Limited (also refer note 18)

Note 5.1: Capital work in progress

(₹ in lakhs)

Sr. No.	Description of the block of asset	As at 31 March 2021	Additions during the year	Capitalised during the year	As at 31 March 2022
1	Leasehold improvements	-	321.75	-	321.75
	Total	-	321.75	-	321.75

Note 5.2: Intangible assets under development

(₹ in lakhs)

Sr. No.	Description of the block of asset	As at 31 March 2021	Additions during the year	Capitalised during the year	As at 31 March 2022
1	Brand development	-	7.49	-	7.49
	Total	-	7.49	-	7.49

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Capital work in progress and intangible assets under development ageing schedule

CWIP as on 31 March 2022	Amount in CWIP for a period of				Total*
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in Progress*	329.24	-	-	-	329.24
Projects temporarily suspended	-	-	-	-	-

* Capital expenditures incurred on lease acquisitions and developments during the year are transferred to CWIP (previous year nil).

There is no capital work in progress, of which completion or cost compared to its original plan is overdue.

Note 6: Investment property

(₹ in lakhs)

Particulars	Freehold lands	Theatre and mall buildings	Other buildings	Total
Balance as at 31 March 2020	1,971.68	2,927.75	4,689.13	9,588.56
Additions	-	-	8.57	8.57
Sales during the year	-	-	1,988.70	1,988.70
Transferred to asset held for sale	-	-	-	-
Depreciation charge for the year	-	191.21	110.07	301.28
Balance as at 31 March 2021	1,971.68	2,736.54	2,598.93	7,307.15
Additions	-	-	-	-
Sales during the year	-	-	854.08	854.08
Transferred to asset held for sale	-	-	-	-
Depreciation charge for the year	-	191.21	83.59	274.80
Balance as at 31 March 2022	1,971.68	2,545.33	1,661.26	6,178.27

Notes:

(a) Fair value of investment property

(₹ in lakhs)

Particulars	As at 31 March 2022
Freehold lands	36,310.66
Theatre and mall buildings	
Other buildings	3,450.58

The fair value of investment properties has been determined by an independent valuer.

The value is determined based on the rate prescribed by government authorities for commercial property. The resultant fair value estimates for investment property is included in level 3.

As per the Company policy fair value calculation is done once in every two year, previous year valuation reports dated 05 June 2021 are considered for representing fair value of current financial year

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

The Company has no restrictions on the realisability of its investment property and no contractual obligations to either purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Amounts recognised in the statement of profit and loss account in relation to investment property

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Income from investment property (refer note 24)	1,234.01	1,745.01
Direct operating expenses arising from investment property that generated income during the period (refer note 26)	321.43	364.89
Direct operating expenses arising from investment property that did not generate income during the period	16.05	17.11

- (b) Investment properties have been lien marked towards loan facility availed from Aditya Birla Finance Limited (also refer note 18)
- (c) The Company does not have any proceedings initiated or are pending against it, for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (d) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or investment property during the current or previous year.

Note 7: Investments

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
(Unquoted)				
Investment in equity shares of subsidiary company				
Transquare Realty Private Limited (10,000 equity shares of ₹10/- each, previous year 10,000 equity shares of ₹10/- each)	1.00	-	1.00	-
Cinline Realty Private Limited (10,000 equity shares of ₹10/- each, previous year 10,000 equity shares of ₹10/- each)	1.00	-	1.00	-
Cinline Industries Private Limited (10,000 equity shares of ₹10/- each, previous year 10,000 equity shares of ₹10/- each)	1.00	-	1.00	-
Investment in compulsory convertible debentures (CCD) of subsidiary company				
Transquare Realty Private Limited (8,960 CCD's of ₹1,00,000/- each, previous year 8,960 CCD's of ₹1,00,000/- each)	8,960.00	-	8,960.00	-
Total	8,963.00	-	8,963.00	-
Aggregate value of unquoted investments	8,963.00	-	8,963.00	-

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Note 8: Other financial assets

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Security deposits (Unsecured, considered good)	753.45	-	12.26	-
Interest receivable	-	245.45	-	53.13
Other assets	-	63.94	-	66.61
Total	753.45	309.39	12.26	119.74

Note 9: Other assets

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Prepaid expenses	-	21.82	-	26.13
Deferred rent expense	-	5.01	-	5.02
Unamortised processing fees for loan	74.01	7.94	76.93	6.79
Lease equalisation reserve	-	191.21	-	596.29
Advance to suppliers	-	8.73	-	-
Other assets	-	110.00	-	-
Balances with government authorities	-	-	-	5.63
Less: Provision for doubtful advances	-	-	-	(5.63)
Total	74.01	344.71	76.93	634.23

Note 10: Non-current tax assets

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Advance tax (net of provision for tax of ₹ 244.20 Lakhs (PY ₹ 1,269.45 Lakhs))	466.40	563.43
Total	466.40	563.43

Note 11: Trade receivables

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Trade receivables considered good –Secured	-	-
Trade receivables considered good –Unsecured	140.23	277.92
Trade receivables which has significant increase in credit risk	-	-
Trade receivables – credit impaired	97.29	73.40
Less: Provision for doubtful debts	(97.29)	(73.40)
Total (refer note 38)	140.23	277.92

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Note 12: Cash and cash equivalents

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Balances with banks - in current accounts	519.11	162.29
Cash on hand	2.53	0.51
Investment in mutual funds #	1,868.04	-
Deposit accounts (maturity upto 3 months)	130.34	800.00
Total	2,520.01	962.80

15,093.51 units of Baroda BNP Paribas Overnight Fund regular growth plan @ ₹ 1,114.51 each, previous year nil

Note 13: Other bank balances

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Unclaimed dividend account	0.93	0.93
Total	0.93	0.93

Note 14: Loans

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Loans receivable considered good –Secured		
Loans receivable considered good –Unsecured		
Loan to related party	1,090.94	1,349.73
Loan to subsidiary	12,909.68	12,409.51
Loans receivable which has significant increase in credit risk		
Loans receivable – credit impaired		
Total	14,000.62	13,759.24

Note 15: Assets held for sale

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Assets held for sale (refer note 49)	82.50	-
Total	82.50	-

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Note 16: Equity share capital

(₹ in lakhs)

	Number of shares	Amount
a) Authorised share capital		
Equity shares of ₹ 5 each		
Total authorised equity share capital as at 31 March 2021	8,00,00,000	4,000.00
Change during the year	-	-
Total authorised equity share capital as at 31 March 2022	8,00,00,000	4,000.00
Preference shares of ₹ 10 each		
Total authorised preference share capital as at 31 March 2021	2,50,000	25.00
Change during the year	-	-
Total authorised preference share capital as at 31 March 2022	2,50,000	25.00

Issued, subscribed and paid-up equity share capital:

(₹ in lakhs)

	Number of shares	Amount
Equity shares of ₹ 5 each		
Balance as at 31 March 2020	2,80,00,000	1,400.00
Change during the year	-	-
Balance as at 31 March 2021	2,80,00,000	1,400.00
Change during the year (refer note 42)	20,97,902	104.90
Shares issued and fully paid as at 31 March 2022	3,00,97,902	1,504.90

b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to dividend to be proposed by the Board of Directors and to be approved by the shareholders in the General Meeting.

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

c) Details of shares held by each shareholder holding more than 5% shares

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 5 each				
Himanshu B. Kanakia	12,73,824	4.23%	95,11,424	33.97%
Hiral Kanakia Trust (beneficiary Himanshu B. Kanakia)	30,68,800	10.20%	-	-
Vrutant Benefit Trust (beneficiary Himanshu B. Kanakia)	30,68,800	10.20%	-	-

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Rasesh B. Kanankia	12,73,924	4.23%	95,11,524	33.97%
Rupal Kanakia Trust (beneficiary Rasesh B. Kanakia)	30,68,800	10.20%	-	-
Ashish Benefit Trust (beneficiary Rasesh B. Kanakia)	30,68,800	10.20%	-	-
Rupal R. Kanakia	24,28,844	8.07%	-	-
Hiral H. Kanakia	24,28,844	8.07%	-	-
One Up Financial Consultants Private Limited	20,97,902	6.97%	-	-
	2,17,78,538	72.36%	1,90,22,948	67.94%

d) Details of shares held by the promoters

Name of shareholder	As at 31 March 2022		As at 31 March 2021		% of change during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of ₹ 5 each					
Himanshu B. Kanakia	12,73,824	4.23%	95,11,424	33.97%	-29.74%
Hiral Kanakia Trust (beneficiary Himanshu B. Kanakia)	30,68,800	10.20%	-	-	10.20%
Vrutant Benefit Trust (beneficiary Himanshu B. Kanakia)	30,68,800	10.20%	-	-	
Rasesh B. Kanankia	12,73,924	4.23%	95,11,524	33.97%	-29.74%
Rupal Kanakia Trust (beneficiary Rasesh B. Kanakia)	30,68,800	10.20%	-	-	10.20%
Ashish Benefit Trust (beneficiary Rasesh B. Kanakia)	30,68,800	10.20%	-	-	
Rupal R. Kanakia	24,28,844	8.07%	3,28,844	1.17%	6.90%
Hiral H. Kanakia	24,28,844	8.07%	3,28,844	1.17%	6.90%
Kanakia Gruhnirman Private Limited	140	0.00%	140	0.00%	0.00%
Kanakia Finance and Investments Private Limited	140	0.00%	140	0.00%	0.00%
	1,96,80,916	65.39%	1,96,80,916	70.29%	

e) The Company has not issued any bonus shares, shares for consideration other than cash or has not bought back any shares during the period of five years immediately preceding the reporting date

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Note 17: Other equity

(₹ in lakhs)			
	Sub-note	As at 31 March 2022	As at 31 March 2021
Securities premium reserve	(i)	4,959.10	3,564.00
Capital redemption reserve	(ii)	17.02	17.02
General reserve	(iii)	55.00	55.00
Retained earnings	(iv)	7,219.57	7,957.46
Warrants	(v)	262.57	-
Total		12,513.26	11,593.48

(₹ in lakhs)			
(i)		As at 31 March 2022	As at 31 March 2021
	Securities premium reserve		
	Balance at the beginning of the year	3,564.00	3,564.00
	Change during the year	1,395.10	-
	Balance at the end of the year	4,959.10	3,564.00

Securities premium was created when shares were issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(₹ in lakhs)			
(ii)		As at 31 March 2022	As at 31 March 2021
	Capital redemption reserve		
	Balance at the beginning of the year	17.02	17.02
	Change during the year	-	-
	Balance at the end of the year	17.02	17.02

Capital Redemption Reserve was created when Preference shares were redeemed. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(₹ in lakhs)			
(iii)		As at 31 March 2022	As at 31 March 2021
	General reserve		
	Balance at the beginning of the year	55.00	55.00
	Change during the year	-	-
	Balance at the end of the year	55.00	55.00

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is a distributable reserve.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

(iv)	Retained earnings	As at 31 March 2022	As at 31 March 2021
	Balance at the beginning of the year	7,957.46	7,162.95
	Add : Profit for the year	(737.66)	792.36
	Less: Dividend distributed on equity shares	-	-
	Less: Tax on dividend distributed on equity shares	-	-
	Items of other comprehensive income / (loss) recognised directly in retained earnings		
	- Remeasurement of net defined benefit liability	(0.23)	2.16
	Balance at the end of the year	7,219.57	7,957.46

Retained earnings pertain to the accumulated earnings made by the Company over the years.

(v)	Money received against share warrants	As at 31 March 2022	As at 31 March 2021
	Warrants issued (refer note 42)	262.57	-

Note 18: Non-current financial liabilities - borrowings

(₹ in lakhs)

	Interest rate	Maturity date	As at 31 March 2022	As at 31 March 2021	Remarks
Secured					
Term loan from financial institution	10%	January 2034	12,806.25	13,128.26	Refer note (a) below
Line of credit from financial institution	10%	January 2034	4,508.12	4,584.34	Refer note (a) below
Emergency credit line guarantee scheme (ECLGS)	11%	March 2026	882.00	882.00	Refer note (b) below
Emergency credit line guarantee scheme (ECLGS)	11%	May 2027	882.00	-	Refer note (b) below
Total borrowings			19,078.37	18,594.59	
Less: Current maturities of term loan			(782.92)	(398.21)	
Total			18,295.45	18,196.38	

(a) Term loan & line of credit taken from Aditya Birla Finance Limited is secured against:

i) First and exclusive charge / hypothecation of:

1) All rental receivables arising out of leasing of following properties:

- a) Theatre buildings
- b) Boomerang properties
- c) Commercial spaces to multiple brands at Eternity mall, Nagpur

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

- 2) All income / receivables from sale of power from windmill
- ii) First and exclusive charge on movable tangible and intangible assets including all stocks, work-in-progress, receivables, inventories, goodwill, patents, trade licenses, permits and all other intellectual property rights and all plant, machinery and equipment employed and over all the contracts and insurance policies/proceeds under the insurance contract in relation to the above properties
- iii) First and exclusive charge by way of hypothecation of the escrow account with all monies credited / deposited therein and all investments in respect thereof (in whatever form the same may be)
- iv) Personal / corporate guarantee of Rasesh B. Kanakia and Himanshu B. Kanakia.
- v) First and exclusive charge by way of registered mortgage on the above detailed properties together with all the buildings and structures thereon, both present and future.
- (b) Emergency credit line guarantee scheme (ECLGS) credit taken during the year from Aditya Birla Finance Limited is secured against:
Second charge by way of registered mortgage on the properties mentioned in above note 18 (a) (i) & (ii)
- (c) Company is not required to file any quarterly return or statement with lender.
- (d) Term Loans were used fully for the purpose for which the same were obtained.

Net debt reconciliation

	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Non-current borrowings (including current maturities)	19,078.37	18,594.59
Cash and cash equivalents	2,520.01	962.80
Net debt	16,558.36	17,631.79

	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Balance as at 31 March 2021	962.80	18,594.59
Cash flows (net)	1,557.21	483.78
Balance as at 31 March 2022	2,520.01	19,078.37

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Note 19: Other financial liabilities

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Interest accrued but not due on borrowings	-	84.40	-	78.57
Unclaimed dividends	-	0.93	-	0.93
Earnest money deposit	-	4.50	-	6.81
Other payables	-	19.27	-	27.85
Salary and reimbursements	-	36.95	-	6.08
Security deposits	89.66	25.42	609.72	16.77
Capital creditors	-	14.75	-	-
Deposits refundable	-	287.05	-	6.62
Total	89.66	473.27	609.72	143.63

Note 20: Provisions

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Provision for employee benefits obligations (refer note 33)	25.61	8.04	21.18	6.74
Total	25.61	8.04	21.18	6.74

Note 21: Deferred tax liabilities (net)

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Deferred tax liability		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	610.78	878.37
Amortisation of Processing fees for term loan	19.23	24.37
Lease equalisation reserve	47.80	173.64
Deferred tax assets		
Provision for:		
Doubtful debts	24.32	23.01
Gratuity	7.09	7.29
Compensated absences	0.85	0.84
Bonus	0.02	0.02
Net lease expense on right of use asset	1.56	2.26
43B disallowance	169.26	216.29
Business loss	26.42	-
MAT credit entitlement	218.67	218.67
₹32.36 lakhs upto March 2024		
₹184.72 lakhs upto March 2028		
₹1.58 lakhs upto March 2029		
	448.19	468.38
Deferred tax liability (net)	229.62	608.00

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Note 22: Other liabilities

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Deferred income	34.89	-	83.55	-
Advances from customers	-	28.62	-	28.74
Statutory dues payable	-	30.62	-	38.54
Total	34.89	59.24	83.55	67.28

Note 23: Trade payables

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Dues to Micro enterprises & small enterprises (refer note 39)	3.30	-
Dues to creditors other than Micro enterprises & small enterprises	145.32	164.76
Total (refer note 39)	148.62	164.76

Note 24: Revenue from operations

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Rental income		
Space rentals	852.31	1,332.81
Rental income ATS/BTS	69.62	68.26
Common area maintenance	171.26	164.07
	1,093.19	1,565.14
Advertisement income	10.46	4.38
Income from car parking	52.29	22.67
Sale of power (refer note 49)	78.07	152.82
	140.82	179.87
Total	1,234.01	1,745.01

Note 25: Other income

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Interest income	1,114.70	2,474.10
Sundry balances written back	0.94	-
Provisions no longer required written back	0.01	2.27
Gain / Loss on Short term investments-fair value	1.67	-
Gain / Loss on sale of short term investments	41.55	-
Gain due to modification of lease liability	8.10	-
Financial liabilities measured at amortised cost	58.11	40.99
Miscellaneous income	18.51	104.19
Total	1,243.59	2,621.55

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Note 26: Operating expenses

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Power and fuel	24.52	18.12
Rates and taxes		
Property tax	168.97	175.60
Others	20.27	24.09
	189.24	199.69
Repairs and maintenance		
Building	24.72	44.41
Common area maintenance	26.52	44.78
Cleaning charges	8.67	7.08
Plant and equipments	1.70	0.33
Others	46.09	60.83
	107.70	157.43
Security charges	8.07	6.00
Other operating expenses	7.94	0.76
Total	337.47	382.00

Note 27: Employee benefits expense

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and bonus	148.03	72.55
Contribution to provident and other funds (refer note 33)	9.25	5.93
Staff welfare expenses	11.33	1.99
Total	168.61	80.47

Note 28: Finance costs

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense		
on term loan	1,916.07	1,830.51
on others	83.14	57.27
Finance charges	8.52	9.00
Interest on lease liability	12.72	13.54
Total	2,020.45	1,910.32

Note 29.1: Depreciation and amortisation expense

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation and amortisation on property, plant and equipment (refer note 4)	56.48	95.71
Depreciation on investment property (refer note 6)	274.80	301.28
Total	331.28	396.99

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Note 29.2: Impairment expense

	(₹ in lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Loss on sale of assets	252.84	-
Impairment on property, plant and equipment	43.55	
Total	296.39	-

Note 30: Other expenses

	(₹ in lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Rent (refer note 40)	1.40	1.49
Travelling and conveyance	2.55	4.60
Communication expenses	0.57	0.55
Insurance	10.91	17.57
Legal and professional fees	89.57	63.10
Loss on sale of assets	-	108.89
Directors' sitting fees	3.10	3.05
Advertising and publicity	3.35	1.46
Marketing and sales promotion	9.12	1.42
Auditor's remuneration (refer note (a) below)	8.00	8.04
Bank charges	0.47	0.08
Printing and stationery	2.52	0.66
Provision for doubtful debts	32.86	-
Contribution towards corporate social responsibility (refer note 41)	29.00	26.00
Commission & brokerage	-	98.37
Modification of lease income straightlining	208.07	99.86
Miscellaneous expenses	2.10	8.57
Total	403.59	443.69
a) Auditor's remuneration (exclusive of taxes)		
- Statutory audit fees	8.00	8.00
- Out of pocket expenses	-	0.04
Total	8.00	8.04

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Note 31: Current tax

(a) Income-tax expense through the statement of profit and loss

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Current tax		
Current tax on profits for the year	-	203.53
Adjustments for current tax of prior periods	35.76	1.13
Reversal of MAT credit	-	255.98
	35.76	460.64
Deferred tax charge / (credit)		
In respect of current year origination and reversal of temporary differences	(378.29)	(99.91)
Total tax expense	(342.53)	360.73

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Accounting profit before income-tax	(1,080.19)	1,153.09
Applicable Indian statutory income-tax rate	29.12%	29.12%
Computed tax expense	(314.55)	335.78
Tax effect of items deductible in calculating tax income (net)	(58.91)	(218.31)
Effect of income that is exempt from tax	(4.83)	(13.85)
MAT credit reversal / (creation)	-	255.98
Adjustment of current tax of prior periods	35.76	1.13
Income-tax expense reported in the statement of profit and loss	(342.53)	360.73

Note 32: Earnings per share

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
The numerators and denominators used to calculate the basic and diluted earnings per share are as follows:		
Net profit attributable to shareholders for basic/diluted earnings per share (₹ in lakhs)	(737.66)	792.36
Weighted average number of equity shares for basic/diluted earnings per share (in lakhs)	290.92	280.00
Basic earnings per share (₹)	(2.54)	2.83
Diluted earnings per share (₹)	(2.54)	2.83

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Note 33: Employee benefits

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Gratuity	23.08	7.16	19.06	5.98
Compensated absences	2.53	0.88	2.12	0.76
Total	25.61	8.04	21.18	6.74

The Company has a defined benefit gratuity plan. Every employee who has completed continuous services of five years or more gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the amount recognised in the balance sheet for the defined benefit plan.

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	25.05	24.32
Interest cost	1.63	1.53
Service Cost	3.24	3.75
Benefits paid	-	(2.21)
Actuarial losses/(gains) on obligation	0.32	(2.34)
Closing defined benefit obligation	30.24	25.05
Amount recognised in the balance sheet:		
Liability at the beginning of the year	25.05	24.32
Current year's expense	4.87	5.29
Transferred to OCI	0.32	(2.34)
Contributions by employer	-	(2.21)
Liability recognised in the Balance Sheet	30.24	25.05
Expense recognised in the statement of profit and loss:		
Service cost	3.24	3.75
Interest cost	1.63	1.53
	4.87	5.29

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Expense/(income) recognised in the other comprehensive income:		
Actuarial loss / (gain) on defined benefit obligations	0.32	(2.34)
Net expense / (income) recognised in the total comprehensive income	0.32	(2.34)
Breakup of actuarial gain/loss		
Actuarial (gain) / loss arising from change in financial assumption	0.16	0.15
Actuarial (gain) / loss arising from experience adjustment	0.16	(2.49)
	0.32	(2.34)

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Actuarial assumptions used

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Discount rate (per annum)	6.80%	6.50%
Salary growth rate (per annum)		
-for first year	3.00%	NIL
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%

Demographic assumptions used

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Mortality table	IALM(2012-14)	IALM(2012-14)
Retirement age	60 years	60 years
Average remaining life (years)	7.00	7.00
Withdrawal rates for all ages	12% per annum	12% per annum

These assumptions were developed by the management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis

The financial results are sensitive to the actuarial assumptions. The changes to the defined benefit obligations for increase & decrease of 1% from assumed salary escalation, withdrawal and discount rates are given below. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2022.

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
Increase/ (decrease) in the defined benefit liability	(1.60)	1.81	(1.40)	1.58
Salary escalation rate				
Increase/ (decrease) in the defined benefit liability	1.51	(1.37)	1.33	(1.21)
Withdrawal rates				
Increase/ (decrease) in the defined benefit liability	(0.24)	0.27	(0.23)	0.26

The present value of the defined benefit obligation calculated with the same method (projected unit credit) as the defined benefit obligation recognised in the balance sheet. The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Compensated absences

The Company has a defined benefit compensated absences plan. Employees are eligible to avail the unutilised accumulated compensated absences subject to the maximum of forty five days. Leaves accumulated are not encashable. The obligation for compensated absences is recognised in the same manner as gratuity and net charge to the statement of profit and loss for the year is ₹ 0.53 lakhs (Previous year: reversal of ₹6.25 lakhs).

Actuarial assumptions used

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Discount rate	6.80%	6.50%
Expected salary escalation rate		
-for first year	3.00%	NIL
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%
Mortality table	IALM(2012-14)	IALM(2012-14)
Withdrawal rate	12% per annum	12% per annum

Note 34: Related party transactions

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 Related Party Disclosures, names of the related parties, related party relationships, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during the reported period are as follows:

a) List of related parties

Relationship	Name of the related party
Directors	Rasesh B. Kanakia Himanshu B. Kanakia Hiral H. Kanakia
Relative of director	Manisha Vora
Key management personnel (KMP)	Vipul Parekh Ashish R. Kanakia Jatin Shah (upto Sep 20) Rashmi Shah (from Nov 20)
Entities under common control	Kanakia Spaces Realty Private Limited Kanakia Residential Private Limited Kanakia Hotels & Resorts Private Limited RBK Education Solutions Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

Subsidiary company
 Transquare Realty Private Limited
 R&H Spaces Private Limited
 Cinline Industries Private Limited
 Cinline Realty Private Limited

Details of transaction between the company and its related parties are disclosed below:

b) Transactions during the year

Particulars	Nature of relationship	(₹ in lakhs)	
		Year ended 31 March 2022	Year ended 31 March 2021
Loan given to			
R&H Spaces Private Limited	Subsidiary company	3,497.16	12,405.47
Transquare Realty Private Limited	Subsidiary company	0.20	0.94
Cinline Industries Private Limited	Subsidiary company	0.05	0.05
Cinline Realty Private Limited	Subsidiary company	0.05	0.05
Kanakia Spaces Realty Private Limited	Entity under common control	2,490.00	536.48
Deposit Given			
Kanakia Spaces Realty Private Limited	Entity under common control	0.02	-
Investment in Debentures			
Transquare Realty Private Limited	Subsidiary company	-	8,960.00
Investment in Equity			
Cinline Industries Private Limited	Subsidiary company	-	1.00
Cinline Realty Private Limited	Subsidiary company	-	1.00
Loan given received back			
R&H Spaces Private Limited	Subsidiary company	2,997.28	-
Kanakia Spaces Realty Private Limited	Entity under common control	2,748.79	17,578.61
Interest received from			
Kanakia Spaces Realty Private Limited	Entity under common control	185.52	2,405.69
R&H Spaces Private Limited	Subsidiary company	881.67	54.27
Other expenses			
Kanakia Hotels & Resorts Private Limited	Entity under common control	0.78	-
Rent expense			
Kanakia Spaces Realty Private Limited	Entity under common control	31.80	31.77
Property tax & CAM expense			
Kanakia Residential Private Limited	Entity under common control	9.62	88.75

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

Particulars	Nature of relationship	Year ended 31 March 2022	Year ended 31 March 2021
Rent income			
RBK Education Solutions Private Limited	Entity under common control	-	2.64
Reimbursement of expenses paid			
Kanakia Spaces Realty Private Limited	Entity under common control	4.69	7.71
Vipul Parekh	KMP	4.80	-
Rashmi Shah	KMP	1.07	1.34
Manisha Vora	Relative of director	-	0.95
Professional fees paid			
Vipul Parekh	KMP	2.00	1.50
Manisha Vora	Relative of director	10.58	8.04
Rashmi Shah	KMP	4.32	-
Remuneration paid			
Rasesh B. Kanakia	Director	11.20	0.33
Himanshu B. Kanakia	Director	11.20	0.33
Hiral H. Kanakia	Director	10.50	0.31
Jatin Shah	KMP	-	5.38
Vipul Parekh	KMP	18.62	-
Rashmi Shah	KMP	1.86	2.82

The Related Party relationships are identified by the management and relied upon by the auditors
There are no other type of remuneration paid to KMP.

c) Balances outstanding at the year end

(₹ in lakhs)

Particulars	Nature of relationship	As at 31 March 2022	As at 31 March 2021
Loan given			
Kanakia Spaces Realty Private Limited	Entities under common control	1,090.94	1,349.73
R&H Spaces Private Limited	Subsidiary Company	12,905.35	12,405.47
Tran square Realty Private Limited	Subsidiary Company	4.13	3.94
Cineline Industries Private Limited	Subsidiary Company	0.10	0.05
Cineline Realty Private Limited	Subsidiary Company	0.10	0.05
Investment in equity capital			
Transquare Realty Private Limited	Subsidiary Company	1.00	1.00
Cineline Industries Private Limited	Subsidiary Company	1.00	1.00
Cineline Realty Private Limited	Subsidiary Company	1.00	1.00

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

Particulars	Nature of relationship	As at 31 March 2022	As at 31 March 2021
Investment in debentures			
Tran square Realty Private Limited	Subsidiary Company	8,960.00	8,960.00
Interest receivable			
R&H Spaces Private Limited	Susibidiary Company	201.54	50.20
Kanakia Spaces Realty Private Limited	Entities under common control	43.90	2.87
Security deposit given			
Kanakia Spaces Realty Private Limited	Entities under common control	15.90	15.88
Property tax & CAM payable			
Kanakia Residential Private Limited	Entities under common control	8.83	45.07
Rent payable			
Kanakia Spaces Realty Private Limited	Entities under common control	5.72	8.78
Trade payable			
Manisha Vora	Relative of director	0.79	0.81
Vipul Parekh	KMP	0.60	0.46
Rashmi Shah	KMP	0.45	0.56
Other payable			
Rashmi Shah	KMP	0.15	0.26

Note 35: Segment information

Operating segments

Considering the nature of operations and the manner in which the chief operating decision maker of the Company reviews the operating results, the Company has concluded that there is only one operating segment as per Ind AS 108 Operating Segments. Accordingly, no separate disclosures of segment information have been made.

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Amount	% of revenue from operations	Amount	% of revenue from operations
Total revenue from operations from:				
Major Customer	713.71	57.84%	562.40	32.23%

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Note 36.1: Financial instruments

The management assessed that cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

- Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all equity investments and units of mutual funds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

i) Financial instruments by category As at 31 March 2022

(₹ in lakhs)				
Particulars	Fair value through P&L	Fair value through OCI	Amortised Cost	Total
Financial assets				
Measured at amortised cost				
Trade receivables	-	-	140.23	140.23
Investments - Non current	-	-	8,963.00	8,963.00
Loans - Current	-	-	14,000.62	14,000.62
Cash and cash equivalents	1,868.04	-	651.97	2,520.01
Other Bank balances	-	-	0.93	0.93
Other financial assets	-	-	1,062.84	1,062.84
Total	1,868.04	-	24,819.59	26,687.63
Financial liabilities				
Measured at amortised cost				
Trade payables	-	-	148.62	148.62
Lease liabilities	-	-	107.52	107.52
Borrowings (including current maturity)	-	-	19,078.37	19,078.37
Other financial liabilities - Non current	-	-	89.66	89.66
Other financial liabilities - Current	-	-	473.27	473.27
Total	-	-	19,897.44	19,897.44

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

As at 31 March 2021

(₹ in lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised Cost	Total
Financial assets				
Measured at amortised cost				
Trade receivables	-	-	277.92	277.92
Investments - Non current	-	-	8,963.00	8,963.00
Loans - Current	-	-	13,759.24	13,759.24
Cash and cash equivalents	-	-	962.80	962.80
Other Bank balances	-	-	0.93	0.93
Other financial assets	-	-	132.00	132.00
Total	-	-	24,095.88	24,095.88
Financial liabilities				
Measured at amortised cost				
Trade payables	-	-	164.76	164.76
Lease liabilities	-	-	99.05	99.05
Borrowings (including current maturity)	-	-	18,594.59	18,594.59
Other financial liabilities - Non current	-	-	609.72	609.72
Other financial liabilities - Current	-	-	143.63	143.63
Total	-	-	19,611.75	19,611.75

ii) Financial instruments by category

Particulars	Fair value measurement using			Total Amount
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at 31 March 2022				
Financial assets				
Fair value through other comprehensive income				
Investment in equity shares - quoted	-	-	-	-
Fair value through profit and loss				
Investment in mutual funds	-	1,868.04	-	1,868.04
Total	-	1,868.04	-	1,868.04
As at 31 March 2021				
Financial assets				
Fair value through other comprehensive income				
Investment in equity shares - quoted	-	-	-	-
Fair value through profit and loss				
Investment in mutual funds	-	-	-	-
Total	-	-	-	-

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Note 36.2: Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

The Company's risk management is carried out by finance team under policies approved by the Board of Directors. The Board of Directors provide written principles for overall risk management, as well as policies covering specific areas, interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Trade receivables consist of a large number of customers. The Company has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents and loans is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Contractual maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

31 March 2022	Up to 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	782.92	5,023.40	13,272.05	19,078.37
Trade payables	148.62	-	-	148.62
Other financial liabilities	473.27	89.66	-	562.93
Total	1,404.81	5,113.06	13,272.05	19,789.92

(₹ in lakhs)

31 March 2021	Upto 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	398.21	4,270.07	13,926.31	18,594.59
Trade payables	164.76	-	-	164.76
Other financial liabilities	143.63	609.72	-	753.35
Total	706.60	4,879.79	13,926.31	19,512.70

C) Market risk - foreign exchange

The Company is not exposed to any foreign exchange risk arising from foreign currency transactions.

D) Market risk - interest rate risk

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's variable rate borrowings. The Company is not exposed to changes in market interest rates in so far it relates to fixed rate borrowings.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate borrowing	19,078.37	18,594.59

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on variable rate borrowing, as follows:

(₹ in lakhs)

Particulars	Gain / (loss) on profit before tax	
	As at 31 March 2022	As at 31 March 2021
Interest rate increases by 50 basis points	(95.39)	(92.97)
Interest rate decreases by 50 basis points	95.39	92.97

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Note 37: Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in the economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(₹ in lakhs)

Particulars	31 March 2022	31 March 2021
Net debts	16,558.36	17,631.79
Total equity	14,018.16	12,993.48
Gearing ratio	118.12%	135.70%

Note 38: Trade receivables

Ageing as at 31 March 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed	59.61	63.72	16.90	-	-	140.23
i) Trade Receivables - considered good	-	-	-	-	-	-
Undisputed	-	-	-	-	-	-
ii) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed	-	-	-	-	-	-
iii) Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed	-	-	-	-	-	-
iv) Trade Receivables - considered good	-	-	-	-	-	-
Disputed	-	-	-	-	-	-
v) Trade Receivables - which have significant increase in credit risk	32.86	-	-	64.43	-	97.29
Disputed	-	-	-	-	-	-
vi) Trade Receivables - credit impaired	-	-	-	-	-	-
Total	92.47	63.72	16.90	64.43	-	237.52
Less: Provisions for doubtful debts	(32.86)	-	-	(64.43)	-	(97.29)
Net trade receivables as at 31 March 2022	59.61	63.72	16.90	-	-	140.23

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Ageing as at 31 March 2021

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed	209.35	47.57	21.00	-	-	277.92
i) Trade Receivables - considered good						
Undisputed	-	-	-	-	-	-
ii) Trade Receivables - which have significant increase in credit risk						
Undisputed	-	-	-	-	-	-
iii) Trade Receivables - credit impaired						
Disputed	-	-	-	-	-	-
iv) Trade Receivables - considered good						
Disputed	-	-	-	-	-	-
v) Trade Receivables - which have significant increase in credit risk						
Disputed	0.72	1.65	62.03	9.00	-	73.40
vi) Trade Receivables - credit impaired						
Total	210.07	49.22	83.03	9.00	-	351.31
Less: Provisions for doubtful debts	-0.72	-1.65	-62.03	-9.00	-	-73.40
Net trade receivables as at 31 March 2021	209.35	47.57	21.00	-	-	277.92

Note 39: Micro, Small and Medium Enterprises

The disclosures relating to Micro and Small Enterprises (MSME) has been furnished to the extent such parties have been identified on the basis of intimation received from suppliers regarding their status under the Micro and Small Enterprises Act, 2006 .

Disclosure U/s 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
a) the principal amount and the interest due thereon remaining unpaid	3.30	-
b) the amount of interest paid, along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
c) the amount of interest due and payable for the period of delay in making payment without interest	-	-
d) the amount of interest accrued and remaining unpaid at the end of financial year	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
Total	3.30	-

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Ageing as at 31 March 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
MSME	3.30	-	-	-	3.30
Others	132.07	13.25	-	-	145.32
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	135.37	13.25	-	-	148.62

Ageing as at 31 March 2021

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
MSME	-	-	-	-	-
Others	164.76	-	-	-	164.76
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	164.76	-	-	-	164.76

Note 40: Leases INDAS

a) As Lessee:

Effective April 1, 2019, the Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

Following is the information pertaining to leases for the year ended:

(₹ in lakhs)

Particulars	31 March 2022	31 March 2021
(a) Depreciation charge for Right of Use asset	25.32	24.34
(b) Interest expense on lease liability	12.72	13.54
(c) Expense relating to short term leases accounted in profit & loss	-	-
(d) Total cash outflow for leases for the period	31.80	31.77
(e) Additions to Right of Use asset	-	-
(f) Carrying amount of Right of use Asset at the year end	101.28	91.27

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Table showing contractual maturities of lease liabilities on undiscounted basis:

Due	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Due not later than one year	31.80	31.77
Due later than one year but not later than five years	95.40	96.88

b) As Lessor:

The Company has given certain part of its property on operating lease. These lease arrangements are long term and cancellable solely at discretion of the lessees. Rental income from leasing of property of Rs. 1,093.19 lakhs (P.Y. Rs. 1,565.14 lakhs) is recognized in the Statement of Profit and Loss. The initial direct cost (if any) is charged off to expenses in the year in which it is incurred.

The Company has not given any property under non -cancellable operating lease.

Note 41: Corporate social responsibility

The Company has spent Rs.29.00 lakhs (previous year Rs.26.00 lakhs) towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof.

	(₹ in lakhs)	
	March 22	March 21
a) Gross amount required to be spent by Company during the year	23.59	24.82
b) Amount spent during the year:		
In cash	29.00	26.00
Yet to be paid in cash	-	-
Total	29.00	26.00
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-

Note 42: Pursuant to the approval of share holders of the Company at the Company's Nineteenth Annual General Meeting held on 03 September 2021

- 14,68,532 warrants of the Company were allotted to 4 allottees on preferential basis at issue price of ₹ 71.50 each warrant (25% of issue price i.e, ₹ 17.88 towards warrant subscription price and balance ₹ 53.62 as warrant exercise price) on 23 September 2021, each warrant being convertible into, or exchangeable for, one equity share of face value of ₹ 5 each. Post receipt of total value of issue price warrants were exercised and converted into equal number of equity shares on 09 May 2022.
- 20,97,902 fully paid up equity shares of the Company with face value of ₹ 5 each share were allotted to One Up Financial Consultants Private Limited on preferential basis at premium of ₹ 66.50 per share on 23 September 2021.

Note 43:

The Company has assessed the impact of COVID-19 pandemic on its financial results based on the internal and external information upto the date of approval of these financial results. During the year Company has renegotiated with the tenants and recovered substantial amount of dues from debtors In accordance with Ind AS 116, the company has accounted for lease concessions given to the tenants as modifications and has derecognized the earlier straightlining asset created and recognized revised straightlining asset based on revised lease terms resulting in charge of Rs. 208.07 lakhs in the statement of profit and loss for the year.

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Note 44:

- (i) The company does not have any pending litigation 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.

Note 45:

- I. The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered such as-
 - a) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
 - b) There are no transaction which have not been recorded in the books.
 - c) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
 - d) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - e) The Company has not entered into any scheme of arrangement.
 - f) No Registration or satisfaction of charges are pending to be filed with ROC.
 - g) The provision relating to compliance with number of layers of companies prescribed under clause (87) of section 2 of the Companies Act is not applicable to the Company.
- II. No dividend is declared & paid during the current financial year.
- III.
 - a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 46: Financial Performance

Ratios	Numerator	Denominator	March 22	March 21	Variance	Reason
a) Current ratio	Current assets	Current liabilities	11.60	19.67	-41%	-Increase in current maturities of term loan -Increase in refundable deposits given
b) Debt-equity ratio	Total debt	Shareholders' equity	1.36	1.43	-5%	-
c) Debt service coverage ratio	Earnings available for debt service (1)	Debt service (2)	0.67	2.40	-72%	-Lease concessions offered to tenants -Decrease in interest income -Increase in finance cost

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Ratios	Numerator	Denominator	March 22	March 21	Variance	Reason
d) Return on equity ratio	Net profits after taxes	Average shareholders' equity	-5.46%	6.29%	-187%	-Lease concessions offered to tenants -Decrease in interest income -Increase in share capital
e) Inventory turnover ratio	NA		NA	NA	NA	-
f) Trade receivables turnover ratio	Revenue	Average trade receivable	5.90	7.54	-22%	-
g) Trade payables turnover ratio	Operating expenses	Average trade payables	3.19	4.67	-32%	-Increase in trade payables
h) Net capital turnover ratio	Revenue	Working capital (3)	0.08	0.12	-35%	-Decrease in revenue -Increase in cash equivalents
i) Net profit ratio	Net profit after tax	Revenue	-59.78%	45.41%	-232%	-Decrease in revenue -Decrease in interest income -Increase in finance cost
j) Return on capital employed	Earning before interest and taxes	Capital employed (4)	2.51%	9.27%	-73%	-Decrease in earnings
k) Return on investment	NA		NA	NA	NA	-

- (1) Net profit after taxes + non cash operating expenses (depreciation) + interest (finance costs) + other adjustments
- (2) Instalments made for borrowings and lease liabilities along with interest
- (3) Working capital = current assets - current liabilities
- (4) Capital employed = average equity + average debt - average deferred tax assets.

Note 47:

Subsequent to the expiry of leave and licence agreements with PVR Limited, Company has started film exhibition business from April 2022 onwards with its owned 9 properties comprising of 23 screens.

As on date Company has tied up for additional 78 screens on lease basis totaling to 101 screens. The Company will grow the exhibition business across PAN India.

Note 48:

With reference to the press release dated 14 February 2022, the Company plans to monetize various non core business assets for growth of cinema exhibition business and to become asset and debt light Company. There is no substantial development in the monetization process.

Note 49: Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	31 March 2022
Revenue as per contract price	78.07
Less: Discounts and incentives	-
Revenue as per statement of profit and loss	78.07

Windmill has been reclassified as asset held for sale in accordance with Ind AS 105

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2022

Note 51: Details of loans and advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

Type of borrower	Amount of loan / advance in the nature of loan outstanding	Percentage to total loans/ advances in the nature of loans
As at 31 March 2022		
Entities under common control	1,090.94	7.79%
Subsidiary company	12,909.68	92.21%
Total loan	14,000.62	100.00%
As at 31 March 2021		
Entities under common control	1,349.73	9.81%
Subsidiary company	12,409.51	90.19%
Total loan	13,759.24	100.00%

Note 52: The Company has no transaction or relation with any company struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

Note 53: Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification / disclosure.

Note 54: Authorisation of financial statements

These financial statements as at and for the year ended 31 March 2022 (including comparatives) have been approved by the Board of Directors on 27 May 2022.

As per our audit report of even date

For KKC & Associates LLP
Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 27 May 2022

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 27 May 2022

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INDEPENDENT AUDITOR'S REPORT

To the Members of Cinline India Limited

Report on the audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of Cinline India Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022 and the consolidated statement of profit and loss (including other comprehensive loss), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("the Consolidated Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us and the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2022, and its consolidated loss and other comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the

Consolidated Financial Statements of the current year. We have determined that there are no key audit matters to communicate in our report.

Other Information

5. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the Consolidated Financial Statements and our auditors' report thereon.
6. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Consolidated Financial Statements

8. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the consolidated state of affairs, consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated 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.

9. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 12.1 Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional

omissions, misrepresentations, or the override of internal control.

- 12.2 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.
- 12.3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 12.4 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 12.5 Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 12.6 Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion.
13. We communicate with those charged with governance of the Holding Company and such other entities included in

the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
 - 16.1 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.
 - 16.2 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.
 - 16.3 The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow 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.
 - 16.4 In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.

16.5 On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022, taken on record by the Board of Directors of the Holding Company and of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

16.6 With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and its subsidiary companies, incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

16.7 In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, incorporated in India is not in excess of the limit laid down under Section 197 of the Act.

17. 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:

17.1 There were no pending litigations which would impact the consolidated financial position of the Group.

17.2 The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

17.3 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.

17.4 The management has represented to us, to the best of their information and belief, that no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign

entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

- 17.5 The management has represented to us, to the best of their information and belief, that no funds (which are material either individually or in aggregate) have been received by the Holding Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

17.6 In our opinion and according to the information and explanations given to us, there are no dividend declared or paid during the year.

18. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company, we report that there are no qualifications or adverse remarks in these CARO reports.

For KKC & Associates LLP

Chartered Accountants

(Formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Hasmukh B. Dedhia

Partner

ICAI Membership No: 033494

UDIN: - 22033494AJSVYG5574

Place: Mumbai

Date: 27 May 2022

Annexure “[A]” to the Independent Auditors’ report on the Consolidated Financial Statements of Cinline India Limited for the year ended 31 March 2022

(Referred to in paragraph “16.6” under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of Cinline India Limited as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Cinline India Limited (“the Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.
2. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the Guidance Note”).

Management’s responsibility for Internal Financial Controls

3. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors,

the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s responsibility

4. Our responsibility is to express an opinion on the Holding Company and its subsidiaries, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (“SA”), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs 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 with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

6. A company’s internal financial controls with reference to the Consolidated Financial Statements 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 controls with reference to the Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly

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

Inherent Limitations of Internal Financial Controls with reference to the consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, 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 with reference to the Consolidated

Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For KKC & Associates LLP

Chartered Accountants

(Formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Hasmukh B. Dedhia

Partner

ICAI Membership No: 033494

UDIN: - 22033494AJSVYG5574

Place: Mumbai

Date: 27 May 2022

CONSOLIDATED BALANCE SHEET

as at 31 March, 2022

(₹ in lakhs)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
(a) Property, plant and equipment	4	24,037.55	25,885.92
(b) Capital work in progress	5	329.24	-
(c) Investment property	6	6,178.27	7,307.15
(d) Intangible Assets	7	13.07	15.80
(e) Goodwill on Consolidation	8	5,904.91	5,904.91
(e) Financial assets			
(i) Other non-current financial assets	9	902.37	375.44
(f) Other non-current assets	10	255.35	294.43
(g) Non-current tax assets (net)	11	466.40	563.43
(h) Deferred Tax Assets (net)	12	1,964.03	2,080.26
Total non-current assets		40,051.19	42,427.34
Current assets			
(a) Inventories	13	24.64	17.52
(b) Financial assets			
(i) Trade receivables	14	323.84	427.55
(ii) Cash and cash equivalents	15	2,791.25	2,471.55
(iii) Bank balances other than (ii) above	16	105.92	0.93
(iv) Loans	17	1,090.94	1,261.98
(v) Other financial assets	18	107.85	69.05
(c) Other current assets	19	545.14	750.84
Total current assets		4,989.58	4,999.42
Assets held for sale	20	82.50	-
Total assets		45,123.27	47,426.76
Equity and Liabilities			
Equity			
(a) Equity share capital	21	1,504.90	1,400.00
(b) Other equity	22	9,393.25	11,278.24
Total equity		10,898.15	12,678.24
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	30,466.23	31,088.61
(ii) Lease liabilities		86.53	78.73
(iii) Other financial liabilities	24	89.66	609.72
(b) Provisions	25	51.74	40.79
(c) Deferred tax liabilities (net)	26	229.62	608.00
(d) Other non-current liabilities	27	34.89	83.54
Total non-current liabilities		30,958.67	32,509.39
Current liabilities			
a) Financial liabilities			
(i) Borrowings			
- Current maturities on long term borrowings	28	1,663.81	1,010.32
(ii) Lease liabilities		20.99	20.32
(iii) Trade payables	29		
- Dues to Micro enterprises & small enterprises		18.48	-
- Dues to creditors other than Micro enterprises & small enterprises		662.29	628.11
iv) Other financial liabilities	30	634.09	384.73
b) Other current liabilities	31	249.96	183.77
c) Provisions	32	16.83	11.88
Total current liabilities		3,266.45	2,239.13
Total liabilities		34,225.12	34,748.52
Total equity and liabilities		45,123.27	47,426.76

Notes 1 to 67 form an integral part of these financial statements

As per our audit report of even date

For KKC & Associates LLP

Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia

Partner
Membership No. : 033494

Place: Mumbai
Date: 27 May 2022

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 27 May 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March, 2022

(₹ in lakhs, except per share data)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenue			
Revenue from operations	33	4,500.74	2,857.14
Other income	34	512.95	2,583.66
Total		5,013.69	5,440.80
Expenses			
Operating expenses	35	1,941.25	841.26
Employee benefits expense	36	817.68	230.72
Finance costs	37	3,498.60	2,225.70
Depreciation and amortisation expense	38	1,924.30	793.64
Other expenses	39	606.10	585.90
Total		8,787.93	4,677.22
Profit before tax		(3,774.24)	763.58
Tax expense / (credit)			
Current tax	40	-	203.53
MAT credit reversal		-	255.98
Deferred tax charge / (credit)	40	(263.59)	(175.70)
Prior year's tax adjustments		35.76	1.13
Profit for the year		(3,546.41)	478.64
Other comprehensive income / (loss)			
Items that will not be reclassified to statement of profit or loss			
Remeasurement of post employment benefit obligations		5.20	3.04
Income tax effect on above		(1.44)	(0.85)
Other comprehensive income / (loss) for the year (net of tax)		3.76	2.19
Total comprehensive income for the year		(3,542.65)	480.83
Earnings per equity share (Face value of ₹ 5 each)	41		
Basic earnings per share		(12.19)	1.71
Diluted earnings per share		(12.19)	1.71

Notes 1 to 67 form an integral part of these financial statements

As per our audit report of even date

For KKC & Associates LLP
Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration No.: 105146W / W100621

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 27 May 2022

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 27 May 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

A Equity share capital

Issued, subscribed and fully paid up

As at 31 March 2022

(₹ in lakhs)

Particulars	Balance at the beginning of year	Changes in equity due to prior period errors	Restated balance at the beginning of year	Changes in equity capital during the year	Balance at the end of year
No. of shares	2,80,00,000	-	-	20,97,902	3,00,97,902
Amount	1,400.00	-	-	104.90	1,504.90

As at 31 March 2021

(₹ in lakhs)

Particulars	Balance at the beginning of year	Changes in equity due to prior period errors	Restated balance at the beginning of year	Changes in equity capital during the year	Balance at the end of year
No. of shares	2,80,00,000	-	-	-	2,80,00,000
Amount	1,400.00	-	-	-	1,400.00

B Other equity

As at 31 March 2022

(₹ in lakhs)

Particulars	Reserves and surplus						Total
	Securities premium reserve	General reserve	Capital redemption reserve	Furniture Fixture & Expenditure Reserve	Retained earnings	Share warrants	
Balance as at 31 March 2021	3,564.00	55.00	17.02	47.27	7,594.95	-	11,278.25
Profit for the year	-	-	-	-	(3,546.41)	-	(3,546.41)
Issued during the year	1,395.10	-	-	-	-	262.57	1,657.67
Converted to equity during the year	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	3.76	-	3.76
Transferred to Furniture Fixture & Expenditure Reserve	-	-	-	87.60	(87.60)	-	-
Expenses from Furniture Fixture & Expenditure Reserve	-	-	-	(1.92)	1.92	-	-
Balance as at 31 March 2022	4,959.10	55.00	17.02	132.95	3,966.63	262.57	9,393.25

As at 31 March 2021

(₹ in lakhs)

Particulars	Reserves and surplus						Total
	Securities premium reserve	General reserve	Capital redemption reserve	Furniture Fixture & Expenditure Reserve	Retained earnings	Share warrants	
Balance as at 31 March 2020	3,564.00	55.00	17.02	-	7,161.40	-	10,797.42
Profit for the year	-	-	-	-	478.64	-	478.64
Issued during the year	-	-	-	-	-	-	-
Converted to equity during the year	-	-	-	-	-	-	-
Issued during the year	-	-	-	-	-	-	-
Converted to equity during the year	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	2.20	-	2.20
Transferred to Furniture Fixture & Expenditure Reserve	-	-	-	50.15	(50.15)	-	-
Expenses from Furniture Fixture & Expenditure Reserve	-	-	-	(2.88)	2.88	-	-
Balance as at 31 March 2021	3,564.00	55.00	17.02	47.27	7,594.95	-	11,278.25

As per our audit report of even date

For KKC & Associates LLP

Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia

Partner
Membership No. : 033494

Place: Mumbai
Date: 27 May 2022

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 27 May 2022

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2022

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from operating activities		
Profit before tax	(3,769.03)	766.62
Adjustments for:		
Depreciation expense	1,627.91	793.64
Impairment assets	43.55	-
(Profit) / loss on sale of assets	252.84	108.89
Provision for doubtful debts	32.86	-
Provisions and balances no longer required written back	(0.95)	-
Finance costs	3,498.60	2,223.49
Interest income	(265.49)	(2,424.01)
(Gain) / loss on sale of short term investments	(43.22)	-
(Gain) / loss due to modification of lease liability	(8.10)	-
Operating profit before working capital changes	1,368.97	1,468.63
Changes in working capital		
Increase in inventories	(7.12)	(0.80)
Increase in trade receivables	70.85	(27.79)
Decrease in other assets	244.78	208.73
Increase in financial assets	(565.73)	-
Increase in trade payables	53.62	2.48
Increase in provisions	15.90	(4.83)
Decrease in other liabilities	17.53	(1,579.38)
Increase in financial liabilities	(270.70)	-
Cash generated from operations	928.10	67.04
Income taxes paid / refunds (net)	61.27	(273.11)
Net cash generated from operating activities	989.37	(206.07)
Cash flow from investing activities:		
Sale of property, plant and equipment & investment property	679.27	3,354.29
Interest received	276.25	2,409.51
Other assets	-	17,570.09
Acquisition of subsidiary	-	(8,782.25)
Loan received back from related party	171.04	-
Net cash generated from / (used) in investing activities	1,126.56	14,551.64
Cash flow from financing activities:		
Interest paid	(3,485.88)	(2,183.40)
Interest paid on lease liability	(12.72)	(35.08)
Repayment of principal towards lease liability	(18.76)	(24.36)
Net proceeds / (repayments) of long term borrowings	31.11	(9,699.94)
Increase/decrease in fixed assets	2,042.92	(2,147.91)
Interest received	32.45	17.44
Proceeds from issue of equity shares	1,500.00	-
Proceeds from issue of warrants	262.57	-
Net cash used in financing activities	351.69	(14,073.25)
Net decrease / (increase) in cash and cash equivalents	2,467.62	272.33
Cash and cash equivalents as at the beginning of the year	323.63	51.30
Cash and cash equivalents as at the end of the year	2,791.25	323.63
Notes to cash flow statement	As at 31 March 2022	As at 31 March 2021
Cash on hand	8.65	8.36
Balances with banks - in current accounts	642.50	315.27
Investment in liquid funds	1,868.04	-
Deposits	272.06	-
	2,791.25	323.63

As per our audit report of even date

For KKC & Associates LLP
Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 27 May 2022

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 27 May 2022

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

1. Corporate information

Cineline India Limited (the 'Company') is a company domiciled in India, incorporated under the Companies Act, 1956 on 22 May 2002. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company and its consolidated subsidiary (collectively referred to as "Group") are principally engaged into the business of renting out premises and operating windmills.

2. Significant accounting policies

a. Statement of Compliance:

The Holding Company has prepared the consolidated financial statements of the Group which comprise the balance sheet as at 31 March 2022, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the year ended 31 March 2022, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "consolidated financial statements").

These consolidated financial statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act"), other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

b. Basis of consolidation

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

The consolidated financial statements incorporate the results of Cineline India Limited and its subsidiary, being the entity that it controls. The financial statements of the subsidiary is prepared for the same reporting year as the Parent Company, using consistent accounting policies to the extent applicable. The financial statements of the Group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. The intra-group balances, intra-group transactions and resulting unrealised profits and losses have been fully eliminated.

- Following company has been considered in the preparation of Consolidated financial statements:

Name of the Subsidiary Company	% holding as at	
	March 31, 2022	March 31, 2021
Transquare Realty Private Limited	100%	100%
R&H Spaces Private Limited (w.e.f 01 January 2021)	100%	100%
Cineline Industries Private Limited (w.e.f 18 February 2021)	100%	100%
Cineline Realty Private Limited (w.e.f 04 February 2021)	100%	100%

c. Basis of preparation

The consolidated financial statements have been prepared on a going concern basis under the historical cost basis except for the following –

- Certain financial assets and liabilities have been measured at fair value (refer accounting policy regarding financial instruments); and

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

- Defined benefit plans – measured using actuarial valuation.

These financial statements have been prepared using the significant accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements, except where the Group had applied certain accounting policies and exemptions upon transition to Ind AS.

Functional and presentation currency

The consolidated financial statements are prepared in Indian Rupees, which is the Group's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lakhs, unless otherwise stated.

Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as not exceeding twelve months for the purpose of current / non-current classification of assets and liabilities.

d. Critical estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

The management believes that these estimates are prudent and reasonable and are based upon the management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

Below is an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

- **Useful lives of property, plant and equipment and investment property** - Property, plant and equipment and investment property represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management, based on those prescribed under Schedule II to the Act, at the time the asset is acquired and reviewed periodically, including at each financial year end.
- **Defined benefit obligation** - The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty. The assumptions used are disclosed in the notes to these financial statements.
- **Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.
- **Impairment of assets** – In assessing impairment, management estimates the recoverable amounts of each asset (in case of non-financial assets) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate.
- **Income tax** - Significant judgments are involved in determining the provision for income tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.
- **Provisions** - Provisions are recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligation and compensated expenses) are not discounted to its present value and are determined based on the best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

e. Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that the economic benefits will flow to the Group. Amount disclosed as revenue are reported net of applicable taxes, which are collected on behalf of the government or on behalf of third parties.

i. Leased operations and windmill income

- a) Revenue from rent and common area maintenance is recognised based upon the agreement, for the period the property has been let out and when no significant uncertainty exists regarding the amount of consideration

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

that will be derived. Ind AS 116 mandates straight lining of lease rental income, only if the escalation rate is not in line with the general inflation rate.

- b) Revenue from sale of power is booked on monthly basis as per the power generation reports at wind farm and the same is sold to the State Government.
- c) Revenue from car parking is based on the actual collection depending on the vehicles parked at the respective sites or as per the agreement entered into for the property.
- d) Advertisement income is recognised as and when advertisements are displayed at the property.

ii. Other income

- a) Other income is recognised when no significant uncertainty as to its determination or realisation exists.
- b) Interest income is recognised using the effective interest method.
- c) Dividend income is accounted for when the right to receive the income is established.

f. Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease.

i. The Group as lessee

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated on a straight-line basis over the lease term. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and Right-of-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

ii. The Group as lessor

The company has recognized rental income on straight line basis in the statement of profit and loss in accordance with IND AS 116.

g. Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ('OCI') or directly in equity.

Current tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current income-tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in OCI or in equity).

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the balance sheet date. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in the OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in the OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off such amounts.

Minimum alternate tax

Minimum alternate tax (MAT) paid in accordance with the tax laws gives rise to future economic benefits in the form of adjustments of future income tax liability. The same is considered as an asset if there is convincing evidence that the Group will pay normal income tax after the tax holiday period. Accordingly, MAT credit is recognised as a deferred tax asset in the balance sheet when it is probable that the future economic benefits associated with it will flow to the Group and the asset can be measured reliably.

h. Financial instruments

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

i. Recognition, initial measurement and derecognition

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability.

The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows under an eligible transaction.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

ii. Subsequent Measurement

Non-Derivative Financial Instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

iii. Impairment of financial assets

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

i. Equity shares

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

j. Cash and cash equivalents and Cash Flows

Cash and cash equivalents comprise cash on hand and demand deposits, together with other current / short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

The Cashflow Statement of the group is prepared under 'Indirect' method as per Ind AS.

k. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes inward freight and expenses incidental to acquisition and installation, net of tax credits up to the point the asset is ready for its intended use. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss when incurred.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets, and are recognised in the statement of profit and loss within 'other income' or 'other expenses' respectively.

l. Capital work-in-progress

Amount paid towards the acquisition of property, plant and equipment and leasehold improvements outstanding as of each reporting date and the cost of property, plant and equipment and leasehold improvements under construction and not ready for intended use before such date are classified under Capital work-in-progress. These assets are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

m. Intangible assets under development

Cost related to brand creation and development are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. The cost which can be capitalised include the cost of material, direct labour, overhead cost that are directly attributable to preparing the asset for its intended use.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

n. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit or loss as incurred.

o. Depreciation

Depreciation is provided on property, plant and equipment on pro rata basis for the period of use, on the straight line method (SLM) as per the useful life of the assets prescribed under Schedule II to the Companies Act, 2013, which is in line with the management's estimate of useful life.

Freehold land is not depreciated. Depreciation on assets under construction commences only when the assets are ready for their intended use.

Depreciation method, useful life and residual value are reviewed periodically and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

p. Investment property

Investment property are those that are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group in a period exceeding one year and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are depreciated using the SLM method over their estimated useful lives, based on the rates prescribed under Schedule II to the Companies Act, 2013.

q. Impairment of non-financial assets

The carrying amount of the non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there were no impairment.

r. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

s. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

t. Employee benefits

• Defined contribution plans

The Holding Company contributes to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the employee renders services.

• Defined benefit plans

The Holding Company's gratuity benefit scheme is a unfunded defined benefit plan. The Holding Company's obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods recognised as a liability at the present value of the defined benefit obligations at the balance sheet date based on an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The discount rates used for determining

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

the present value of the obligations under the defined benefit plan are based on the market yields on government bonds as at the balance sheet date.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined. Re-measurement recognized in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss in the subsequent period.

- **Other long-term employee benefits**

Liability in respect of compensated absences is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

- **Short-term employee benefits**

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

u. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate of the amount required to settle the obligation at the date of the balance sheet. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, existence of which would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

v. Earnings per share

Basic earnings per share are computed by dividing net profit after tax (excluding other comprehensive income) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share after considering the income tax effect of all finance costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

w. Operating segments

An operating segment is a component of a Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relates to transactions with any of the Group's other components, for which discrete financial information is available, and such information is regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make key decision on operations of the segments and assess its performance.

x. Non-current assets (or disposal groups) classified as held for disposal

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell. To classify any Asset as "Asset held for disposal" the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for disposal". Once classified as held for disposal, these non-current assets are no longer amortised or depreciated

y. Foreign Currency transactions

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

z. Inventories

Stock of food and beverages are valued at lower of cost, (computed on a moving weighted average basis, net of taxes) or net realizable value. Cost includes all expenses incurred in bringing the goods to their present location and condition.

aa. Derivative financial instruments and hedge accounting

The Group enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost. The Company formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognized financial liabilities ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Group's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a fair value hedge under Ind AS 109, 'Financial Instruments'.

Recognition and measurement of fair value hedge

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Hedged item (recognized financial liability) is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The hedging gain or loss on the hedged item is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effect is recognized in the Statement of Profit and Loss.

Derecognition

On Derecognition of the hedged item, the unamortized fair value of the hedging instrument adjusted to the hedged item, is recognized in the Statement of Profit and Loss.

3. Recent accounting pronouncements

The MCA had notified the amendments to Schedule III to the Companies Act, 2013 on 24 March 2021. The amendment contained significant additional disclosures requirement in the financial statements. The Company has adopted such changes in preparing these Standalone Financial Statements.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 4: Property, plant and equipment

(₹ in lakhs)

Particulars	Land at Goa	Building	Plant and equipment	Consumables	Kitchen Equipments	Theatre furniture and fixtures	Electricals Fittings	Other furniture, fixtures and office equipments	Computers	Vehicles	Right to use Asset	Wind energy generator	Total
Gross block													
Balance as at 31 March 2020	-	-	1.00	-	-	0.49	-	51.65	1.14	14.71	121.70	942.76	1,133.45
Opening balance of assets acquired during the year	10,090.23	21,748.00	1,740.32	997.14	785.43	-	937.62	630.07	557.29	49.39	-	-	37,535.48
Additions	-	-	-	-	-	-	-	1.37	2.88	-	-	-	4.25
Goodwill Reversal (refer note 8)	(4,261.37)	(1,643.54)	-	-	-	-	-	-	-	-	-	-	(5,904.91)
Sale during year	-	-	-	-	-	-	-	-	-	(7.42)	-	-	(7.42)
Balance as at 31 March 2021	5,828.86	20,104.46	1,741.32	997.14	785.43	0.49	937.62	683.09	561.31	56.68	121.70	942.76	32,760.85
Opening balance of assets acquired during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	42.47	-	-	-	5.11	1.92	1.99	-	126.60	-	178.09
Sale during year	-	-	-	-	-	-	-	-	-	-	(121.70)	(942.76)	(1,064.46)
Balance as at 31 March 2022	5,828.86	20,104.46	1,783.79	997.14	785.43	0.49	942.73	685.01	563.30	56.68	126.60	-	31,874.48
Accumulated depreciation													
Balance as at 31 March 2020	-	-	1.00	-	-	0.40	-	39.73	1.05	10.70	6.09	263.70	322.67
Accumulated depreciation on assets acquired	-	2,294.98	938.53	829.32	430.29	-	602.08	434.73	505.96	31.40	-	-	6,067.28
Depreciation charge for the year	-	251.34	41.98	26.65	18.59	0.06	26.95	22.79	8.55	4.47	24.34	65.94	491.67
Reversal on disposals	-	-	-	-	-	-	-	-	-	(6.71)	-	-	(6.71)
Balance as at 31 March 2021	-	2,546.32	981.51	855.97	448.88	0.47	629.03	497.25	515.56	39.86	30.43	329.64	6,874.91
Accumulated depreciation on assets acquired	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	886.40	137.53	52.03	60.92	-	80.22	57.55	16.90	5.19	25.32	28.33	1,350.38
Reversal on disposals	-	-	-	-	-	-	-	-	-	-	(30.43)	(357.97)	(388.40)
Balance as at 31 March 2022	-	3,432.72	1,119.04	908.00	509.80	0.47	709.25	554.80	532.46	45.05	25.32	-	7,836.89
Net block													
Balance as at 31 March 2022	5,828.86	16,671.74	664.75	89.14	275.63	0.02	233.48	130.21	30.84	11.63	101.28	-	24,037.55
Balance as at 31 March 2021	5,828.86	17,558.14	759.81	141.17	336.55	0.02	308.59	185.84	45.75	16.82	91.27	613.12	25,885.91

- a) Windmills and fixed assets at Hyatt Centric Goa have been lien marked towards loan facility availed from Aditya Birla Finance Limited and Axis Bank Limited (also refer note 23)
- b) Vehicles at Hyatt Centric Goa are hypothecated towards respective vehicle loans (also refer note 23)
- c) Land and building at Hyatt Centric Goa has been revalued during the year (refer note 8)

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 5.1: Capital work in progress (refer note 59)

(₹ in lakhs)

Description of the block of asset	As at 31 March 2022	Additions during the year	Capitalised during the year	As at 31 March 2021
1) Leasehold improvements	321.75	321.75	-	-
Total	321.75	321.75	-	-

Note 5.2: Intangible assets under development (refer note 59)

(₹ in lakhs)

Description of the block of asset	As at 31 March 2022	Additions during the year	Capitalised during the year	As at 31 March 2021
1) Brand development	7.49	7.49	-	-
Total	7.49	7.49	-	-

Capital work in progress and intangible assets under development ageing schedule

(₹ in lakhs)

CWIP as on 31 March 2022	Amount in CWIP for a period of				Total*
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in Progress*	329.24	-	-	-	329.24
Projects temporarily suspended	-	-	-	-	-

* Capital expenditures incurred on lease acquisitions and developments during the year are transferred to CWIP (previous year nil).

There is no capital work in progress, of which completion or cost compared to its original plan is overdue.

Note 6: Investment Property

(₹ in lakhs)

Particulars	Freehold lands	Theatre and mall buildings	Other buildings	Total
Balance as at 31 March 2020	1,971.68	2,927.75	4,689.13	9,588.56
Additions	-	-	8.57	8.57
Sales during the year	-	-	1,988.70	1,988.70
Transferred to asset held for sale	-	-	-	-
Depreciation charge for the year	-	191.21	110.07	301.28
Balance as at 31 March 2021	1,971.68	2,736.54	2,598.93	7,307.15
Additions	-	-	-	-
Sales during the year	-	-	854.08	854.08
Depreciation charge for the year	-	191.21	83.59	274.80
Balance as at 31 March 2022	1,971.68	2,545.33	1,661.26	6,178.27

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Notes:

(a) Fair value of investment property

(₹ in lakhs)

Particulars	As at 31 March 2022
Freehold lands	36,310.66
Theatre and mall buildings	
Other buildings	3,450.58

The fair value of investment properties has been determined internally by the management.

The value is determined based on the rate prescribed by government authorities for commercial property. The resultant fair value estimates for investment property is included in level 3.

As per the Company policy fair value calculation is done once in every two year, previous year valuation reports dated 05 June 2021 are considered for representing fair value of investment properties in current financial year

The Group has no restrictions on the realisability of its investment property and no contractual obligations to either purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Amounts recognised in the statement of profit and loss account in relation to investment property

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Rental income from investment property (refer note 33)	1,234.01	1,745.01
Direct operating expenses arising from investment property that generated rental income during the period (refer note 35)	321.43	364.89
Direct operating expenses arising from investment property that did not generate rental income during the period (refer note 35)	16.05	17.12

- (b) Investment properties have been lien marked towards loan facility availed from Aditya Birla Finance Limited (also refer note 23).
- (c) The Group does not have any proceedings initiated or are pending against it, for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (d) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or investment property during the current or previous year.

Land and building of subsidiary "R & H Spaces Private Limited" are revalued during the year to determine the actual value of goodwill on acquisition. Previous year figures are rearranged accordingly.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 7: Intangible assets

(₹ in lakhs)	
Particulars	Computer software
Balance as at 31 March 2020	-
Additions/Acquisition	16.49
Sales during the year	-
Depreciation charge for the year	0.68
Balance as at 31 March 2021	15.80
Additions/Acquisition	-
Sales during the year	-
Depreciation charge for the year	2.73
Balance as at 31 March 2022	13.07

Note 8: Goodwill on consolidation

(₹ in lakhs)	
Particulars	Goodwill on consolidation
Balance as at 31 March 2020	-
Additions/Acquisition	5,904.91
Sales during the year	-
Depreciation charge for the year	-
Balance as at 31 March 2021	5,904.91
Additions/Acquisition	-
Sales during the year	-
Depreciation charge for the year	-
Balance as at 31 March 2022	5,904.91

The excess of purchase consideration paid over fair value of net assets and intangible assets acquired of "R & H Spaces Private Limited" has been attributed to goodwill on consolidation amounting to ₹ 5,904.91 lakhs.

Note 9: Other non current financial assets

(₹ in lakhs)		
Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits (Unsecured, considered good)	763.64	5.32
Derivative assets	-	270.10
Balances with banks to the extent held as margin money	138.73	100.02
Total	902.37	375.44

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 10: Other non current assets

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	11.49	-
Unamortised processing fees for loan	243.86	294.43
Total	255.35	294.43

Note 11: Non-current tax assets

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Advance tax (net of provision for tax of ₹ 244.20 Lakhs (PY ₹ 1,269.45 Lakhs))	466.40	563.43
Total	466.40	563.43

Note 12: Deferred tax assets

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Deferred tax liability		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	401.96	383.64
Deferred processing fees	51.67	-
	453.63	383.64
Deferred tax assets		
Provision for:		
Gratuity	6.01	5.62
Compensated absences	2.72	1.58
Accumulated unabsorbed depreciation	2,152.54	2,158.24
Accumulated business loss	208.90	170.06
Foreign exchange fluctuation	-	36.50
43B disallowance	47.49	91.90
	2,417.66	2,463.90
Deferred tax Assets	1,964.03	2,080.26

Note 13: Inventories

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Food & Beverages	24.64	17.52
Total	24.64	17.52

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 14: Trade receivables (refer note 49)

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables considered good –Secured	-	-
Trade receivables considered good –Unsecured	323.84	427.55
Trade receivables which has significant increase in credit risk		
Trade receivables – credit impaired	97.29	73.40
Less: Provision for doubtful debts	(97.29)	(73.40)
Total	323.84	427.55

Note 15: Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks - in current accounts	642.50	315.27
Cash on hand	8.65	8.36
Investment in mutual funds #	1,868.04	-
Deposit accounts (maturity upto 3 months)	272.06	2,147.92
Total	2,791.25	2,471.55

15,093.51 units of Baroda BNP Paribas Overnight Fund regular growth plan @ ₹ 1,114.51 each, previous year nil

Note 16: Other bank balances

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Unclaimed dividend account	0.93	0.93
Deposit accounts (maturity up to 12 months)	104.99	-
Total	105.92	0.93

Note 17: Current financial assets - loans

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Loans receivable considered good –Secured	-	-
Loans receivable considered good –Unsecured		
Loan to related party (refer note 63)	1,090.94	1,261.98
Loans receivable which has significant increase in credit risk	-	-
Loans receivable – credit impaired	-	-
Total	1,090.94	1,261.98

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 18: Other current financial assets

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Security Deposits (Unsecured, considered good)	-	54.76
Interest receivable	43.91	2.94
Other assets	63.94	11.35
Total	107.85	69.05

Note 19: Other current assets

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	79.41	67.50
Deferred rent expense	5.01	5.02
Unamortised processing fees for loan	33.26	37.94
Lease equalisation reserve	191.21	596.29
Advance to suppliers	50.67	15.00
Other assets	110.40	-
Balances with government authorities	75.18	34.72
Less: Provision for doubtful advances	-	(5.63)
Total	545.14	750.84

Note 20: Assets held for sale

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Assets held for sale	82.50	-
Total	82.50	-

Note 21: Equity share capital

Particulars	(₹ in lakhs)	
	Number of shares	Amount
a) Authorised share capital		
Equity shares of ₹ 5 each		
Total authorised equity share capital as at 31 March 2020	8,00,00,000	4,000.00
Change during the year	-	-
Total authorised equity share capital as at 31 March 2021	8,00,00,000	4,000.00
Change during the year	-	-
Total authorised equity share capital as at 31 March 2022	8,00,00,000	4,000.00
Preference shares of ₹ 10 each		
Total authorised preference share capital as at 31 March 2020	2,50,000	25.00
Change during the year	-	-
Total authorised preference share capital as at 31 March 2021	2,50,000	25.00
Change during the year	-	-
Total authorised preference share capital as at 31 March 2022	2,50,000	25.00

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Issued, subscribed and paid-up equity share capital:

(₹ in lakhs)

Particulars	Number of shares	Amount
Equity shares of ₹ 5 each		
Balance as at 31 March 2020	2,80,00,000	1,400.00
Change during the year	-	-
Balance as at 31 March 2021	2,80,00,000	1,400.00
Change during the year (refer note 42)	20,97,902	104.90
Shares issued and fully paid as at 31 March 2022	3,00,97,902	1,504.90

b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to dividend to be proposed by the Board of Directors and to be approved by the shareholders in the General Meeting.

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

c) Details of shares held by each shareholder holding more than 5% shares

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 5 each				
Himanshu B. Kanakia	12,73,824	4.23%	95,11,424	33.97%
Hiral Kanakia Trust (beneficiary Himanshu B. Kanakia)	30,68,800	10.20%	-	-
Vrutant Benefit Trust (beneficiary Himanshu B. Kanakia)	30,68,800	10.20%	-	-
Rasesh B. Kanankia	12,73,924	4.23%	95,11,524	33.97%
Rupal Kanakia Trust (beneficiary Rasesh B. Kanakia)	30,68,800	10.20%	-	-
Ashish Benefit Trust (beneficiary Rasesh B. Kanakia)	30,68,800	10.20%	-	-
Rupal R. Kanakia	24,28,844	8.07%	-	-
Hiral H. Kanakia	24,28,844	8.07%	-	-
One Up Financial Consultants Private Limited	20,97,902	6.97%	-	-
	2,17,78,538	72.36%	1,90,22,948	67.94%

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

d) Details of shares held by the promoters

Name of promoter	As at 31 March 2022		As at 31 March 2021		% of change during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of ₹ 5 each					
Himanshu B. Kanakia	12,73,824	4.23%	95,11,424	33.97%	-29.74%
Hiral Kanakia Trust (beneficiary Himanshu B. Kanakia)	30,68,800	10.20%	-	-	10.20%
Vrutant Benefit Trust (beneficiary Himanshu B. Kanakia)	30,68,800	10.20%	-	-	10.20%
Rasesh B. Kanankia	12,73,924	4.23%	95,11,524	33.97%	-29.74%
Rupal Kanakia Trust (beneficiary Rasesh B. Kanakia)	30,68,800	10.20%	-	-	10.20%
Ashish Benefit Trust (beneficiary Rasesh B. Kanakia)	30,68,800	10.20%	-	-	10.20%
Rupal R. Kanakia	24,28,844	8.07%	3,28,844	1.17%	6.90%
Hiral H. Kanakia	24,28,844	8.07%	3,28,844	1.17%	6.90%
Kanakia Gruhnirman Private Limited	140	0.00%	140	0.00%	0.00%
Kanakia Finance and Investments Private Limited	140	0.00%	140	0.00%	0.00%
	1,96,80,916	65.39%	1,96,80,916	70.29%	

d) The Company has not issued any bonus shares, shares for consideration other than cash or has not bought back any shares during the period of five years immediately preceding the reporting date

Note 22: Other equity

(₹ in lakhs)

Particulars	Sub-note	As at 31 March 2022	As at 31 March 2021
Securities premium reserve	(i)	4,959.10	3,564.00
Capital redemption reserve	(ii)	17.02	17.02
General reserve	(iii)	55.00	55.00
Furniture Fixture & Expenditure Reserve	(iv)	132.95	47.27
Retained earnings	(v)	3,966.62	7,594.96
Money received against warrants	(vi)	262.57	-
Total		9,393.25	11,278.24

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(i) Securities premium reserve

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	3,564.00	3,564.00
Change during the year	1,395.10	-
Balance at the end of the year	4,959.10	3,564.00

Securities premium was created when shares were issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Capital redemption reserve

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	17.02	17.02
Change during the year	-	-
Balance at the end of the year	17.02	17.02

Capital Redemption Reserve was created when Preference shares were redeemed. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(iii) General reserve

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	55.00	55.00
Change during the year	-	-
Balance at the end of the year	55.00	55.00

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. This reserve is a distributable reserve.

(iv) Furniture Fixture & Expenditure Reserve

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	47.27	-
Add: Additions during the year	87.60	50.15
Less: Expenses during the year	(1.92)	(2.88)
Balance at the end of the year	132.95	47.27

Furniture Fixture & Expenditure Reserve is created from time to time by way of transfer of profits from retained earnings. The reserve created is utilised for major repair works.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(v) Retained earnings

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	7,594.96	7,161.40
Add : Profit for the year	(3,546.41)	478.64
Less: Transferred to Furniture Fixture & Expenditure Reserve	(87.60)	(50.15)
Add: Expenses from Furniture Fixture & Expenditure Reserve	1.92	2.88
Items of other comprehensive income / (loss) recognised directly in retained earnings		
- Remeasurement of net defined benefit liability	3.76	2.19
Balance at the end of the year	3,966.62	7,594.96

Retained earnings pertain to the accumulated earnings made by the Group over the years.

(vi) Money received against share warrants

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Warrants issued (refer note 53)	262.57	-

Note 23: Non-current financial liabilities - borrowings

Particulars	Interest rate	Maturity date	(₹ in lakhs)		Remarks
			As at 31 March 2022	As at 31 March 2021	
Secured					
Term loan from financial institution-ABFL	10%	January 2034	12,806.25	13,128.26	Refer note (a) below
Line of credit from financial institution-ABFL	10%	January 2034	4,508.12	4,584.34	Refer note (a) below
Emergency credit line guarantee scheme (ECLGS)-ABFL	11%	March 2026	882.00	882.00	Refer note (b) below
Emergency credit line guarantee scheme (ECLGS)-ABFL	11%	May 2027	882.00	-	Refer note (b) below
External commercial borrowing (ECB) from banks-Axis Bank	5%	December 2025	-	3,291.89	Refer note (c) below
Term Loan from Bank-Axis Bank	10%	March 2033	8,299.25	8,473.97	Refer note (c) below
Emergency credit line guarantee scheme (ECLGS)-Axis Bank	9%	February 2026	1,643.54	1,721.23	Refer note (d) below
Emergency credit line guarantee scheme (ECLGS)-Axis Bank	9%	May 2027	3,100.00	-	Refer note (d) below
Vehicle Loan from financial institution	9%	October 2023	8.88	17.24	Refer note (e) below
Total borrowings			32,130.04	32,098.93	
Less: Current maturities of loan			(1,663.81)	(1,010.32)	
Total			30,466.23	31,088.61	

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

- (a) Term loan & line of credit taken from Aditya Birla Finance Limited is secured against:
- i) First and exclusive charge / hypothecation of:
 - 1) All rental receivables arising out of leasing of following properties:
 - a) Theatre buildings
 - b) Boomerang properties
 - c) Commercial spaces to multiple brands at Eternity mall, Nagpur
 - 2) All income / receivables from sale of power from windmill
 - ii) First and exclusive charge on movable tangible and intangible assets including all stocks, work-in-progress, receivables, inventories, goodwill, patents, trade licenses, permits and all other intellectual property rights and all plant, machinery and equipment employed and over all the contracts and insurance policies/proceeds under the insurance contract in relation to the above properties
 - iii) First and exclusive charge by way of hypothecation of the escrow account with all monies credited / deposited therein and all investments in respect thereof (in whatever form the same may be)
 - iv) Personal / corporate guarantee of Rasesh B. Kanakia and Himanshu B. Kanakia.
 - v) First and exclusive charge by way of registered mortgage on the above detailed properties together with all the buildings and structures thereon, both present and future.
- (b) Emergency credit line guarantee scheme (ECLGS) credit taken during the year from Aditya Birla Finance Limited is secured against:
- Second charge by way of registered mortgage on the properties mentioned in above note 23 (a) (i) & (ii)
- (c) Term loan taken from Axis Bank is secured against:
- i) Exclusive EM / RM charge on the land & building of the company
 - ii) Exclusive hypothecation charge on the entire moveable fixed assets
 - iii) Exclusive charge on the entire current assets
 - iv) Hypothecation on all receivables
 - v) Pledge of shares to the extent of 29.99% of the total paid up capital of the company
 - vi) Debt service reserve (DSRA)
 - vii) Personal guarantee of Rasesh B. Kanakia and Himanshu B. Kanakia
- (d) Emergency credit line guarantee scheme (ECLGS) credit taken during the year from Axis Bank is secured against:
- Second charge by way of registered mortgage on the properties mentioned in above note 23 (c) (i) to (vi)
- (e) Vehicle loans taken from banks and financial institutions are secured against mortgaged vehicles
- (f) Group is not required to file any quarterly return or statement with lender.
- (g) Term Loans were used fully for the purpose for which the same were obtained.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Net debt reconciliation

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Non-current borrowings (including current maturities)	32,130.04	32,098.92
Cash and cash equivalents	2,791.25	323.63
Net debt	29,338.79	31,775.29

Particulars	(₹ in lakhs)	
	Cash and cash equivalents	Non-current borrowings
Balance as at 31 March 2021	323.63	32,098.92
Cash flows (net)	2,467.62	31.12
Balance as at 31 March 2022	2,791.25	32,130.04

Note 24: Other non current financial liabilities

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Security deposits	89.66	609.72
Total	89.66	609.72

Note 25: Non current provisions

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits obligations (refer note 43)	51.74	40.79
Total	51.74	40.79

Note 26: Deferred tax liabilities

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Deferred tax liability		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	610.78	878.37
Amortisation of Processing fees for term loan	19.23	24.38
Lease equalisation reserve	47.80	173.64
	677.81	1,076.39
Deferred tax assets		
Provision for:		
Doubtful debts	24.32	23.01
Gratuity	7.09	7.29
Compensated absences	0.85	0.84
Bonus	0.02	0.02
Net lease expense on right of use asset	1.56	2.26

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
43B disallowance	169.26	216.30
Business loss	26.42	-
"MAT credit entitlement ₹32.36 lakhs upto March 2024 ₹184.72 lakhs upto March 2028 ₹1.58 lakhs upto March 2029"	218.67	218.67
	448.19	468.39
Deferred tax liabilities	229.62	608.00

Note 27: Other non current liabilities

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred income	34.89	83.54
Total	34.89	83.54

Note 28: Current maturities of long term borrowings

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Current maturities of ECB	-	501.84
Current maturities of term loans	1,663.81	508.48
Total	1,663.81	1,010.32

Note 29: Trade payables

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Dues to Micro enterprises & small enterprises (refer note 50)	18.48	-
Dues to creditors other than Micro enterprises & small enterprises	662.29	628.11
Total	680.77	628.11

Note 30: Other current financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings	84.40	78.57
Unclaimed dividends	0.93	0.93
Earnest money deposit	4.50	6.81
Other payables	19.27	28.51
Salary and reimbursements	84.35	32.05
Security deposits	25.42	16.77
Capital creditors	128.17	214.47
Deposits refundable	287.05	6.62
Total	634.09	384.73

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 31: Other current liabilities

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Deferred income	-	-
Lease liability on right of use asset	-	-
Advances from customers	83.08	64.55
Statutory dues payable	166.22	119.22
Other payables	0.66	-
Total	249.96	183.77

Note 32: Current provisions

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits obligations (refer note 43)	16.83	11.88
Total	16.83	11.88

Note 33: Revenue from operations

Particulars	(₹ in lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Rental income		
Space rentals	852.31	1,332.81
Rental income ATS/BTS	69.62	68.26
Common area maintenance	171.26	164.07
	1,093.19	1,565.14
Advertisement income	10.46	4.38
Income from car parking	52.29	22.67
Sale of power (refer note 61)	78.07	152.83
Room & banquet income	2,599.40	927.06
Food & beverages income	593.82	176.68
Other income	73.51	8.40
	3,407.55	1,292.00
Total	4,500.74	2,857.14

Note : Other income include car hire income of ₹ 15.63 lakhs (previous year ₹ 7.90 lakhs).

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 34: Other income

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest income	265.49	2,424.01
Sundry balances written back	0.94	-
Provisions no longer required written back	0.01	-
Gain / Loss on Short term investments-fair value	1.67	-
Gain / Loss on sale of short term investments	41.55	-
Gain due to modification of lease liability	8.10	-
Financial liabilities measured at amortised cost	58.11	40.99
Provision no longer required written back	-	2.28
Insurance claim received	34.99	-
Miscellaneous income	102.09	116.38
Total	512.95	2,583.66

Note 35: Operating expenses

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Power and fuel	24.52	18.12
Rates and taxes		
Property tax	168.97	175.60
Others	20.27	24.09
	189.24	199.69
Repairs and maintenance		
Building	24.72	44.41
Common area maintenance	26.51	44.78
Cleaning charges	8.67	7.08
Plant and equipments	1.70	0.33
Others	46.09	60.83
	107.69	157.43
Security charges	8.07	6.00
Other operating expenses	1,360.14	383.25
Food & beverages	251.59	76.77
Total	1,941.25	841.26

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 36: Employee benefits expense

	(₹ in lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and bonus	688.34	202.89
Contribution to provident and other funds (refer note 42)	62.48	16.54
Staff welfare expenses	66.86	11.29
Total	817.68	230.72

Note 37: Finance costs

	(₹ in lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense		
on term loan	2,981.65	2,121.97
on vehicle loan	1.24	0.12
on others	83.23	59.53
Finance charges	419.76	30.54
Interest on lease liability	12.72	13.54
Total	3,498.60	2,225.70

Note 38.1: Depreciation and amortisation expense

	(₹ in lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation and amortisation on property, plant and equipment (refer note 4)	1,350.38	491.67
Depreciation on investment property (refer note 6)	274.80	301.28
Amortisation of Intangible Assets (refer note 7)	2.73	0.68
Total	1,627.91	793.64

Note 38.2: Impairment expense

	(₹ in lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Impairment on property, plant and equipment	43.55	-
Loss on sale of assets	252.84	-
Total	296.39	-

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 39: Other expenses

	(₹ in lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Rent (refer note 50)	1.40	1.49
Travelling and conveyance	3.88	4.98
Communication expenses	0.57	0.55
Insurance	23.54	20.43
Legal and professional fees	166.59	130.41
Loss on sale of assets/impairment	-	108.89
Directors' sitting fees	3.10	3.05
Advertising and publicity	3.35	1.46
Marketing and sales promotion	9.12	1.42
Auditor's remuneration (refer note (a) below)	13.82	8.45
Bank charges	3.28	0.64
Printing and stationery	2.52	0.66
Provision for doubtful debts	32.86	-
Contribution towards corporate social responsibility (refer note 52)	29.00	26.00
Sundry balance written off	2.03	-
Commission & brokerage	-	98.37
Foreign Exchange Fluctuation Loss	-	25.46
Modification on Lease Income Straightlining	208.07	99.86
Business Promotion Expenses	7.91	4.18
Repairs & Maintenance	73.01	41.36
Miscellaneous expenses	22.05	8.24
Total	606.10	585.90
a) Auditor's remuneration (exclusive of taxes)		
- Statutory audit fees	13.62	8.41
- Out of pocket expenses	0.20	0.04
Total	13.82	8.45

Note 40: Current tax

(a) Income-tax expense through the statement of profit and loss

	(₹ in lakhs)	
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax		
Current tax on profits for the year	-	203.53
Adjustments for current tax of prior periods	35.76	1.13
Reversal of MAT credit	-	255.98
	35.76	460.64
Deferred tax charge / (credit)		
In respect of current year origination and reversal of temporary differences	(263.59)	(175.70)
Total tax expense	(227.83)	284.94

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Accounting profit before income-tax	(3,774.24)	763.58
Applicable Indian statutory income-tax rate	29.12%	29.12%
Computed tax expense	(1,099.06)	222.36
Tax effect of items deductible in calculating tax income (net)	840.30	(185.37)
Effect of income that is exempt from tax	(4.83)	(9.16)
MAT credit reversal / (creation)	-	255.98
Adjustment of current tax of prior periods	35.76	1.13
Income-tax expense reported in the statement of profit and loss	(227.83)	284.94

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Note 41: Earnings per share

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
The numerators and denominators used to calculate the basic and diluted earnings per share are as follows:		
Net profit attributable to shareholders for basic/diluted earnings per share (₹ in lakhs)	(3,546.41)	478.64
Weighted average number of equity shares for basic/diluted earnings per share (in lakhs)	290.92	280.00
Basic earnings per share (₹)	(12.19)	1.71
Diluted earnings per share (₹)	(12.19)	1.71

Note 42: Foreign exchange transactions & earnings

- Foreign Exchange Earnings during the financial year - US \$ 4.34 Lakhs (Previous Year - US \$ 2.37 Lakhs) equivalent to ₹ 325.21 lakhs (Previous Year ₹ 173.18 lakhs).
- Foreign exchange expenditure during the financial year

Particulars	Currency	31-03-2022 (\$ in Lakhs)	31-03-2022 (₹ in Lakhs)
Commission	USD	0.30	22.68
Professional fees	USD	1.12	89.67
Marketing expenses	USD	0.86	64.55

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 43: Employee benefits

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Gratuity	43.43	10.83	35.82	8.53
Compensated absences	8.31	5.99	4.97	3.35
Total	51.74	16.82	40.79	11.88

The Group has a defined benefit gratuity plan. Every employee who has completed continuous services of five years or more gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the amount recognised in the balance sheet for the defined benefit plan.

(₹ in lakhs)

	Gratuity benefits	
	As at 31 March 2022	As at 31 March 2021
Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	44.35	36.02
Interest cost	2.46	2.15
Service Cost	15.17	16.37
Benefits paid	(2.52)	(2.21)
Actuarial losses/(gains) on obligation	(5.20)	(7.98)
Closing defined benefit obligation	54.26	44.35
Amount recognised in the balance sheet:		
Liability at the beginning of the year	44.35	36.02
Current year's expense	17.63	18.52
Transferred to OCI	(5.20)	(7.98)
Contributions by employer	(2.52)	(2.21)
Liability recognised in the Balance Sheet	54.26	44.35
Expense recognised in the statement of profit and loss:		
Service cost	15.17	16.37
Interest cost	2.46	2.15
	17.63	18.52

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Expense/(income) recognised in the other comprehensive income:		
Actuarial loss / (gain) on defined benefit obligations	(5.20)	(7.98)
Net expense / (income) recognised in the total comprehensive income	(5.20)	(7.98)
Breakup of actuarial gain/loss		
Actuarial (gain) / loss arising from change in financial assumption	0.44	0.93
Actuarial (gain) / loss arising from experience adjustment	(5.64)	(8.91)
	(5.20)	(7.98)

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Assumptions used in Cinline India Limited

Actuarial assumptions used

	As at 31 March 2022	As at 31 March 2021
Discount rate (per annum)	6.80%	6.50%
Salary growth rate (per annum)		
-for first year	3.00%	NIL
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%

Demographic assumptions used

	As at 31 March 2022	As at 31 March 2021
Mortality table	IALM(2012-14)	IALM(2012-14)
Retirement age	60 years	60 years
Average remaining life (years)	7.00	7.06
Withdrawal rates for all ages	12% per annum	12% per annum

These assumptions were developed by the management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Assumptions used in R&H Spaces Private Limited

Actuarial assumptions used

	As at 31 March 2022	As at 31 March 2021
Discount rate (per annum)	5.40%	4.60%
Salary growth rate (per annum)		
-for first year	7.00%	NIL
-for second year	7.00%	5.00%
-thereafter	7.00%	10.00%

Demographic assumptions used

	As at 31 March 2022	As at 31 March 2021
Mortality table	IALM(2012-14)	IALM(2012-14)
Retirement age	58 years	58 years
Average remaining life (years)	2.50	2.51
Withdrawal rates for all ages	40% per annum	40% per annum

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

These assumptions were developed by the management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis

The financial results are sensitive to the actuarial assumptions. The changes to the defined benefit obligations for increase & decrease of 1% from assumed salary escalation, withdrawal and discount rates are given below. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2022.

	As at 31 March 2022		As at 31 March 2021	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
Increase/ (decrease) in the defined benefit liability	(2.24)	2.48	(1.94)	2.15
Salary escalation rate				
Increase/ (decrease) in the defined benefit liability	1.93	(1.78)	1.71	(1.57)
Withdrawal rates				
Increase/ (decrease) in the defined benefit liability	(0.38)	0.41	(0.39)	0.43

The present value of the defined benefit obligation calculated with the same method (projected unit credit) as the defined benefit obligation recognised in the balance sheet. The sensitivity analysis is based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related.

Compensated absences of Cinline India Limited

The Company has a defined benefit compensated absences plan. Employees are eligible to avail the unutilised accumulated compensated absences subject to the maximum of forty five days. Leaves accumulated are not encashable. The obligation for compensated absences is recognised in the same manner as gratuity and net charge to the statement of profit and loss for the year is ₹ 0.53 lakhs (Previous year: reversal of ₹6.25 lakhs).

Actuarial assumptions used

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	6.80%	6.50%
Expected salary escalation rate		
-for first year	3.00%	NIL
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%
Mortality table	IALM(2012-14)	IALM(2012-14)
Withdrawal rate	12% per annum	12% per annum

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Compensated absences of R & H Spaces Private Limited

The Company has a defined benefit compensated absences plan. It is payable to all the eligible employees at the rate of daily salary subject to a maximum of forty two days. The obligation for compensated absences is recognised in the same manner as gratuity and net charge to the statement of profit and loss for the year is ₹5.46 lakhs (Previous year: net reversal in statement of profit and loss of ₹7.13 lakhs).

Actuarial assumptions used

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	5.40%	4.60%
Expected salary escalation rate		
-for first year	7.00%	NIL
-for second year	7.00%	5.00%
-thereafter	7.00%	10.00%
Mortality table	IALM(2012-14)	IALM(2012-14)
Withdrawal rate	40% per annum	40% per annum

Note 44: Related party transactions

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", names of the related parties, related party relationships, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during the reported period are as follows:

a) List of related parties

Relationship	Name of the related party
Directors	Rasesh B. Kanakia Himanshu B. Kanakia Hiral H. Kanakia
Relative of director	Manisha Vora
Key management personnel (KMP)	Vipul Parekh Ashish R. Kanakia Jatin Shah (upto Sep 20) Rashmi Shah (from Nov 20)
Entities under common control	Kanakia Spaces Realty Private Limited Kanakia Residential Private Limited Kanakia Hotels & Resorts Private Limited RBK Education Solutions Private Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Details of transaction between the Company and its related parties are disclosed below:

b) Transactions during the year

Particulars	Nature of relationship	(₹ in lakhs)	
		Year ended 31 March 2022	Year ended 31 March 2021
Loan Received			
Himanshu B Kanakia	Director	-	36.89
Rasesh B Kanakia	Director	-	379.49
Loan Repayment			
Himanshu B Kanakia	Director	-	4,894.86
Rasesh B Kanakia	Director	-	8,115.88
Loan given			
Kanakia Spaces Realty Private Limited	Entity under common control	2,490.00	536.48
Deposit given			
Kanakia Spaces Realty Private Limited	Entity under common control	0.02	-
Loan given received back			
Kanakia Spaces Realty Private Limited	Entity under common control	2,748.79	17,578.61
Interest received from			
Kanakia Spaces Realty Private Limited	Entity under common control	185.52	2,405.69
Other expenses			
Kanakia Hotels & Resorts Private Limited	Entity under common control	0.78	-
Rent expense			
Kanakia Spaces Realty Private Limited	Entity under common control	31.80	31.77
Property tax & CAM expense			
Kanakia Residential Private Limited	Entity under common control	9.62	88.75
Rent income			
RBK Education Solutions Private Limited	Entity under common control	-	2.64
Reimbursement of expenses			
Kanakia Spaces Realty Private Limited	Entity under common control	4.69	7.71
Vipul Parekh	KMP	4.80	-
Rashmi Shah	KMP	1.07	1.34
Manisha Vora	Relative of director	-	0.95

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

Particulars	Nature of relationship	Year ended 31 March 2022	Year ended 31 March 2021
Professional fees paid			
Vipul Parekh	KMP	2.00	1.50
Manisha Vora	Relative of director	10.58	8.04
Rashmi Shah	KMP	4.32	-
Remuneration paid			
Rasesh B. Kanakia	Director	11.20	0.33
Himanshu B. Kanakia	Director	11.20	0.33
Hiral H. Kanakia	Director	10.50	0.31
Jatin Shah	KMP	-	5.38
Vipul Parekh	KMP	18.62	-
Rashmi Shah	KMP	1.86	2.82

The Related Party relationships are identified by the management and relied upon by the auditors
There are no other type of remuneration paid to KMP.

c) Balances outstanding at the year end

(₹ in lakhs)

Particulars	Nature of relationship	As at 31 March 2022	As at 31 March 2021
Loan given			
Kanakia Spaces Realty Private Limited	Entities under common control	1,090.94	1,349.73
Interest receivable			
Kanakia Spaces Realty Private Limited	Entities under common control	43.90	2.87
Trade Receivables			
Babubhai Kanakia Foundation	Entity under common control	-	-
RBK Education Solutions Private Limited	Entity under common control	-	-
Security deposit given			
Kanakia Spaces Realty Private Limited	Entity under common control	15.90	15.88
Property tax & CAM payable			
Kanakia Residential Private Limited	Entities under common control	8.83	45.07
Rent payable			
Kanakia Spaces Realty Private Limited	Entities under common control	5.72	8.78

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

Particulars	Nature of relationship	As at 31 March 2022	As at 31 March 2021
Trade payables			
Manisha Vora	Relative of director	0.79	0.81
Vipul Parekh	KMP	0.60	0.46
Rashmi Shah	KMP	0.45	0.56
Other payables			
Rashmi Shah	KMP	0.15	0.26

Note 45: Segment information

Operating segments

Considering the nature of operations and the manner in which the chief operating decision maker of the Group reviews the operating results, the Group has concluded that there are two major reporting segment as per Ind AS 108 "Operating Segments". Accordingly, separate disclosures of segment information have been made as under:

(₹ in lakhs)

Particulars	As at 31 March 2022			As at 31 March 2021		
	Leased Assets	Hospitality	Total	Leased Assets	Hospitality	Total
Segment Revenue	1,234.01	3,266.73	4,500.74	1,745.01	1,112.13	2,857.14
Segment Result Profit/(Loss) before tax and interest	58.59	(331.38)	(272.79)	3,009.14	(19.05)	2,990.09
Add : Unallocated	-	-	(2.85)	-	-	(0.81)
Total			(275.64)			2,989.28
Less: Interest			3,498.60			2,225.70
Total Profit before Tax			(3,774.24)			763.58
Segment Assets	12,198.78	32,920.53	45,119.31	11,969.27	35,436.53	47,405.79
Add : Unallocated	-	-	3.96	-	-	20.96
Total Assets			45,123.27			47,426.76
Segment Liabilities	20,254.84	13,969.57	34,224.41	20,398.49	14,349.38	34,747.87
Add : Unallocated	-	-	0.71	-	-	0.65
Total Liabilities			34,225.12			34,748.52

Note 46: Financial instruments

The management assessed that cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

- Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all equity investments and units of mutual funds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

i) Financial instruments by category

As at 31 March 2022

(₹ in lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised Cost	Total
Financial assets				
Measured at amortised cost				
Trade receivables	-	-	323.84	323.84
Loans - Current	-	-	1,090.94	1,090.94
Cash and cash equivalents	1,868.04	-	923.21	2,791.25
Other Bank balances	-	-	105.92	105.92
Other financial assets	-	-	1,010.22	1,010.22
Total	1,868.04	-	3,454.13	5,322.17
Financial liabilities				
Measured at amortised cost				
Trade payables	-	-	680.78	680.78
Lease liabilities	-	-	107.52	107.52
Borrowings (including current maturity)	-	-	32,130.04	32,130.04
Other financial liabilities - Non current	-	-	89.66	89.66
Other financial liabilities - Current	-	-	634.09	634.09
Total	-	-	33,642.09	33,642.09

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

As at 31 March 2021

(₹ in lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised Cost	Total
Financial assets				
Measured at amortised cost				
Trade receivables	-	-	427.55	427.55
Loans - Current	-	-	1,261.98	1,261.98
Cash and cash equivalents	-	-	2,471.55	2,471.55
Other Bank balances	-	-	0.93	0.93
Other financial assets	-	-	444.49	444.49
Total	-	-	4,606.50	4,606.50
Financial liabilities				
Measured at amortised cost				
Trade payables	-	-	628.11	628.11
Lease liabilities	-	-	99.05	99.05
Borrowings (including current maturity)	-	-	32,098.93	32,098.93
Other financial liabilities - Non current	-	-	609.72	609.72
Other financial liabilities - Current	-	-	384.73	384.73
Total	-	-	33,820.54	33,820.54

ii) Financial instruments by category

(₹ in lakhs)

Particulars	Fair value measurement using			Total Amount
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at 31 March 2022				
Financial assets				
Fair value through other comprehensive income				
Investment in equity shares - quoted	-	-	-	-
Fair value through profit and loss				
Investment in mutual funds	-	1,868.04	-	1,868.04
Total	-	1,868.04	-	1,868.04
As at 31 March 2021				
Financial assets				
Fair value through other comprehensive income				
Investment in equity shares - quoted	-	-	-	-
Fair value through profit and loss				
Investment in mutual funds	-	-	-	-
Total	-	-	-	-

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 47: Risk Management

The Group's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

The Group's risk management is carried out by finance team under policies approved by the Board of Directors. The Board of Directors provide written principles for overall risk management, as well as policies covering specific areas, interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Group causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Trade receivables consist of a large number of customers. The Group has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents and loans is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Contractual maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

As at 31 March 2022	Up to 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	1,654.93	12,307.01	18,168.10	32,130.04
Trade payables	680.71	-	-	680.71
Other financial liabilities	634.09	89.66	-	723.74
Total	2,969.73	12,396.67	18,168.10	33,534.49

(₹ in lakhs)

As at 31 March 2021	Up to 1 year	1-5 years	More than 5 years	Total
Derivatives				
Borrowings	250.02	1,336.97	-	1,586.98
Non-derivatives				
Borrowings	733.55	10,752.11	19,026.29	30,511.95
Trade payables	628.11	-	-	628.11
Other financial liabilities	384.73	609.72	-	994.44
Total	1,996.41	12,698.80	19,026.29	33,721.48

C) Market risk - foreign exchange

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.

The primary market risk to the Company is foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. The Company evaluates exchange rate exposure arising from foreign currency transactions. It uses derivative instruments like forward contracts to hedge exposure to foreign currency risk.

Amounts payable in foreign currency on account of the following:

Payable towards	As at 31 March 2022		As at 31 March 2021	
	₹	USD	₹	USD
ECB loan from Axis Bank	-	-	3,291.89	44.97

The above table represents total exposure of the Company towards foreign exchange denominated liabilities.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

The details of exposures hedged using forward exchange contracts and the details of unhedged exposures are given below:

a) Exposure in foreign currency- Hedged

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments.

The forward exchange contracts used for hedging foreign Currency exposure and outstanding as at reporting date are as under

Currency	Number of Contracts	Buy Amount (USD)	₹
Forward contract to buy USD - As at 31.03.2022	-	-	-
Forward contract to buy USD - As at 31.03.2021	3	24.83	1,586.98

b) Exposure in foreign currency- Unhedged

The foreign currency exposure not hedged as at 31 March 2022 are as under:

Currency	As at 31 March 2022	As at 31 March 2021
USD	-	20.14

(₹ in lakhs)

D) Market risk - interest rate risk

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's variable rate borrowings. The Group is not exposed to changes in market interest rates in so far it relates to fixed rate borrowings.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate borrowing	32,130.04	32,098.93

(₹ in lakhs)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on variable rate borrowing, as follows:

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

Particulars	Gain / (loss) on profit before tax	
	As at 31 March 2022	As at 31 March 2021
Interest rate increases by 50 basis points	(160.65)	(160.49)
Interest rate decreases by 50 basis points	160.65	160.49

Note 48: Capital management

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in the economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
	Net debts	29,232.86
Total equity	10,898.15	12,678.24
Gearing ratio	268.24%	233.69%

Note 49: Trade receivables

Ageing as at 31 March 2022

(₹ in lakhs)

Particulars	Outstanding date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed i) Trade Receivables - considered good	231.36	63.72	21.61	7.15	-	323.84
Undisputed ii) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed iii) Trade Receivables - credit impaired	-	-	-	-	-	-

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

Particulars	Outstanding			date of payment		Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Disputed iv) Trade Receivables - considered good	-	-	-	-	-	-
Disputed v) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed vi) Trade Receivables - credit impaired	32.86	-	-	64.43	-	97.29
Total	264.22	63.72	21.61	71.58	-	421.13
Less: Provisions for doubtful debts	(32.86)	-	-	(64.43)	-	(97.29)
Net trade receivables as at 31 March 2022	231.36	63.72	21.61	7.15	-	323.84

Ageing as at 31 March 2021

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed i) Trade Receivables - considered good	328.62	49.35	45.04	0.89	3.65	427.55
Undisputed ii) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed iii) Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed iv) Trade Receivables - considered good	-	-	-	-	-	-
Disputed v) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed vi) Trade Receivables - credit impaired	0.72	1.65	62.03	9.00	-	73.40
Total	329.34	51.00	107.07	9.89	3.65	500.95
Less: Provisions for doubtful debts	(0.72)	(1.65)	(62.03)	(9.00)	-	(73.40)
Net trade receivables as at 31 March 2022	328.62	49.35	45.04	0.89	3.65	427.55

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 50: Micro, Small and Medium Enterprises

The disclosures relating to Micro and Small Enterprises (MSME) has been furnished to the extent such parties have been identified on the basis of intimation received from suppliers regarding their status under the Micro and Small Enterprises Act, 2006.

Disclosure U/s 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
a) the principal amount and the interest due thereon remaining unpaid	18.48	-
b) the amount of interest paid , along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
c) the amount of interest due and payable for the period of delay in making payment without interest	-	-
d) the amount of interest accrued and remaining unpaid at the end of financial year	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
Total	18.48	-

Ageing as at 31 March 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
MSME	18.48	-	-	-	18.48
Others	629.57	26.48	6.10	0.14	662.30
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	648.05	26.48	6.10	0.14	680.78

Ageing as at 31 March 2021

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
MSME	-	-	-	-	-
Others	597.52	30.13	0.02	0.44	628.11
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	597.52	30.13	0.02	0.44	628.11

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 51: Leases INDAS

a) As Lessee:

Effective April 1, 2019, the Holding Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Holding Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

Following is the information pertaining to leases for the year ended March 2022:

Particulars	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
(a) Depreciation charge for Right of Use asset	25.32	24.34
(b) Interest expense on lease liability	12.72	13.54
(c) Expense relating to short term leases accounted in profit & loss	-	-
(d) Total cash outflow for leases for the period	31.80	31.77
(e) Additions to Right of Use asset	-	-
(f) Carrying amount of Right of use Asset at the year end	101.28	91.27

Table showing contractual maturities of lease liabilities on undiscounted basis:

Due	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Due not later than one year	31.80	31.77
Due later than one year but not later than five years	95.40	96.88

b) As Lessor:

The Holding Company has given certain part of its property on operating lease. These lease arrangements are long term and cancellable solely at discretion of the lessees. Rental income from leasing of property of Rs. 1,093.19 lakhs (P.Y. Rs. 1,565.14 lakhs) is recognized in the Statement of Profit and Loss. The initial direct cost (if any) is charged off to expenses in the year in which it is incurred.

The Holding Company has not given any property under non -cancellable operating lease.

Note 52: Corporate social responsibility

The Group has spent Rs.29.00 lakhs (previous year Rs.27.34 lakhs) towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

(₹ in lakhs)

Due	March 2022	March 2021
a) Gross amount required to be spent by Company during the year	23.59	24.82
b) Amount spent during the year:		
In cash	29.00	27.34
Yet to be paid in cash	-	-
Total	29.00	27.34
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-

Note 53: Pursuant to the approval of share holders of the Holding Company at the Company's Nineteenth Annual General Meeting held on 03 September 2021

- a) 14,68,532 warrants of the Holding Company were allotted to 4 allottees on preferential basis at issue price of ₹ 71.50 each warrant (25% of issue price i.e, ₹ 17.88 towards "warrant subscription price" and balance ₹ 53.62 as "warrant exercise price") on 23 September 2021, each warrant being convertible into, or exchangeable for, one equity share of face value of ₹ 5 each. Post receipt of total value of issue price warrants were exercised and converted into equal number of equity shares on 09 May 2022.
- b) 20,97,902 fully paid up equity shares of the Holding Company with face value of ₹ 5 each share were allotted to One Up Financial Consultants Private Limited on preferential basis at premium of ₹ 66.50 per share on 23 September 2021."

Note 54:

The Company has assessed the impact of COVID-19 pandemic on its financial results based on the internal and external information upto the date of approval of these financial results. During the year Company has renegotiated with the tenants and recovered substantial amount of dues from debtors.

In accordance with Ind AS 116, the Company has accounted for lease concessions given to the tenants as modifications resulting in charge of ₹ 208.07 lakhs in the statement of profit and loss for the year."

Note 55:

- (i) The group does not have any pending litigation which would impact its financial position.
- (ii) The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Note 56:

- I. The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered such as-
 - a) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
 - b) There are no transaction which have not been recorded in the books.
 - c) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
 - d) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

- e) The Company has not entered into any scheme of arrangement.
- f) No Registration or satisfaction of charges are pending to be filed with ROC.
- g) The provision relating to compliance with number of layers of companies prescribed under clause (87) of section 2 of the Companies Act is not applicable to the Company.
- II. No dividend is declared & paid during the current financial year.
- III. a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 57: Financial Performance

Ratios	Numerator	Denominator	March 22	March 21	Variance	Reason
a) Current ratio	Current assets	Current liabilities	1.53	2.23	-32%	-Increase in current maturities of term loan
b) Debt-equity ratio	Total debt	Shareholders' equity	2.95	2.53	16%	-
c) Debt service coverage ratio	Earnings available for debt service (1)	Debt service (2)	41.54%	-3678.99%	-101%	Consolidated P&L figures of Mar21 comprise only Q4 performance of material subsidiary and hence figures are not comparable
d) Return on equity ratio	Net profits after taxes	Average shareholders' equity	-0.30	0.04	-882%	
e) Inventory turnover ratio	Cost of goods sold	Average inventory	11.93	8.76	36%	
f) Trade receivables turnover ratio	Revenue	Average trade receivable	11.98	9.33	28%	
g) Trade payables turnover ratio	Operating expenses	Average trade payables	3.52	0.06	5961%	
h) Net capital turnover ratio	Revenue	Working capital (3)	2.61	1.04	152%	
i) Net profit ratio	Net profit after tax	Revenue	(0.79)	0.17	-570%	
j) Return on capital employed	Earning before interest and taxes	Capital employed (4)	-1.64%	6.49%	-125%	
k) Return on investment	Not applicable		NA	NA	NA	-

(1) Net profit after taxes + non cash operating expenses (depreciation)+ interest (finance costs) + other adjustments

(2) Instalments made for borrowings and lease liabilities along with interest

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

- (3) Working capital = current assets - current liabilities
 (4) Capital employed = average equity + average debt - average deferred tax assets.
 (5) Subsidiary 'R&H Spaces Private Limited' with hospitality arm was acquired in Q4 of FY20-21 and only Q4 performance was taken into consolidation for year ending Mar21, hence previous year P&L figures are not comparable to current year P&L.

Note 58: Additional Information as required under Schedule III to the Companies Act, 2013 pertaining to Parent company & its Subsidiary for the year ended 31 March, 2022

Name of the entity	31 March 2022							
	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
Cineline India Limited	128.63%	14,018.16	20.80%	(737.66)	-6.11%	(0.23)	20.83%	(737.89)
Subsidiary								
Transquare Realty Private Limited	-0.03%	(3.41)	0.06%	(2.17)	0.00%	-	0.06%	(2.17)
R and H Spaces Private Limited	-92.60%	(10,091.56)	68.17%	(2,417.48)	105.98%	3.98	68.13%	(2,413.50)
Cineline Industries Private Limited	0.00%	0.50	0.01%	(0.39)	0.00%	-	0.01%	(0.39)
Cineline Realty Private Limited	0.01%	0.68	0.01%	(0.30)	0.00%	-	0.01%	(0.30)
Intergroup Transactions	63.99%	6,973.78	10.95%	(388.41)	0.00%	-	10.96%	(388.41)
Total	100.00%	10,898.15	100.00%	(3,546.41)	99.87%	3.76	100.00%	(3,542.65)

Name of the entity	31 March, 2021							
	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
Cineline India Limited	102.49%	12,993.48	165.54%	792.36	100.00%	2.19	165.24%	794.55
Subsidiary								
Transquare Realty Private Limited	-0.01%	(1.24)	-0.14%	(0.69)	0.00%	-	-0.14%	(0.69)
R and H Spaces Private Limited	-45.08%	(5,715.78)	-40.19%	(192.39)	0.00%	-	-40.01%	(192.39)
Cineline Industries Private Limited	0.01%	0.74	-0.02%	(0.11)	0.00%	-	-0.02%	(0.11)
Cineline Realty Private Limited	0.01%	1.03	-0.01%	(0.02)	0.00%	-	-0.01%	(0.02)
Intergroup Transactions	42.59%	5,400.02	-25.18%	(120.51)	0.00%	-	-25.06%	(120.51)
Total	100.00%	12,678.24	100.00%	478.64	100.00%	2.19	100.00%	480.83

Note 59:

Subsequent to the expiry of leave and licence agreements with PVR Limited, Holding Company has started film exhibition business from April 2022 onwards with its owned 9 properties comprising of 23 screens.

As on date Holding Company has tied up for additional 78 screens on lease basis totaling to 101 screens. The Group will grow the exhibition business across PAN India.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 60:

With reference to the press release dated 14 February 2022, the Company plans to monetize various non core business assets for growth of cinema exhibition business and to become asset and debt light Company. There is no substantial development in the monetization process.

Note 61: Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

(₹ in lakhs)

Particulars	31 March 2022
Revenue as per contract price	78.07
Less: Discounts and incentives	-
Revenue as per statement of profit and loss	78.07

Windmill has been reclassified as asset held for sale in accordance with Ind AS 105

Note 62: IND AS 115 'Revenue from Contracts with Customers'

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Contract with customers		
Details of revenue from contracts with customers recognised by the group Company "R & H Spaces Private Limited", net of indirect taxes in its statement of profit and loss.		
Revenue from operations		
Revenue from contract with customers		
- Room income, food & beverages and banquets	3,193.22	1,888.16
Total revenue from contract with customers	3,193.22	1,888.16
Other operating revenue		
- Car hire income	15.63	7.90
- Others	57.88	2.60
Total other operating revenue	73.51	10.50
Total income from operations	3,266.73	1,898.66

Disaggregate Revenue

The following table presents revenue disaggregated by type of revenue stream

Revenue based on product and services:

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from contract with customers		
- Room & banquet income	2,599	1,550.49
- Food & beverages income	594	337.67
Other operating revenue		
- Car Hire Income	15.63	7.90
- Others	57.88	2.60

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

The Company derives its revenue from the transfer of goods and services over time in its major service lines.

Contract balances

Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/restaurant/Banquets. Revenue is recognised once the performance obligation is met i.e. on room stay/ sale of food and beverage / provision of banquet services.

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
At April	35.82	59.74
At March	54.47	35.82

Note 63: Details of loans and advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

Type of borrower	Amount of loan / advance in the nature of loan outstanding	Percentage to total loans/ advances in the nature of loans
As at 31 March 2022		
Entities under common control	1,090.94	100.00%
Total loan	1,090.94	100.00%
As at 31 March 2021		
Entities under common control	1,261.98	100.00%
Total loan	1,261.98	100.00%

Note 64: The Company has no transaction or relation with any company struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

Note 65: The financial statements of subsidiaries "R & H Spaces Private Limited" and "Transquare Realty Private Limited" are prepared on a going concern basis, despite negative networth and/or net losses, having regard to the business plan of the respective companies and necessary financial support from holding company.

Note 66: Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification / disclosure.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2022

Note 67: Authorisation of financial statements

These financial statements as at and for the year ended 31 March 2022 (including comparatives) have been approved by the Board of Directors on 27 May 2022.

As per our audit report of even date

For KKC & Associates LLP

Chartered Accountants
(Formerly Khimji Kunverji & Co LLP)
Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia

Partner
Membership No. : 033494

Place: Mumbai

Date: 27 May 2022

For and on behalf of the Board of Directors

Rasesh B. Kanakia

Chairman
DIN: 00015857

Himanshu B. Kanakia

Managing Director
DIN: 00015908

Vipul N. Parekh

Chief Financial Officer

Rashmi Shah

Company Secretary

Place: Mumbai

Date: 27 May 2022



**Kanakia Future City, Residential Building No. 2, CTS No. 101,
Village Tirandaz, Powai, Mumbai - 400076.**

Tel: 91-22-3502 3666/3502 3777

Website: www.moviemax.co.in | Email: investor@cinline.co.in

CIN: L92142MH2002PLC135964