



VISION CINEMAS LTD.
CIN: L33129KA1992PLC013262
Regd. Office:
#14, 1st Floor, 6th Cross,
Jayamahal Extension
Bangalore 560046
Phone: +91 80 2333 8227 / 1074

Email: cs@visioncinemas.in

September 02, 2021

To,
The General Manager
BSE Limited
P.J. Towers, Dalal Street,
Mumbai – 400 001

Dear Sir/Mam,

Sub.: Annual Report for the Financial Year 2020-21.

Ref.: Scrip Code – 526441

This is to inform that the Twenty Eighth Annual General Meeting ("AGM") of the Members of the Company will be held on Thursday, September 30, 2021 at 11.00 a.m. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Kindly find enclosed herewith the Annual Report of the Company for the financial year 2020-21, which has been sent to the members through electronic mode.

This is for your information and records.

Thanking You,
For Vision Cinemas Limited
H.A. Acharya
Hetal Amrishbhai Acharya
Company Secretary



Corporate Information

Board of Directors

| | |
|----------------------------|--|
| Bindiganavale Rangavasanth | Managing Director |
| Anita Vasanth | Director (Executive) & Chief Financial Officer |
| Bindiganavale Ranga | Director (Executive) |
| Shamaladevi* | Director (Independent) |
| Kunal Ashok | Director (Independent) |
| Hariharan Muthuswamy | |

Company Secretary

Mr. Deepak Vyas**
Ms. Hetal Acharya***

Statutory Auditors

Jayamal Thakore & Co | Chartered Accountants
27, Embassy Market, Nr. Dinesh Hall, Behind Sales India, Ashram Road, Ahmedbad - 380009

Secretarial Auditors

Richi Prerak & Associates | Practicing Company Secretaries
202, Sunrise Avenue, B/s Hotel Cosmopolitan, Commerce Six Roads, Ahmedabad, Gujarat 380009

Bankers

ICICI Bank
Indian Bank

Registrar and Share Transfer Agent

Integrated Registry Management Services Private Limited, 5A, 5th Floor, Kences Towers, 1, Ramakrishna Street North Usman Road, T. Nagar, Chennai, TN - 600017

Committees of the Board

Audit Committee

Kunal Ashok - Chairman
Bindiganavale Rangavasanth - Member
Hariharan Muthuswamy - Member

Nomination and Remuneration Committee

Hariharan Muthuswamy - Chairman
Bindiganavale Rangavasanth - Member
Kunal Ashok - Member

Stakeholder Relationship Committee

Hariharan Muthuswamy - Chairman
Bindiganavale Rangavasanth - Member
Kunal Ashok - Member
Anita Vasanth - Member

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Registered Office

14, 1st Floor, 6th Cross, Jayamahar Extension, Bangalore
Bangalore - 560046

* Resigned w.e.f. July 17, 2021 | **Resigned w.e.f. March 30, 2021 | ***Appointed w.e.f. May 01, 2021

NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Members of Vision Cinemas Limited will be held on Thursday, the 30th day of September, 2021 at 11:00 a.m., at Registered office of the company through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2021, the Consolidated Financial Statements for the said financial year and the Reports of the Board of Directors and the respective Auditors thereon.
2. To appoint a director in place of Shri. B. Rangavasanth (DIN: 01763289), who retires by rotation, being an eligible to offer himself for re-appointment.

SPECIAL BUSINESS:**1. To give approval for Related Party Transactions and in this regard pass the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force), and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company be and is hereby accorded to the Board of Directors to approve related party transactions, which are not on arm's length basis, entered or to be entered into by the Company for an amount not exceeding Rs.10 Crores, severally for each of the following parties:

| Name of Related Party | Nature |
|---|--------------------|
| S I Media LLP | 188 (1) (a) to (f) |
| Vasanth Colour Laboratories Ltd. | 188 (1) (a) to (f) |
| Pyramid Entertainment (India) Private Limited | 188 (1) (a) to (f) |

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to perform and execute all such deeds, matters and things including delegation of such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto."

2. To approve consolidation of equity shares from face value Rs.1/- each to Rs.10/- each and in this regard pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT with suppression of earlier resolution passed in 27th and 26th Annual General Meeting convened on September 28, 2020 and September 5, 2019 respectively and pursuant to the provisions of Section 61(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof for the time being in force) read with Article 3 and other enabling provisions of the Articles of Association of the Company subject to the approvals, consents, permissions and

sanctions, if any, required from any authority or government, consent of members be and is hereby accorded to consolidate entire authorized, issued, subscribed and paid-up share capital of the company from Rs.1/- (Rupees One Only) each to Rs.10/- (Rupees Ten Only) each so that every 10 (Ten) equity shares having nominal value of Rs.1/- (Rupees One only) each held by the member be consolidated and re-designated into 1 (One) equity share having nominal value of Rs.10/- (Rupee Ten Only) each with effect from the Record Date as may be fixed for the said purpose.

RESOLVED FURTHER THAT the Board of Directors /Committee(s) of the Board thereof, shall not issue fractional share certificate(s) resulting from aforesaid consolidation instead consolidate all such fractional entitlement (s), if any and there upon issue & allot equity shares in lieu thereof to a nominee(s) to be selected by the Board/Committee(s), who shall hold the equity shares as trustee(s) on behalf of the members entitled to fractional entitlement (s) with the express understanding that such nominee(s) shall sell the same in the market at such time or times as may be decided by the Board /Committee(s) and distribute their net sale proceeds after adjusting the cost and expenses in respect thereof, to the members in proportion to their respective fractional entitlement(s).

RESOLVED FURTHER THAT consolidation of equity shares be determined on the basis of those shareholders whose names appear in the Register of Members as on the "Record Date" as may be fixed by the Board of Directors (which term shall include any committee thereof) of the Company in this regard.

RESOLVED FURTHER THAT for members holding equity shares in physical form as on the Record Date, the share certificates for such equity shares be treated as cancelled from the record date and that fresh share certificates be issued for the fully paid consolidated Equity Shares to such members in accordance with the Companies (Share Capital and Debenture) Rules, 2014 and for members holding equity shares in dematerialized form as on the Record Date, their respective beneficiary accounts be credited with consolidated fully paid up equity shares in lieu of equity shares held as on the Record Date.

RESOLVED FURTHER THAT and pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof for the time being in force) accordingly clause V of Memorandum of Association is proposed to be altered and make necessary changes whenever required pursuant to process of consolidation.

RESOLVED FURTHER THAT Mr. B. Rangavasanth and Mrs. Anita Vasanth, Directors or Company Secretary of the Company, be and are hereby jointly and severally authorized to do all such acts, deeds, matters and things as may be necessary, proper, incidental or expedient for the purpose of completing the process of consolidation and giving effect to the foregoing resolution or to delegate all or any of the powers herein vested in by the Board, to any officer(s) of the Company as may be required in this regard."

By Order of the Board of Directors

For Vision Cinemas Limited

Sd/-

Bindiganavale Ranganasanth

Managing Director

DIN: 01763289

August 14, 2021

Bangalore

NOTES:

- In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 13th January, 2021 in continuation of MCA Circular No. 20/2020 dated May 05, 2020 and SEBI circular dated 15th January, 2021 in continuation of SEBI circular dated 12th May, 2020 permitted the holding of the Annual General Meeting ('AGM') through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars, the AGM of the Company is being conducted through VC/OAVM, hereinafter called as 'e-AGM'.
- The deemed venue for Twenty Eighth e-AGM shall be the registered office of the Company.
- Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this e-AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- Corporate members intending to send their authorized representative(s) to attend the meeting (e-AGM) are requested to send to the company a duly certified board resolution authorizing their said representative(s) to attend and vote on their behalf at the meeting.
- The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed hereto.
- The facility of joining the e-AGM through VC/OAVM will be opened 15 minutes before and will be open upto 15 minutes after the scheduled start time of the e-AGM, i.e. from 10.45 A.M. to 11.15 A.M. and will be available for 1,000 members on a first-come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors etc.
- Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books will remain closed on all days from Thursday, September 23, 2021 to Thursday, September 30, 2021, both days inclusive.
- In terms of section 101 and 136 of the Act, read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial Statements, Board Report etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website at www.visioncinemas.in. And website of the Stock Exchange i.e. BSE Ltd. at www.bseindia.com.
- Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least seven working days before the date of the Meeting, so that the information required may be made available at the Meeting.

- Members holding shares in physical form and desirous to convert their shares in dematerialized form are requested to send their request along with share certificates to the Depository Participant. Further, all the members are requested to provide their email ID, if any, to the Company and RTA in following manner:

| Name | DP ID/Client ID Folio No. | Folio No. DP ID/Client ID |
|------|---------------------------|---------------------------|
| | | |

- Members holding shares in dematerialized form are requested to intimate all changes with respect to their address/bank details/mandate etc. to their respective Depository Participant. The Company or its share transfer agent will not act on any direct request from these members for change of such details. However request for any change in respect of shares held in physical form should be sent to Company or Registrar & Share Transfer Agent.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the
- AGM will be provided by NSDL.
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.visioncinemas.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. Bombay Stock Exchange Limited and at www.bseindia.com the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
- Since the meeting will be conducted through VC/OAVM facility, the Route Map is not annexed in this Notice.
- Instructions for e-voting and joining the e-AGM are as follows:

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, September 27, 2021 at 09:00 A.M. and ends on Wednesday, September 29, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 23, 2021 may cast their vote electronically. The voting right of shareholders shall be in

proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 23, 2021.

A. How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.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 |

| | |
|--|---|
| | <p>open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |
| Individual Shareholders holding securities in demat mode with CDSL | <p>4. Existing users who have opted for Easi / Easiest, they 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.</p> <p>5. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>6. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>7. 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. NSDL where the e-Voting is in progress.</p> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>8. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you 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 options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode 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 022-23058542-43 |

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- 1) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- 2) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- 3) A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- 4) Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5) Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

7) Now, you will have to click on "Login" button.

8) After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and who's voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to richi.shah@rpassociates.org with a copy marked to evoting@nsdl.co.in.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote at evoting@nsdl.co.in.

B. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- 1) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), and AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@visioncinemas.in
 - 2) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@visioncinemas.in If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
 - 3) Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
 - 4) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**
1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM 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 system in the AGM.
3. Only those members/shareholders, who will be present in the e-AGM through video conferencing facility and have not cast their vote through remote e-voting, such members, shall cast their vote on the resolutions through the polling paper only by sending their emails which are registered with the company. The said email shall only be sent to us at cs@visioncinemas.in Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
5. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

➤ **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General meeting” menu against company name.
2. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

Members will be able to attend the e-AGM through VC/OAVM or view the live webcast of AGM provided by Zoom Meet at <https://us06web.zoom.us/j/81242391641> using their login credentials. The link for e-AGM will be available in member’s login.

3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at www.visioncinemas.in. The same will be replied by the company suitably.

7. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL <https://us06web.zoom.us/j/81242391641>
8. Shareholders/Members, who need assistance before or during the AGM, can contact NSDL official Ms. Sarita Mote on Toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

General Instructions:

- i. The Board of Directors has appointed **Messrs. Richi Prerak & Associates**, Practicing Company Secretaries, as the Scrutinizer to the e-voting process and voting at the e-AGM in a fair and transparent manner.
- ii. Voting is not allowed simultaneously thorough E-AGM and E voting. Both being different, shareholder needs to complete e-voting during the period mentioned in Notes above and for attending the E-AGM, he/she may attend through Zoom Meets.
- iii. The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, count the votes cast at the meeting in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.

The Scrutinizer shall submit his report to the Chairman or in his absence Managing Director & CFO of the Company, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website www.visioncinemas.in and shall also be communicated to the stock exchanges where the shares of the Company are listed. The resolutions shall be deemed to be passed at the AGM of the Company.

EXPLANATORY STATEMENT

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

Item No. 1 from Special Business

The Company frequently enters into transactions with parties as defined under section 2 (76) of the Companies Act, 2013. The Company is currently making all the transactions with related parties in ordinary course of business, which are approved by the audit committee and Board of Directors of the Company. The Company may, in future have to enter into certain business transactions with related parties during, which may not be on arm's length basis, and as Section 188 requires Member's approval, the Company proposes to take prior approval from Members for Nature and amount of transactions, which may have to be entered in future by the Company.

The Board further assures that the management of the Company either expressly or impliedly shall not enter into any related party transaction to take any personal benefit or to defeat interest of the Company.

S I Media LLP, Vasanth Colour Laboratories Ltd., Pyramid Entertainment (India) Private Limited and their related parties as covered under 2(76) & 2(77) of the Companies Act, 2013 are interested in the said resolution.

The Board recommends above resolution to be passed as an ordinary resolution.

Item No. 2 from Special Business:

Further in order to improve the value of shares for the benefit the of shareholders of the Company, Board of Directors in its meeting held on August 14, 2021 have accorded consent to consolidate entire authorized, issued, subscribed and paid-up share capital of the company from Rs.1/- (Rupees One) each to Rs. 10/- (Rupees Ten) each so that every 10 (Ten) equity shares having nominal value of Rs. 1/- (Rupees One) each held by the member be consolidated and re-designated into 1 (One) equity share having nominal value of Rs. 10/- (Rupee Ten) each with effect from the Record Date as may be fixed for the said purpose. The Company had approved in the 27th and 26th Annual General Meeting convened on September 28, 2020 and September 5, 2019 respectively to consolidate entire authorized, issued, subscribed and paid-up share capital of the company from Rs.1/- (Rupees One) each to Rs. 10/- (Rupees Ten) each in the previous years, but due to health issue of Promoter/Managing director and outburst of Covid-19 Pandemic; film Industry is totally shutdown during the lockdown period and even after lockdown period they closed down for long period of time and simultaneously resulting into Financial crises, hence, the consolidation of the shares cannot be initiated or implemented till date. Therefore, company has decided to accord the consent of Members and implement the same resolution in this year.

The shareholders may please note that presently the nominal value of each equity share of the Company is Rs.1/- (Rupees One) per share and consequent upon the consolidation, it will become Rs.10/- (Rupees Ten) per share. The date on which this consolidation would become effective, will be decided by the Board after obtaining the shareholder's approval, which will be notified through the Stock Exchange and Newspaper Advertisement.



The Board of Directors /Committee(s) of the Board thereof, shall not issue fractional share certificate(s) resulting from aforesaid consolidation instead consolidate all such fractional entitlement (s), if any and thereupon issue & allot equity shares in lieu thereof to a nominee(s) to be selected by the

Board/Committee(s), who shall hold the equity shares as trustee(s) on behalf of the members entitled to fractional entitlement(s) with the express understanding that such nominee(s) shall sell the same in the market at such time or times as may be decided by the Board /Committee(s) and distribute their net sale proceeds after adjusting the cost and expenses in respect thereof, to the members in proportion to their respective fractional entitlement(s) .

The proposed consolidation of equity shares of the Company from Rs.1/- (Rupees one) per share to Rs.10/-(Rupees Ten) per share, requires alteration of Memorandum of Association of the Company.

Accordingly, clause V of Memorandum of Association is proposed to be altered in the manner as set out in at item no. 4 of special business for the Meeting.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested, financially or otherwise in the said resolution.

**By Order of the Board of Directors
For Vision Cinemas Limited**

**Bindiganavale Ranganasanth
Managing Director
DIN: 01763289**

**August 14, 2021
Bangalore**

DIRECTORS' REPORT

To
The Members,
Vision Cinemas Limited

Your Directors have pleasure in presenting the Twenty Eighth Annual Report on the business and operations together with the Audited Financial Statements for the year ended on March 31, 2021. The performance of the Company for the year ended on March 31, 2021 is summarized below:

FINANCIAL PERFORMANCE

The Financial Results of the Company for the year are as under:

(Rs. In Lacs)

| Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---------------------------|---------------------------|
| Revenue | 0.00 | 75.25 |
| Expenses | 13.77 | 72.89 |
| Net Profit / (Loss) from Operation before Tax | (13.77) | 2.36 |
| Exceptional items | 0.00 | 0.98 |
| Net Profit / (Loss) from Operation before Tax | (13.77) | 1.38 |
| Tax expenses (Current & Deferred) | (0.07) | 0.46 |
| Net Profit / (Loss) after tax | (13.70) | 0.92 |
| Earnings Per Share | 0.044 | 0.00 |

During the financial year 2020-21 there were no revenue resulted into Net loss of Rs. (13.70) lacs during the year as compared previous year Net Profit of Rs. 0.92 lacs. The turnover of the company is Rs. Nil during the year as compared previous year of Rs. 75.25 Lacs.

DIVIDEND

The Company sees favorable market conditions and growth prospects in years to come. Looking at the current Financial Position of the Company, the Board has recommended not to declare any Dividend for the current year and primarily create sufficient buffer to tackle any future situation.

AMOUNTS TO BE CARRIED TO ANY RESERVES:

There is no amount proposed to be transferred to the Reserves.

MATERIAL CHANGES AND COMMITMENTS:

There are no other material changes and commitments that have occurred between the end of financial year of the company and the date of this report affecting the financial position of the company as on 31st March, 2021.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES:

As on March 31, 2021, the Company had One (1) subsidiary company. There has been no material change in the nature of business of the subsidiary. The Company did not have any Associate Companies or Joint Ventures at the end of this Financial Year. A statement in Form AOC-1 pursuant to the first proviso to Section 129 of the Act read with rule 5 of the Companies (Accounts) Rules, 2014 containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures forms part of this Report.

FIXED DEPOSITS

The Company neither accepted nor invited deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2021 was Rs. 7,08,24,705/- During the year under review, the Company has not issued any shares with differential voting rights nor granted stock option nor sweat equity nor issued any convertible instrument.

Further, the Company have already submitted relevant return of allotments to update records of MCA and display above capital, but due to certain technical glitches in website of MCA, the same displays only the erstwhile paid up capital of the Company. The Company is constantly making required efforts to update the same.

Also Further, Management of the Company has also, in their board meeting, resolved to make necessary changes to update the capital in the books of Account and also provide required explanation and reconciliation to the Auditors for reporting accordingly to match the same with records furnished by Depositories, which actually stands correct and is presented correctly.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as “Annexure - I”.

AUDITORS

- **Statutory Auditors**

The Statutory Auditors of the Company, Messrs. Jayamal Thakore & Co, Chartered Accountants (Registration No. 104098W) were appointed as the Statutory Auditors of the Company at the 26th AGM held on 28/09/2020 to hold the office from conclusion of 26th AGM until the conclusion of the 31st AGM of the Company.

- **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Messrs. Richi Prerak & Associates, Practicing Company Secretaries, Ahmedabad to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Report of the Secretarial Audit is annexed herewith as **“Annexure - II”**.

The comment to the qualification, reservation or adverse remark in the Secretarial Audit Report of the Company is same as mentioned in the Secretarial Audit Report annexed below as **“Annexure – II”**

AUDITORS REPORT

The Auditors' Report on the accounts of the Company for the financial year ended March 31, 2021 is self-explanatory, except matters explained below and further does not call for any further explanations or comments that may be treated as adequate compliance of provisions of the Companies Act, 2013.

1. The company has not appointment Internal Auditor under section 138 of the Companies Act, 2013 - During the year, the company is in process of finalizing appointment of Internal Auditor as on date of this report.
2. The company has not appointment Independent Director as required under section 149(4) of the Companies Act, 2013 – The Company has taken necessary steps and is in process for appointment of Independent Director to be in compliance with the said Act.
3. The Company has not complied with all the requirements related to Ind AS financial statements and relevant information on its website as required under section 136 of Companies Act, 2013 – The company has initiated to place adequate systems and procedures to counter the prevailing non-compliances relating to requirements of Ind AS, website updation and other matters.
4. The Company has not been regularly depositing undisputed statutory dues – Due to non-availability/shortage of funds, the company has been delayed in payment of Income tax and service tax dues.
5. Whether the title deeds of immovable property are held in the name of Company and there is one pending litigation which has been filed by SEBI against promoters of the company – Both these matters as stated in Auditors Report are self – explanatory and management will give necessary explanations as and when asked or required by the Auditors of the company.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

The Statutory Auditors and the Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors as prescribed under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on <https://www.visioncinemas.in/investor-relations>.

DIRECTORS

During the year under review, there was no change in the Directors.-Pursuant to Section 149(13) of the Companies Act, 2013, the office of Independent Director shall not be liable to retirement by rotation at any subsequent Annual General Meetings of the Company.

Further, pursuant to the provisions of the section 152 (6) of the Companies Act, 2013, the office of Shri Bindiganavale Rangavasanth (DIN- 01763289) is liable to retire by rotation.

The Company has taken declaration under 149(6) of the Companies Act, 2013 from the Independent Directors.

The Company has taken declaration under 149(6) of the Companies Act, 2013 from the Independent Directors. Further, the Company has formulated a Code of Conduct for Directors and Senior Management Personnel and all the Directors and Senior Management Personnel have complied with the Code.

Brief profile of all the directors is given in “Annexure – III”

COMMITTEES OF BOARD

During the year under review, Company has three Committees.

- i) Audit Committee
- ii) Nomination & Remuneration Committee
- iii) Stakeholders Relationship Committee.

The Composition of the Committees is as follows:

1. Audit Committee

The Audit Committee consist of two (2) Non Executive Independent directors, namely Mr. Kunal Ashok, Chairman and Mr. Hariharan Muthuswamy, member of the Audit Committee and One (1) Promoter and Director, Mr. Bindiganavale Rangavasanth, member of the Audit Committee who is having financial and accounting knowledge. The Company Secretary of the Company, Ms. Hetal Acharya acts as the Secretary to

the Audit Committee. The constitution of Audit Committee meets with the requirements under Section 177 of the Companies Act, 2013.

| | |
|----------------------------|----------|
| Kunal Ashok | Chairman |
| Bindiganavale Rangavasanth | Member |
| Hariharan Muthuswamy | Member |

The Committee periodically discussed the Financial Reporting process, reviewed the Financial Statements, and discussed the quality of the applied accounting principles and significant judgment that affected the Company's Financial Statements. The audit Committee reviewed with adequacy of internal control systems with the management, statutory and internal auditors.

Terms of Reference:

The terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines under Section 177 of the Companies Act, 2013.

Powers of the Audit Committee:

The Audit Committee has powers that include the following:

- To investigate any activity of the Company within its terms of reference
- To seek information from any employee
- To obtain outside legal and other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Audit committee meeting:

The Audit Committee duly met at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The Company has conducted 5 meetings during the year dated 05/08/2020, 21/08/2020, 15/09/2020, 20/11/2020 and 25/02/2021.

Attendance of Audit Committee Meeting:

| Sr. No. | Name of Committee Member | No. of Meeting | |
|---------|----------------------------|----------------|----------|
| | | Held | Attended |
| 1. | Kunal Ashok | 5 | 5 |
| 2. | Hariharan Muthuswamy | 5 | 5 |
| 3. | Bindiganavale Rangavasanth | 5 | 5 |

2. Nomination & Remuneration Committee

The Nomination and remuneration committee is entrusted with the responsibility of finalizing the remuneration of Executive / Whole Time Directors.

Presently, Mr. Hariharan Muthuswamy, Independent Director is Chairman of Nomination and Remuneration Committee and Mr. Kunal Ashok, Independent Director and Mr. Bindiganavale Rangavasanth, Promoter and director are members of the Committee. The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

| | |
|----------------------------|----------|
| Hariharan Muthuswamy | Chairman |
| Kunal Ashok | Member |
| Bindiganavale Rangavasanth | Member |

The Committee met 3 (Three) times during the year 2020-2021. The dates on which the Nomination and remuneration committee meetings were held are 31/08/2020, 20/11/2020 and 16/01/2021. It has complied with the provisions of Section 178 of the Companies Act, 2013.

Attendance of Nomination and Remuneration Committee Meeting:

| Sr. No. | Name of Committee Member | No. of Meeting | |
|---------|----------------------------|----------------|----------|
| | | Held | Attended |
| 1. | Hariharan Muthuswamy | 3 | 3 |
| 2. | Kunal Ashok | 3 | 3 |
| 3. | Bindiganavale Rangavasanth | 3 | 3 |

3. Stakeholders Relationship Committee

The Board of Directors of the Company has constituted a Stakeholders Relationship Committee as per Companies Act, 2013.

Presently, the Stakeholders Relationship Committee comprising of Shri. Hariharan Muthuswamy, Chairman of the Committee, Shri. Kunal Ashok, Shri Bindiganavale Rangavasanth and Smt. Anita Vasanth. Members of the Committee, inter alia, approve issue of duplicate certificates and oversee and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders' complaints like transfer of shares, non-receipts of balance sheet, non-receipt of declared dividends etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services.

| | |
|----------------------------|----------|
| Hariharan Muthuswamy | Chairman |
| Kunal Ashok | Member |
| Bindiganavale Rangavasanth | Member |
| Anita Vasanth | Member |

The Company has designated the below cited e-mail ID of the Grievance Redressal Division / Compliance Officer Ms. Hetal Acharya exclusively for the purpose of registering complaints by investors.

E-mail ID – cs@visioncinemas.in

None of the request for transfers, dematerialization and re-materialization was pending for approval as on 31st March, 2021. The Committee met 3 (Three) times during the year on 31/08/2020, 20/11/2020 and 16/01/2021.

| Sr. No. | Name of Committee Member | No. of Meeting | |
|---------|----------------------------|----------------|----------|
| | | Held | Attended |
| 1. | Hariharan Muthuswamy | 3 | 3 |
| 2. | Kunal Ashok | 3 | 3 |
| 3. | Bindiganavale Rangavasanth | 3 | 3 |
| 4. | Anita Vasanth | 3 | 3 |

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There was no employee drawing remuneration in excess of limits prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INDUSTRIAL RELATIONS

The industrial relations have remained cordial and harmonious during the year.

BUSINESS RESPONSIBILITY REPORT:

The Business Responsibility Report as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company for the FY ended 31st March, 2021.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

CORPORATE GOVERNANCE

The provisions regarding Corporate Governance as contained in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company. However, the Company is voluntarily following some of the provisions of the said regulations to the extent possible which are contained in the Report of Corporate Governance voluntarily given by the Company attached as “**Annexure - IV**” forming part of this Director’s Report.

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

The Company has appointed M/s Integrated Registry Management Services Private Limited as its Registrar and Share Transfer Agent (RTA). Any queries relating to transfer or transmission of shares of the Company may be brought to the knowledge of RTA by the Shareholders.

INTERNAL POLICIES OF THE COMPANY

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. In accordance with the provisions of the Companies Act, 2013 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”), mandated to formulate and implement certain policies for all listed companies

All such policies which are adopted by the Company are available on the website of the Company.

Summary of the same is as follows:

| No. | Name of Policy | Brief description | Web link |
|-----|--|---|---|
| 1 | Policy on Related party transactions | This policy provides for mechanism on how the Company shall undertake Related party Transactions. | https://www.visioncinemas.in/investor-relations |
| 2 | Prevention of Sexual Harassment | This policy describes about what measures the Company takes to protect its Women employees. | https://www.visioncinemas.in/investor-relations |
| 3 | Risk Management Policy | This Policy describes how the Company shall face and treat the Risk | https://www.visioncinemas.in/investor-relations |
| 4 | Board Diversity | Approach to diversity on the Board of Directors of Vision Cinemas Limited | https://www.visioncinemas.in/investor-relations |
| 5 | Code of Conduct and code of practices and procedures for fair disclosure of UPSI | As required by SEBI (Prohibition of Insider Trading) Regulations, 2015 | https://www.visioncinemas.in/investor-relations |
| 6 | Policy on Remuneration of Directors, KMP and Senior Employees | As required under Section 178 of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 | https://www.visioncinemas.in/investor-relations |
| 7 | Policy for Preservation of Documents | As required under Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 | https://www.visioncinemas.in/investor-relations |
| 8 | Whistle Blower Policy | As required under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 | https://www.visioncinemas.in/investor-relations |

NUMBER OF MEETINGS HELD DURING THE YEAR

The details of all the meetings of board of directors and its committees during the year along with attendance of Directors at the Meetings are given at point no. 2 to 5 of Corporate Governance Report.

EVALUATION OF BOARD

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out annual performance evaluation of its own performance. The evaluation carried out by the Board is with respect to the Directors available during the Financial Year and therefore, the evaluation done by Board did not include the

Independent Director's Evaluation.

INTERNAL CONTROL SYSTEM

The Company has in place adequate internal financial controls with reference to Financial Statements. During the year no reportable material weakness in the design or operation were observed.

The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures.

The Company did not have any Internal Auditor during the Financial Year under the review.

RISK MANAGEMENT POLICY

The Company is not statutorily required to form risk management committee. But for voluntary compliance the Company has already developed and implemented a Risk Management Policy for the Company and the Audit Committee of the Company shall evaluate the risk management system regularly.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal Act, 2013). An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees of the Company are covered under this policy.

During the year 2020-21, no complaints were received by the Company related to sexual harassment.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The Company has entered into Related Party Transactions during the financial year. All Related Party Transactions were placed before the Audit Committee of the Board of Directors for their approval. The Audit Committee has granted omnibus approval for Related Party Transactions as per the provisions and restrictions contained in the erstwhile Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of Section 188 of the Act are required to be disclosed in Form AOC-2. But the Company had not entered into any contract or arrangement with related parties in terms of Section 188 (1) of the Companies Act, 2013. The disclosure of related party transactions as required to be made under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is therefore, not applicable. Transactions with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements. Policy on transactions to be undertaken with related parties can be

accessed through above mentioned link.

Your Directors draw attention of the members to Notes to the financial statement which sets out related party disclosures.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry in a proactive manner. The details of various familiarization programs provided to the Directors of the Company is available on the Company's website on www.visioncinemas.in.

LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year, the company has neither given any loans nor guarantees nor provided any security nor made any investment during the year under review.

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY:

We are continuously striving to promote better and more effective sustainability policy and practices. In order to ensure transparent communication of our sustainability efforts to all our stakeholders we have made conscious efforts through technology innovation and effective communication and transparency. The Company, though not statutorily applicable, undertakes to directly and indirectly support Make in India, Jal Shakti Abhiyan under newly formed Ministry of Jal Shakti and resources and Save the Environment initiatives, contributing a bit to the Vision of Hon'ble Prime Minister.

Further, the Company considers CSR as part of its activity and believes that it is imperative for the growth of the country and company. The company is not required to constitute Corporate Social Responsibility Committee of Board under Section 135(1) of Companies Act, 2013. Also, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company.

VIGIL MECHANISM

The provisions of section 177 (9) and (10) of the Companies Act, 2013 mandate every listed Company to establish vigil mechanism for directors and employees to report genuine concern in such manner as may be prescribed. We are pleased to report that your Company has formulated such mechanism. The Company has adopted relevant Whistle Blower Policy and the same is available on the website of the Company on www.visioncinemas.in. The provisions of the said policy provided for adequate safeguards against the victimization of persons who use such mechanism and make provisions for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

Any director or employee of the Company, who observes any Unethical Behavior or Improper Practices or Wrongful conduct and / or financial or non-financial mal practices or non-compliance with legal requirements concerning the Company, is free to report to the specified officer in the mode as provided in



the policy.

LISTING FEES

The Equity Shares of your Company are listed and actively traded on the BSE Limited (BSE). The Company has paid Annual Listing fees to the stock exchanges for the Financial Year 2020-2021.

ACKNOWLEDGEMENT

The Board of Director express their sincere thanks and wishes to place on record its deep appreciation for the continued support, confidence and co-operation that the company has received from Production Houses, Media, Film Makers, customers, suppliers, investors, bankers, government agencies and other associates. Your Directors also place on record their deep appreciation of the employees for the valued and continuous support at all levels for their services and commitment during the year.

**For and on behalf of Board of Directors
Vision Cinemas Limited**

**Sd/-
Bindiganavale Rangavasanth
Managing Director
(DIN: 01763289)**

**Date: August 14, 2021
Place: Bangalore**

CEO AND CFO COMPLIANCE CERTIFICATE

We, Bindiganavale Ranganasanth, Chairman & Managing Director, Anita Vasanth, Chief Financial Officer certify that:

1. We have reviewed the financial statements including the cash flow statement for the year ended 31st March, 2021 and to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended on 31st March, 2021 are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
4.
 1. There has not been any significant change in internal control over financial reporting during the year under reference;
 2. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 3. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

Anita Vasanth
Chief Financial Officer

August 14, 2021
Bangalore

Form AOC-I

(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": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

| | |
|--|---------------------------------------|
| Sr. No. | 1 |
| Name of the subsidiary | PYRAMID ENTERTAINMENT INDIA PVT. LTD. |
| Reporting period for the subsidiary concerned | 31 st March, 2021 |
| Reporting currency | Indian Rupees |
| Share capital | 5,00,000 |
| Reserves & surplus | - |
| Investments | - |
| Turnover | - |
| Profit/Loss before taxation | (21,63,673) |
| Provision for taxation | - |
| Profit/Loss after taxation | (22,89,673) |
| Proposed Dividend | - |
| % of shareholding | 99.8% |

Part "B": Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies
and Joint Ventures**

There are no Associate Companies or Joint Ventures of the Company.

Annexure - I

Information as per Section 134(3)(m) of the Companies Act, 2013 and forming part of the Directors Report for the year ended March 31, 2021

A) Conservation of energy:

(i) the steps taken or impact on conservation of energy:

The Company constantly strives to save the energy. The Company has in place a system of shutting down all electronic systems, machines and peripherals to save the energy.

(ii) the steps taken by the company for utilising alternate sources of energy:

Not Applicable

(iii) the capital investment on energy conservation equipments:

Not Applicable

(B) Technology absorption:

Not Applicable

Foreign Exchange Earnings and Outgo:

(Figures in Rupees)

| Particulars | 2020-21 | 2019-20 |
|---------------------------|---------|---------|
| Foreign Exchange earnings | - | - |
| Foreign Exchange outgo | - | - |

Annexure II
Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To,
The Members,
Vision Cinemas Limited

#14, 6th Cross, Jayamahall Extension,
Bangalore – 560046

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit; we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder (as amended from time to time);
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) 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;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;**(Not Applicable as the Company has not issued any fresh securities during the year under review);**
 - d) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014;**(Not Applicable as the Company have not issued any such benefits during the year under review);**

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the neither Company has existing Debt Securities nor have issued any fresh securities 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 Applicable as the securities of the Company have not been delisted from any Stock Exchange during the year under review;**
- h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; **(Not applicable as the Company has not bought back any of its securities during the financial year under review);**
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- Secretarial Standards issued by The Institute of the Company Secretaries of India (ICSI) and made effective from time to time. *Company has not observed SS-1 and SS-2 generally.*

We report that:

During the Audit period under review, the Company has generally complied with all material aspects of the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above, subject to following remarks and observations:

A. Companies Act, 2013 and Rules made there under:

Remarks:

1. *It was observed that Board meets frequently, but Notices of Board meeting are not given in advance as required under section 173 of the Companies Act, 2013 also Attendance sheets of Meetings are not made available to us.*
2. *As per requirements of Section 138, of the Companies Act, 2013, the company is required to appoint Internal Auditor, the office of which remains vacant during the Financial Year under review.*
3. *Company had proposed increase in Face value of shares from Rs. 1 to Rs. 10 and increase in Authorized capital, which was though passed in General meetings, was not affected and no information or forms submitted to give effect with ROC.*
4. *Financial Results, submitted with Authorities for the Previous years, contained mismatch in Capital, Reserves and Number and Number of warrants. Also, Disclosures required in Annual Report, were not made as required under various provisions of the Companies Act, 2013.*
5. *Certain forms including PAS-3 for allotment and conversion of warrants relating to previous FYs pending to be submitted with Registrar of Companies.*
6. **Disclaimer of opinion:** As per the Companies (Appointment and Qualification of Directors) fifth Amendment Rules, 2019, Every Independent director whose name is Included in the databank shall pass an online proficiency self- assessment test conducted by the Indian Institute of Corporate affairs (IICA) within a period of one year from the date of inclusion of his name in the databank. *It was observed that none of the Directors hold a valid*

registration with data bank as on the date of this report, and thus we are unable to report their eligibility as Independent Directors.

During the course of Audit, it was also observed that though Board had meetings at regular intervals, Copy of Advance Notices, Attendance sheets and Video recordings for VC meetings were not made available for inspection. Thus, we could not conclude whether they were maintained or not.

B. SEBI (LODR) Regulations, 2015

The Company has complied with The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, except following;

- *Regulation 17: This regulation requires fifty percent of Board to be Non Executive, but the Company did not have required number of Non-Executive directors on Board;*
- *Regulation 46: Website of the Company though being functional, does not have certain contents and disclosures as required under Regulation 46 of SEBI (LODR), 2015.*
- *Regulation 33: There is a delay in submission of Financial Results for year ended March 31, 2020 by 4 days and for Quarter ended December 31, 2020 by 11 days.*
- *Regulation 23(9): There is a delay in submission of Related Party Disclosures for Year ended March 31, 2020 by 8 days.*
- *Regulation 31: There is a delay in submission of Shareholding Pattern for Quarter ended December 31, 2020 by 142 days.*
- *Regulation 29 & 30: There is delay in submission of Intimation and outcome of Board Meeting (for Financial Results) to Stock Exchange for year ended March 31, 2020, Quarter ended June 30, 2020, September 30, 2020 and December 31, 2020.*
- *Regulation 6: There were period during the review, where office of Company Secretary was vacant. (1st sept, 2020 to 15th January, 2021)*
- *BSE Fines payable amounts to INR 1,21,92,317/- for various non compliances from FY 2012-13 to 2020-21. The same remains unpaid.*

C. SEBI (Depositories and Participants) Regulations, 2018

The Company has complied with The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, except following;

Regulation 76: There is a delay in submission of Reconciliation of Share Capital Audit Report for Quarter ended December 31, 2020 by 135 days.

There is a mismatch of 1,71,495 shares in records of BSE and Depositories when compared to records of Company and RTA.

D. SEBI (Prohibition of Insider Trading) Regulations, 2018

The Company has complied with The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2018, except following;

- *Intimation for Closure of Trading Window - There is a delay in Closure of Trading Window for Quarter ended September 30, 2020 by 5 days.*

We further report that:

In absence of documentation and details, we are unable to provide our opinion on following Industry specific laws applicable to the Company, whether company had complied with the same or not:

- a) Payment of Gratuity, Payment of Bonus, Payment of Maternity Benefits, Employees Provident Funds, Employee State Insurance.
- b) Shops and Establishments Legislations.

We further report that:

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit, there was a lack of adequate systems and processes, required for compliance, which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

We further report that:

The compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, technicalities of presentation, figures and numbers as per Schedule III of Companies Act, 2013 have not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditor(s) and other designated professionals.

We further report that:

During the audit period under review, there were no instances of:

- a) Public Issues / Right issue of shares/ debentures/sweat equity etc.;
- b) Redemption / buy-back of securities;
- c) Merger / amalgamation / reconstruction, etc.;
- d) Foreign technical collaborations.

Note: This report is to be read with our letter of even date which is annexed as **Annexure – A** and forms an integral part of this report.

For Richi Prerak & Associates
Practicing Company Secretaries

Richi M. Shah
Partner
M.No. 47622 | C.P.: 20539
FRN: P2018GJ071000
UDIN: A047622C000786461

August 14, 2021
Ahmedabad

Annexure A

**To,
The Members,
Vision Cinemas Limited**

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

Management's Responsibility

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

Auditor's Responsibility

- Our responsibility is to express an opinion on these secretarial records and procedures followed by the Company with respect to secretarial compliances.
- We believe that audit evidence and information obtained from the Company's management is reasonably adequate and appropriate for us to provide a basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
- Wherever required, we have obtained the management's representation Letter about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Annexure – III

Brief Profile of Directors:

1. Mr. B. Rangavasanth (DIN: 01763289)

Mr. Rangavasanth, aged 70 years, is founder promoter of the company and has a wide experience in the media and entertainment industry in which our company operates. He holds the position of Managing Director of our company.

2. Mrs. Anita Vasant (DIN: 01763255)

Mrs. Anita Vasant, aged 62 years, is involved in the day to day business and administration in the Company. Her valuable relationships in the Indian film industry has been instrumental in our expansion into distribution in India as well as home entertainment and music.

Her Presence on Board in past and recently as CFO of the Company has always been mentoring towards stable financial position and growth of the Company.

3. Mr. Muthuswamy Hariharan (DIN: 08497968)

Mr. Hariharan, aged 61 years, holds Master's degree in Business Management apart from Diploma in Business Management and a Bachelor's degree.

He has a wide and notable experience in Media and Entertainment Industry. He has, in past worked with SSIL, Motion Graphics, Visual Communication and Vikram Studios.

His wide experience in the Industry and technical knowhow about minute aspects of the Industry in which Company functions and plans to expand, would be of great help to Company.

4. Mr. Kunal Ashok (DIN: 08497957)

Mr. Kunal Ashok aged 40 years has a background in Electronics & Telecommunication Engineering from BMSCE, Bangalore. He is the recipient of various advertising and marketing awards.

He possesses wide experience of more than fifteen years in Marketing and Advertising. In past he has also held positions as Director – Marketing & Business Development at DaVita Care India and South East Asia. DaVita is a Fortune 500 US based dialysis and kidney care provider.

Mr. Kunal also has experience in advertising with Percept / h, a division of Hakuhodo, Freethinkers, and Origami Creative Concepts. Apart from above, he has also managed and worked with reputed and industry renowned conglomerates which includes Toyota, Accenture, Future Group, Central, Brand Factory etc. He is also actively associated with a leading Media and Marketing Company, which is an INS accredited advertising agency with offices in Bangalore and Mysore.

Annexure - IV

CORPORATE GOVERNANCE REPORT

INTRODUCTION

“Good Governance depends on ability to take responsibility by both administration as well as people. Mere good governance is not enough; it has to be pro-people and pro-active. Good governance is putting people at the center of development process.”

-Shri Narendra Modi

Corporate Governance at Vision Cinemas Limited provides a value-based framework to manage our Company affairs in a fair and transparent manner. The Company believes in adopting and adhering to the best recognized Corporate Governance practices and continuously benchmarking itself against each such practice. As a responsible corporation, we use this framework to maintain accountability in all our affairs, and employ democratic and open processes. We have evolved guidelines and best practices over the years to ensure timely and accurate disclosure of information regarding our financials, performance, leadership and governance of the Company.

Corporate Governance is an established process containing a structure and principles by which a Corporate is governed. It also provides guidelines to ensure that the company is directed and controlled in a way so as to achieve the goals and objectives to add value to the company and also benefit the stakeholders in the long term. It is meant to run companies ethically in a manner such that all stakeholders including creditors, distributors, customers, employees, the society at large, governments and even competitors are dealt with in a fair manner. Good corporate governance should look at all stakeholders and not just the shareholders alone. Corporate governance is not something which regulators have to impose on a management, it should come from within. Transparency in corporate governance is essential for the growth, profitability and stability of any business. The need for good corporate governance has intensified due to growing competition amongst businesses in all economic sectors at the national, as well as international level. Above all else, corporate governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair, play and sense of justice.

The report on Corporate Governance by the Company, as provided in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 is actually not applicable to the company, but voluntarily provided below:

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Vision Cinemas Limited (hereinafter referred to as ‘VCL’ or ‘Company’), believes that Corporate Governance philosophy is all about intellectual honesty whereby the governance is not just about encompassing regulatory and legal requirements but also strives to enhance stakeholders’ value as a whole.

VCL, believes that Corporate Governance is an essential element of business, which helps the Company to fulfill its responsibilities to all its stakeholders. VCL is committed to adopting global best practices in Governance and Disclosure. VCL believes that highest standards of Corporate Governance are essential to enhance long term value of the Company for its stakeholders and practice the same at all levels of the organization. Ethical business conduct, integrity and commitment to values, which enhance and retain stakeholders' trust are the traits of your Company's Corporate Governance. Good Governance practices stem from the culture and mindset of the organization. Your Company considers fair and transparent Corporate Governance as one of its core management tenets. Your Company follows the best governance practices with highest integrity, transparency and accountability.

Your Company belongs to a legacy where the visionary founders laid the stone for good governance.

Your company's philosophy includes protection and facilitation of shareholder's rights, provide adequate and timely information, opportunity to participate effectively in general meeting and ensure equitable treatment to all shareholders.

VCL's Corporate Philosophy envisages full transparency, integrity and timely disclosures with an ultimate aim of value addition for all players i.e. the Stakeholders, the Creditors, the Government and the Employees.

The Company places emphasis on integrity of internal control systems and accountability and total compliance with all statutory and / or regulatory requirements.

2. COMPOSITION OF BOARD

2.1 Listing regulations mandates that the Board needs to have an appropriate mix of executive and independent directors to maintain its independence, and separate its functions of governance and management.

The composition of Boards of Directors, their attendance at the Board Meetings during the year, at the previous Annual General Meeting and the numbers of other Directorship are as follows:

| Name of the director | Category | No. of Board Meetings Held | No. of Board Meetings Attended | Attended last AGM | No. of other Directorships/Designated Partners |
|--|--------------------|----------------------------|--------------------------------|-------------------|--|
| Mr. Bindiganavale Ranganasanth (Managing Director) | Promoter Executive | 7 | 7 | Yes | 4 |
| Smt. Anita Vasanth (CFO) | Promoter Executive | 7 | 7 | Yes | 4 |

| | | | | | |
|---------------------------------------|--|---|---|-----|---|
| Smt. Bindiganavale Ranga Shamaladevi* | Promoter Executive | 7 | 1 | Yes | - |
| Mr. Kunal Ashok | Non - executive Independent Director | 7 | 7 | Yes | - |
| Mr. Hariharan Muthuswamy | Non - executive Independent Director | 7 | 7 | Yes | - |

* Smt. Bindiganavale Ranga Shamaladevi resigned from the Board w.e.f. 17th July, 2021.

2.2 Date & Numbers of Board Meetings Held:

During the year 2020-21, Seven (07) Board Meetings were held; they were on 25/05/2020, 05/08/2020, 21/08/2020, 15/09/2020, 20/11/2020, 16/01/2021 and 25/02/2021.

2.3 Performance Evaluation of Directors

The Board of directors have approved and laid down the criteria for performance evaluation of all Directors by the Nomination and Remuneration Committee. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated at the separate meetings of Independent Directors and Non-Independent Directors held. The criteria for performance evaluation are as follows:

- To understand the nature and role of Independent Director's position.
- Understand the risks associated with the business.
- Application of knowledge for rendering advice to the Management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Non-partisan appraisal of issues.
- Give own recommendations professionally without tending to majority or popular views.
- Handling issues as Chairman of Board and other committees.
- Driving any function or initiative based on domain knowledge and experience.
- Level of commitment to roles and fiduciary responsibilities as a Board Member.
- Attendance and active participation.
- Ability to think proactive, strategic and laterally.

2.4 Familiarization Programme for Directors

Your company follows a structured familiarization programme through various reports and internal policies for all the Directors with a view to update them on the Company's policies on a regular basis. A detailed Familiarization programme as followed by the Company is available on the website of the company (link mentioned above).

The Board has laid down a Code of Conduct for all Board members and senior management which is posted on the website of the Company. All Board members have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by a Director, forms part of this Annual report. Code of conduct of Board of Directors and Senior Management Personnel are available in Company's website.

2.5 Appointment/Re-appointment of Directors:

During the year under review no changes took place in the constitution of the Board of Directors of the company. However, the constitution of Board has been changed after the year under review and the details of the same has been provided under Director's Report.

3. AUDIT COMMITTEE:

3.1 Broad Terms of Reference:

The Audit Committee of the Company consists of 3 Directors consisting of independent and executive directors. All members of the Audit Committee have accounting and financial management expertise.

The Audit Committee reviews the matters falling in its terms of reference and addresses larger issues and examines those facts that could be of vital concerns to the Company. The terms of reference of the Audit Committee constituted by the Board in terms of Section 177 of the Companies Act, 2013, broadly includes matters pertaining to adequacy of internal control systems, review of financial reporting process, discussion of financial results, interaction with auditors, appointment and remuneration of auditors, adequacy of disclosures and other relevant matters. During the previous financial year, Board also took an important decision to dissolve the Risk Management committee and transferred all its roles to Audit Committee. Thus, Audit Committee shall now also look after analyzing and finding out probable risks to the company and its management thereafter.

Terms of Reference of Audit Committee:

- The recommendation of appointment, remuneration and terms of appointment of auditors of the Company.
- Review and monitor the auditors' independence, their performance and effectiveness of audit process.
- Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors Responsibility Statement to be included in the Board Report in terms of Section 134 of the Act.
 - Changes, if any, in accounting policies and practices and reason for the same.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Approval or subsequent modification of transactions of the listed entity with related parties.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal

control systems.

- 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.
- To review the functioning of the whistle blower mechanism.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Oversight of the entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Identifying and managing risks to the company.

Risk Management Policy is available at the website of the company - www.visioncinemas.in.

3.2 Composition of Audit Committee:

During the year under review, Audit Committee consists of following Directors were as members of the Audit Committee:

| Name | Designation | Number of Meetings | |
|----------------------------|-------------|--------------------|----------|
| | | held | attended |
| | | | |
| Kunal Ashok | Chairman | 5 | 5 |
| Hariharan Muthuswamy | Member | 5 | 5 |
| Bindiganavale Rangavasanth | Member | 5 | 5 |

4. NOMINATION AND REMUNERATION COMMITTEE:

The terms of reference of the Nomination and Remuneration Committee cover all applicable matters specified under new SEBI Listing regulation and Section 178 of the Companies Act, 2013.

The Committee comprises of 3 members.

Terms of Reference

- Identify persons qualified to become directors or hold senior management positions and advise the Board for such appointments / removals where necessary.
- Formulate criteria for determining qualifications, positive attributes and independence of director and recommend to the Board a policy relating to the remuneration of directors, Key Managerial Personnel and other employees.
- Evaluate the performance of every director.
- Devise a policy on Board diversity.
- Whether to extend or continue the term of appointment of the independent directors, on the basis of the report of their performance evaluation.

4.1 Composition of Nomination and Remuneration Committee:

During the year under review, Nomination and Remuneration Committee consists of following Directors as members of the Nomination and Remuneration Committee:

| Name | Designation | Number of Meetings | |
|----------------------------|-------------|--------------------|----------|
| | | Held | Attended |
| Hariharan Muthuswamy | Chairman | 3 | 3 |
| Kunal Ashok | Member | 3 | 3 |
| Bindiganavale Rangavasanth | Member | 3 | 3 |

4.2 Remuneration Policy:

Company's remuneration policy is based on the principles of pay for growth. Keeping in view the above, the Nomination & Remuneration Committee is being vested with all the necessary powers and authorities to ensure appropriate disclosures on remuneration to the Executive Directors. Nomination & Remuneration of Directors, Key Managerial Personnel and Senior Employees Policy is available on the website of the Company at www.visioncinemas.in.

4.3 Remuneration to Directors:

During the financial year under review the company has not paid any remuneration to Managing Director and other Directors of the company.

5. STAKEHOLDER RELATIONSHIP COMMITTEE:

The Company has a structured system of reviewing Shareholder's/Investors' complaints. A Committee of Directors designated as "Stakeholder Relationship Committee" is constituted to review the status of investors' grievances and effective redressal of the complaints of the shareholders.

The Stakeholders Relationship Committee looks after the complaints made by any shareholder of the company and prompt redressal of complaint made. No complaints were received during the year under review. The committee also recommends steps to be taken for future improvement in the quality of service to the investors.

5.1 Composition:

During the year under review, such committee consist of the following Directors as members of the Stakeholder Relationship Committee:

| Name | Designation | Number of Meetings attended | |
|----------------------------|-------------|-----------------------------|----------|
| | | Held | Attended |
| Hariharan Muthuswamy | Chairman | 3 | 3 |
| Kunal Ashok | Member | 3 | 3 |
| Bindiganavale Rangavasanth | Member | 3 | 3 |
| Anita Vasanth | Member | 3 | 3 |

6. GENERAL BODY MEETINGS:

Details of Location and time for the last three Annual General Meetings (AGM) of the Company are as under:

| Year | Venue | Date | Time |
|----------|---|----------------------------------|----------|
| 2017 -18 | KSCA Club House, MG Road, Bangalore - 560 001 | 29 th September, 2018 | 9:30 AM |
| 2018 -19 | KSCA Club House, MG Road, Bangalore - 560 001 | 5 th September, 2019 | 9:30 AM |
| 2019 -20 | #14, 1st Floor, 6th Cross, Jayamahal Extension, Bangalore 560046 (through VC/ OAVM facility) | 28 th September, 2020 | 11:30 AM |

EXTRA ORDINARY GENERAL MEETING:

No Extra Ordinary General Meeting of the members of the company was held during last year.

7. MEANS OF COMMUNICATION:

The Company has published its Quarterly / Half yearly Financial Results in a daily newspapers both English and in principle vernacular language of the district where the registered office of the Company is situated as per the listing agreement. The result was also submitted to Stock Exchanges as per regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Green Initiative

The Company's philosophy focuses on making the environment greener for the benefit of prosperity. To support the Green Initiative, members (holding shares in electronic form) who have not registered their email addresses, are requested to register the same with their Depository Participants. Members holding shares in physical mode are requested to register their email ID with M/s Integrated Enterprises (India) Private Limited, Registrar and Share Transfer Agent of the Company.

8. GENERAL SHAREHOLDERS' INFORMATION:

8.1 Annual General Meeting

As indicated in the notice accompanying this Annual Report, the 28th AGM of the Company will be held on the date and place mentioned herein below:

Date and Time: Monday, 30th September, 2021 at 11:30 A.M.

Venue: Registered office of the company (through VC)

8.2 Book closure

The Transfer books will remain closed from Thursday, 23rd September, 2021 to Thursday, 30th September, 2021 (Both days inclusive)

8.3 Stock Exchange where Equity Shares of the Company are listed and Scrip Code of the Company are as followed:

- Bombay Stock Exchange Limited 526441

8.4 Address for Correspondence for share/Debenture and related matters:

- Company's Secretarial Department for any kind of correspondence:

VISION CINEMAS LIMITED

#14, 1st Floor, 6th Cross, Jayamahall Extension, Bangalore –560046

Phone: 080 2333 8227 mail: cs@visioncinemas.in

• Registrar & Share Transfer Agents: INTEGRATED ENTERPRISES (INDIA) PRIVATE LIMITED

5A , 5th Floor, Kences Towers, 1, Ramakrishna Street North Usman Road, T. Nagar , Chennai, TN- 600017

Phone: 080-23460815

8.5 Procedure for Transfer of Shares

For shares held in physical mode

The process of transfer of Equity Shares in physical form is registered by the Company's Registrar and Share Transfer Agents M/s Integrated Enterprises (India) Limited. If the instrument of share transfer and supporting documents are found to be in order, the transfer work is completed within a period of 30 days from the date of receipt of such documents. As per SEBI guidelines, the Company offers the facility of transfer-cum-demat services to the transferees. The Equity Shares of the Company is to be traded compulsorily in demat mode.

Dematerialized mode

The Company had signed agreements with both the depositories namely NSDL and CDSL. The shareholders may therefore hold Company's shares in electronic mode. The company's ISIN No. for both the depositories is INE515B01025.

Details of Equity Shares of the Company held in De-mat form as on March 31, 2021 are as under:

| Particulars | No. of Equity shares | % to Share Capital |
|--------------|----------------------|--------------------|
| NSDL | 4,27,22,978 | 60.32 |
| CDSL | 2,49,63,231 | 35.25 |
| Physical | 31,38,496 | 4.43 |
| Total | 7,08,24,705 | 100.00 |

8.6 The Company has not issued any GDR's/ADR's warrants or any other convertible instruments.

8.7 Distribution of shareholding as on 31st March, 2021

| No. of Equity Share held | No. of share Holder | % of share Holder | No. of shares | % of shares holding |
|--------------------------|---------------------|-------------------|--------------------|---------------------|
| Up to 500 | 2888 | 49.47 | 641321 | 0.91 |
| 501 -1000 | 1127 | 19.30 | 824110 | 1.16 |
| 1001 -2000 | 590 | 10.11 | 887714 | 1.25 |
| 2001 -3000 | 367 | 6.29 | 1013521 | 1.43 |
| 3001 -4000 | 94 | 1.61 | 344869 | 0.49 |
| 4001 -5000 | 93 | 1.59 | 436208 | 0.62 |
| 5001 -10000 | 267 | 4.57 | 1958469 | 2.77 |
| 10001 & above | 412 | 7.06 | 64718493 | 91.38 |
| Total | 5838 | 100 | 7,08,24,705 | 100 |

8.8 Categories of Shareholders as on March 31, 2021

| Category | No. of share Held | % |
|--|--------------------|---------------|
| Promoters, Director, Group Companies & their Relatives | 2,74,94,846 | 38.82 |
| Mutual Fund, FII & Other Banks | 11,700 | 0.02 |
| Private Bodies Corporate (Non Institutions) | 4,22,55,549 | 59.66 |
| NRIs/OCB's | 10,62,610 | 1.50 |
| Total | 7,08,24,705 | 100.00 |

8.9 Stock Market Data:

The Monthly High and Low quotations of share traded on the Bombay Stock Exchange is as follows.

| Month | BSE | |
|-----------------|------------|-----------|
| | High (Rs.) | Low (Rs.) |
| April, 2020 | 0.75 | 0.68 |
| May, 2020 | 0.73 | 0.61 |
| June, 2020 | 0.87 | 0.70 |
| July, 2020 | 0.76 | 0.67 |
| August, 2020 | 0.75 | 0.55 |
| September, 2020 | 0.69 | 0.60 |
| October, 2020 | 0.57 | 0.40 |
| November, 2020 | 0.40 | 0.31 |
| December, 2020 | 0.66 | 0.38 |
| January, 2021 | 0.90 | 0.63 |
| February, 2021 | 0.74 | 0.57 |
| March, 2021 | 0.72 | 0.57 |

9. OTHER DISCLOSURES

9.1 Related Party Transactions

The Board has approved a 'Policy on Related Party Transactions' web link of which forms part of Directors' Report. There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

9.2 Statutory Compliance, Penalties and Structures

There were instances of material non-compliance and pursuant to the same, monetary penalty was imposed on the Company by Stock Exchange (BSE) of for various non compliances. The cumulative penalties from non-compliances for past years amounted to approx. Rs. 1.25 Crores. The company has been irregular in payments of Annual Fees to BSE, depositories and RTA as per the observations of Secretarial Audit Report. As per explanation given to us, company has sought relief in penalties against documents already submitted in time but not taken on record by BSE.

9.3 Disclosure of Accounting Treatment

The Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable, in the preparation of its financial statements.

9.4 Code of Conduct for prohibition of Insider trading

Your company had adopted a Code of conduct as per Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 as amended from time to time. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by this Code. During the year under review, the Company had made due compliance with SEBI (Prohibition of Insider trade) (Amendment) Regulations, 2018.

9.5 Details of compliance with mandatory requirements

The Company has complied with all mandatory applicable requirements laid down under the provision of (SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of Board of Directors

Sd/-

Bindiganavale Ranganasanth

Managing Director

(DIN: 01763289)

Date: August 14, 2021

Place: Bangalore

DECLARATION ON CODE OF CONDUCT

Note : The Company is exempted from taking declaration signed by Chief Executive Officer stating that the members of Board of Directors and Senior Management personnel have affirmed compliance with the code of conduct of board of directors and senior management under regulation 15 (2) of new Listing Regulations.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

Note: The Company falls under the exemption criteria as laid down under Regulation 15(2) (a) and therefore, not required mandatorily to comply with the said regulations. Therefore, Company is exempted from obtaining certificate from Auditor.

MANAGING DIRECTOR / CHIEF EXECUTIVE OFFICER CERTIFICATION

Note : The Company is exempted from obtaining compliance certificate from chief executive officer and chief financial officer required to be obtained under regulation 17(8) of the new Listing Regulations under regulation 15 (2) read with regulation 17(5) of new Listing Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS

MEDIA, ENTERTAINMENT AND FILMS INDUSTRY GLOBAL OUTLOOK

The Indian Media and Entertainment industry presents a myriad of opportunities to grow across multiple types of media. With over 850 TV channels and 17,000 newspapers, the nation is one of the most diverse media industries in the world. Emerging opportunities in India in wireless broadband connectivity and infrastructure, coupled with favourable economic growth and young demographics, are expected to present new growth prospects to the industry.

According to FICCI, the Indian M&E sector was growing @ 9% till 2019 and expected to reach INR 2.23 trillion by 2023.. The sector continued to outgrow the nominal GDP, which grew by 10.24%, due to the continuous economic growth and rising per capita incomes.

All was on track till Covid-19 impact adversely hit parts of the industry, some short-term (advertising dependent businesses) and others medium-term (out-of-home experiences). But it also gave a huge fillip to in-home consumption (Films, Series, Music, and Gaming). The gainers have been the digital platforms (Video and Music) who have seen tremendous growth in both first-time users as well as time spent per user. But amidst all this, the biggest beneficiary has been Content. There is more content getting consumed by more number of people in the post-Covid era than the pre-Covid one.

The digital revolution has been knocking at the door of entertainment industry for some time but is now set to boom. This is courtesy multiple infrastructural and social changes happening across our country. The foremost is the explosion of smartphone ownership which has put a smart TV screen in the hands of 700 Million people in the country. The next driver is the low cost of data which is taking away the cost barrier from the minds of customers while they are streaming content.

Domestic theatrical revenues crossed Rs. 100 billion and growth was driven by digital and Over-the-Top (OTT) movie rights. The other positive change is the slowly rising popularity of Indian content across global audiences. This is triggered by the easier availability of Indian content across all global digital streaming platforms, and an increasing willingness to watch content with subtitles. Here, it's not just the A-lister films, but smaller thematic films and Indian music that's getting appreciated.

The Indian exhibition infrastructure is undergoing a steady change over the past few years and exercises influence on a large segment of the population. Over the next decade, over two dozen well-funded video and audio OTT platforms will fight amongst themselves and with the existing 900 TV and 360 radio stations in India for the consumer's time and money, and the weapon of choice in this war will be Content. The experience of going to watch a movie in a movie theatre with family is still considered as one the most popular and affordable option for entertainment in India. However, due to the current scenario of Covid-19 Pandemic audience prefers to watch movies, web series, and short films over digital media services with more comfort with respect to cost, time and other benefits.

DRIVERS OF GROWTH FOR INDIAN M&E AND FILMS INDUSTRY

Rising Income:

- India's per capita income at current prices grew 11.0% to reach Rs. 141,447 (US\$ 1960.46) IN FY 19AE.
- During 2017-2025, elite, affluent, aspires and next billion income classes are expected to grow at a CAGR of 11%, 9%, 55 and 2% respectively.

Investments:

- The Government of India increased the FDI Limit from 74% to 100%.
- In 2020, the sector witnessed a total of 21 mergers and acquisition (M&A) worth US\$ 240 Million.

Governments Initiatives:

- The Government carved out National Film Policy to mainly tap potential in the Animation segment.
- The Government has set up the National Centre of Excellence for Animation, Gaming, Visual effects and Comics industry in India.
- The Government will formulate a plan to increase media and entertainment export to US\$ 10 Billion in the next 5 years.
- The Government is taking efforts to boost "MAKE IN INDIA" initiative in the media and entertainment industry.

BUSINESS REVIEW AND GROWTH PROSPECTS

Your Company is one of the Oldest Exhibition and Movie Processing Laboratory Companies in southern India having a group presence (through other entities) of approximately 50 years. The Promoters have restructured the Board for two major reasons; to meet regulatory requirements and to mitigate the risk with respect to Business Management, Management Upgradation and to receive expert backing from veteran professionals in the Industry.

It has also been making efforts to revamp the complete compliance structure of the Company to make it stakeholder friendly and ease of access to the Information.

The Company has also upgraded its websites to include online ticket bookings for its Cinema Screens and ease to Customers for a simple and easy cinema experience.

The Company has also started identifying areas where it can set up multiplexes and F&B store. The Company also plans to develop a unique brand name for its F&B stores to make it attractive and easy recognition amongst its customers.

RISKS & CONCERNS

As it is normal and prevalent for any business, the Company also is likely to face competition from existing companies. There can be risks inherent in meeting unforeseen situations, not common in the industry. The biggest concern nowadays is the switchover of customers/audience from physical to online segment. There is all of a sudden change in the taste and preferences of the people due to covid pandemic. This needs to be noted and make necessary efforts to have a stand in the industry.

Your Company is fully aware of these challenges and is geared to meet them. Your Company also recognizes the risks associated with business and takes adequate measures to address the associated risks and concerns.

Rising up to the new challenges will only be possible when we scale-up the brand chain and put in efforts toward providing more and more satisfaction to the customers.

Risk: The Growth of Company is highly dependent on Income levels and Government policies, which directly impact leisure and entertainment industry.

Mitigation: The Company expects no major and material change in Income levels and thus the Foot fall shall not decrease in coming years.

Risk: Highly dependent on good films

Mitigation: The Company expects line up of good movies on basis of Internal Industry sources and which shall stand attractive to all class of Audiences, which will ultimately add to revenues of the Company.

Risk: High Capex to set up High Quality Screens

Mitigation: The Company seeks to set up Screens through Asset Light Model, where a partnership with local HNIs and Ultra HNIs of areas will be planned resulting into low capex and high income for the Company.

Risk: Identification of suitable location for New Cinemas and Multiplexes.

Mitigation: The Company currently have planned to expand its operations in Gujarat, Maharashtra and Certain parts of Southern India. For precise location identification, Company have hired one of the Leading Management Consultancy firm from Ahmedabad, who shall conduct spot verification and thorough Due Diligence for measuring commercial viability of the locations.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorised, recorded and reported correctly. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

HUMAN RESOURCES

Vision believes that in order to effectively serve the stakeholders, the Company's human resources play an integral role. To create value for our stakeholders who come from diverse backgrounds, we need a diverse workforce where employees feel safe, work in an inclusive and supportive environment. The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity: to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. Industrial relations are cordial and satisfactory.

We continuously strive to attract and retain the best talent from the local markets; clearly define their roles and responsibilities; include them into robust performance management systems; create an inspiring and rewarding work environment; engage them into an inclusive work place; impart training and create development opportunities for increasing employee knowledge and efficiency to make them future ready and to create career opportunities.

CAVEAT

This section of the Annual Report has been included in adherence to the spirit enunciated in the Code of Corporate Governance approved by the Securities and Exchange Board of India. Shareholders and Readers are cautioned that in the case of data and information are external to the Company, though the same are based on sources believed to be reliable, no representation is made on its accuracy or comprehensiveness. Further, though utmost care has been taken to ensure that the opinions expressed by the management herein contain its perceptions on most of the important trends having a material impact on the Company's operations, no representation is made that the following presents an exhaustive coverage on and of all issues related to the same. The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which is extremely dynamic, and increasingly fraught with risk and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein. Readers are hence cautioned not to place undue reliance on these statements, and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regard to their own specific objectives. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this report, consequent to new information, future events, or otherwise.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VISION CINEMAS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Vision Cinemas Ltd.** ("the company"), which comprise the Balance Sheet as at March 31 2021, and the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in **the "Emphasis of Matters paragraph" and "Report on Other Legal & Regulatory Requirements paragraph" below**, the aforesaid standalone 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 other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, its cash flows and the changes in equity for the year ended on that date

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's Responsibility 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 made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

1. 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 period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matters | How our auditor addressed the key audit matter |
|---|---|
| <p><u>1. Recoverability of Loans to Subsidiary Company</u></p> <p>The Company has advanced a loan of Rs. 668.40 Lakhs as on March 31, 2021. The company had given the advance to its subsidiary during the previous financial year as well as during the current financial year.</p> <p>The aggregate of advance as on 31st March, 2020 was Rs. 667.06 Lakhs which has increased to Rs. 668.40 Lakhs as on 31st March, 2021.</p> | <p>We reviewed management's rational and objective for providing advance to subsidiary. We reviewed management's assessment of recoverability advances to subsidiary and corroborated the same with the financials of subsidiary. We reviewed the Company's internal control system for advancing the money to suppliers and subsidiary and carried out a combination of procedures involving enquiry and observation and inspection of evidence in respect of these loans and advances. Our audit approach consisted testing of design and operating effectiveness of internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Review of complete details of advance given to subsidiary and corroborating the same with of ledger Accounts and confirmation of subsidiary. • Review of onward payment by subsidiary to various parties and with the supporting documents / Purchase Orders / Invoices etc. • Reviewed the procedures followed by Vision and subsidiary for selection of vendors and justification of terms of payments, delivery, warranties/Guarantees etc. • Assessed present status of Advance, receipt / availability of material/services. • Obtained explanation from the management and went through the report obtained by the company from external independent expert on fund utilization. Based on our procedures, we found management's judgment around the recovery of the Advance to be appropriate. |

Information other than the Financial Statements and Auditor's Report thereon

- The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report, Management discussion and Analysis and Report on corporate governance but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- 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 during the course of our 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

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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.

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

- 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.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in 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.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 period 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.

Emphasis of Matter

Without qualifying our report, I draw attention on the following non compliances under the Companies Act, 2013 and rules thereon:

- a) Non – appointment of Internal Auditors as required under section 138 of the said Act;
- b) Non – appointment of Independent Directors as required under section 149(4) of the said Act.
- c) The Company has not complied with all the requirements related to Ind AS financial statements and relevant information on its website as required under section 136 of the said Act.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements does not comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has following pending litigations which may have impact on its standalone financial statements:
 - A matter has been filed by SEBI against promoters of the company for preferential allotment of shares in their name. The Hon. Mumbai High Court has passed a Stay order favouring the promoters against SEBI regarding this matter.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, required to be transferred, to the Investor Education and Protection fund by the company.
- 2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Jayamal Thakore & Co.
Chartered Accountants
Firm's Registration Number: 104098W

Place: Ahmedabad
Date: 30th June, 2021

Anup Kumar Bhattacharjee
Partner
Membership number: 082184
UDIN: 20082184AAAAAN5748

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Vision Cinemas Limited** (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

1. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the Internal Control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Jayamal Thakore & Co.

Chartered Accountants

Firm's Registration Number: 104098W

Place: Ahmedabad

Date: 30th June, 2021

Anup Kumar Bhattacharjee

Partner

Membership number: 082184

UDIN: 20082184AAAAAN5748

ANNEXURE “B” TO THE INDEPENDENT AUDITORS REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to information and explanation given to us, during the year, the management conducted physical verification of certain fixed assets in accordance with its policy of physical verification in a phased manner. In our opinion, such frequency is reasonable having regard to the size of the Company and the nature of its fixed assets. As explained to us, the discrepancies noticed on physical verification as compared to book records maintained, were not material and have been properly dealt with in the books of account.

(c) We are unable to form an opinion on whether the title deeds of immovable property are held in the name of company since the management has not provided necessary documentary evidences, in order to certify whether, the title deeds of immovable properties are held in the name of the Company.
2. The Company is engaged in business of Screening of Movies and Advertisement. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
3. According to the information and explanations given to us, during the year the Company has granted advance of Rs. 668.40 lakhs as on 31/03/2021 to its subsidiary company covered in the register maintained under section 189 of companies Act, 2013. The terms are not prejudicial to the Company's interest.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposits and hence reporting under clause 3(v) of the Order is not applicable.
6. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the Order is not applicable to the Company.
7. According to the information and explanations given to us, in respect of statutory due:

- (a) The company has not been regularly depositing undisputed statutory dues, including Income-tax and Service Tax Statutory Dues applicable to it with the appropriate authorities. Details of Dues are as under :

| Nature of Dues | Amount unpaid as on 31/03/2021 (in Rs.) | Period of default |
|------------------------|--|--------------------------|
| Tax deducted at source | 4,99,143 | Various Dates |
| Service Tax | 3,12,304 | Various Dates |

- (b) There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Customs Duty, cess and other material statutory dues in arrears except, Service Tax under Finance Act, 1994 and TDS applicable under Income tax Act, 1961 as at March 31, 2021 for a period of more than six months from the date they became payable. Details of dues of TDS are as under:

| Name of the statute | Nature of Dues | Amount unpaid as on 30/09/2020 (in Rs.) |
|----------------------------|------------------------|--|
| Income Tax Act, 1961 | Tax deducted at source | 4,54,643 |
| Finance Act, 1994 | Service Tax | 3,12,304 |

- (c) According to the information and explanations given to us by the Company, there are no disputed statutory dues that have not been deposited on account of matters pending before the appropriate authority.
8. According to the information and explanations given to us, the Company has not committed any default in repayment of dues to banks and financial institutions. The Company did not have any loans or borrowings from government or financial institutions during the year.
9. The Company has not raised any moneys by ways of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under Clause 3(ix) of the Order is not applicable.
10. To the best of our knowledge and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

11. According to the information and explanations given to us, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it, the provisions of 3(xii) of the Order are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. 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 not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For Jayamal Thakore & Co.
Chartered Accountants
Firm's Registration Number: 104098W

Place: Ahmedabad
Date: 30th June, 2021

Anup Kumar Bhattacharjee
Partner
Membership number: 082184
UDIN: 20082184AAAAAN5748

| VISION CINEMAS LIMITED BALANCE SHEET AS AT MARCH 31, 2021 | | | |
|---|------------------------------|---|--------------------|
| | Note No. | 31.03.2021 Rs. | 31.03.2020 Rs. |
| I. ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 7,674,139 | 8,039,339 |
| Investment in subsidiary | 4 | 499,000 | 499,000 |
| Other non-current assets | 5 | 869,658 | 869,658 |
| | | | - |
| Total Non Current Assets | | 9,042,797 | 9,407,997 |
| Current Assets | | | |
| Financial Assets | | | |
| Trade receivables | 6 | 96,694,459 | 97,895,959 |
| Cash and cash equivalents | 7 | 177,271 | 158,618 |
| Other current assets | 8 | 69,669,352 | 66,676,464 |
| | | | |
| Total Current Assets | | 166,541,082 | 164,731,041 |
| TOTAL ASSETS | | 175,583,878 | 174,139,037 |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 9 | 78,920,955 | 78,920,955 |
| Other equity | 10 | 73,922,201 | 75,292,866 |
| Share Warrants | | - | - |
| | | | |
| Total Equity | | 152,843,156 | 154,213,821 |
| Non-Current Liabilities | | | |
| Deferred tax liabilities | 11 | 6,599,000 | 6,349,000 |
| | 12 | 1,733,000 | 1,795,000 |
| | | | |
| Total Non Current Liabilities | | 8,332,000 | 8,144,000 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Trade payables | 13 | 12,064,661 | 8,299,797 |
| Other current liabilities | 14 | 2,344,061 | 3,387,916 |
| Short Term Provisions | 15 | - | 93,503 |
| | | | |
| Total Current Liabilities | | 14,408,722 | 11,781,216 |
| | | | |
| Total Liabilities | | 22,740,722 | 19,925,216 |
| TOTAL EQUITY & LIABILITIES | | 175,583,878 | 174,139,037 |
| Significant accounting policies and Notes to accounts are an integral part of financial statements. | | | |
| For and on behalf of the Board of Vision Cinemas Limited | | As per my report of even date FOR Jayamal Thakore & Co. CHARTERED ACCOUNTANTS Firm Reg No. : 104098W | |
| Ranga Vasanth (Director) | Anitha Vasanth (Director) | Anup Kumar Bhattacharjee Partner Membership No. 082184 Place : Ahmedabad Date : 30th June 2021 | |
| Place : Bangalore Date : 30th June 2021 | | | |

| VISION CINEMAS LIMITED | | | |
|---|------------------------------|---|---------------------------------|
| STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021 | | | |
| Amounts in INR | | | |
| | Note No. | YEAR ENDED 31.03.2021 Rs. | YEAR ENDED 31.03.2020 Rs. |
| Income | | | |
| Revenue from operations(Gross) | 16 | - | 7,524,821 |
| Other Income | | - | - |
| Total Income | | | 7,524,821 |
| Expenses | | | |
| Operation Costs | 17 | - | 720,000 |
| Finance costs | | - | 25,558 |
| Depreciation and amortisation expense | 18 | 365,200 | 365,200 |
| Other expenses | 19 | 1,011,882 | 6,276,206 |
| Total Expenses | | 1,377,082 | 7,386,964 |
| Profit/(Loss) before exceptional and extraordinary items and tax | | (1,377,082) | 137,857 |
| Exceptional items | | - | - |
| Profit/(Loss) before extraordinary items and tax | | (1,377,082) | 137,857 |
| Extraordinary Items | | | |
| Profit/(Loss) before Tax | | (1,377,082) | 137,857 |
| Tax expense: | | | |
| (1) Current tax | | 55583 | 103,644 |
| (2) Deferred tax | | -62000 | 58,000 |
| Profit/(Loss) for the year | | (1,370,665) | 92,213 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss in subsequent period: | | | |
| Remeasurement of post employment benefit obligations | | - | - |
| Income tax relating to these items | | - | - |
| Other comprehensive income for the year, net of tax | | - | - |
| Total comprehensive income for the year | | (1,370,665) | 92,213 |
| Earnings per share: | | | |
| Basic/Diluted | 20 | (0.02) | 0.00 |
| Significant accounting policies and Notes to accounts are an integral part of financial statements. | | | |
| For and on behalf of the Board of Vision Cinemas Limited | | As per my report of even date FOR Jayamal Thakore & Co. CHARTERED ACCOUNTANTS Firm Reg No. : 104098W | |
| Ranga Vasanth (Director) | Anitha Vasanth (Director) | Anup Kumar Bhattacharjee Partner Membership No. 082184 Place : Ahmedabad Date : 30th June 2021 | |
| Place :Bangalore Date : 30th June 2021 | | | |

| VISION CINEMAS LIMITED | | |
|---|---|-------------------------------------|
| CASH FLOW STATEMENT FOR THE YEAR ENDING MARCH 31, 2021 | | |
| | Amount in INR | |
| Particulars | YEAR ENDED 31.03.2021 | YEAR ENDED 31.03.2020 |
| A. Cash Flow from Operating Activities | | |
| Profit before Taxation and extraordinary items | (1,377,082) | 137,857 |
| Adjustments for Depreciation | 365,200 | 365,200 |
| Interest Income | - | - |
| Interest expenses | - | - |
| Transition in provisions in Usefullife as per Companies Act 2013 | | |
| Operating Profit before working capital changes | (1,011,882) | 503,057 |
| Changes in Working Capital: | | |
| Increase/(Decrease) in Trade Payables | 3,764,864 | (2,894,082) |
| Increase/(Decrease) in Short Term Provisions | (93,503) | (45,884) |
| Increase/(Decrease) in Other Liabilities | (1,043,855) | (60,056,583) |
| (Increase)/Decrease in Trade Receivables | 1,201,500 | (1,740,392) |
| (Increase)/Decrease in Short term Loans and advances | | |
| (Increase)/Decrease in Long Term Loans and advances | | - |
| (Increase)/Decrease in Other Current assets | (2,992,888) | 908,615 |
| Cash generated from Operations | (175,764) | (63,325,269) |
| Taxes paid (Net of refunds) | 55,583 | 103,644 |
| Net cash generated from operations before extraordinary items | (231,347) | (63,428,913) |
| Net cash generated from operating activities | (231,347) | (63,428,913) |
| B. Cash Flow from Investing Activities | | |
| Purchase of Tangible/Intangible Assets | - | - |
| Reinstatement of Fixed Assets on account of | | |
| (Increase)/Decrease in Investment | - | 62,401,000 |
| (Increase)/Decrease in Other Non Current liabilities | 250,000 | 249,000 |
| Transition in provisions in Usefullife as per Companies Act 2013 | | |
| Dividend Received | | |
| Transition in provisions in Usefullife as per Companies Act 2013 | | |
| Interest received | | |
| Net Cash from Investing Activities | 250,000 | 62,650,000 |
| C. Cash flow from Financing Activities | | |
| Interest paid | - | - |
| Issue of Share warrants | | |
| Increase/(Repayment) of borrowings | | |
| Net cash raised in Financing activities | - | - |
| Net increase in cash and cash equivalents | 18,653 | (778,913) |
| Cash and Cash equivalents at the beginning of the year | 158,618 | 937,531 |
| Cash and Cash equivalents at the end of the year | 177,271 | 158,618 |
| Notes: | | |
| 1. There was no significant reconciliation items between cash flow prepared under IGAAP and those prepared under Ind AS | | |
| For and on behalf of the Board of Vision Cinemas Limited | As per my report of even date FOR Jayamal Thakore & Co. CHARTERED ACCOUNTANTS Firm Reg No. : 104098W | |
| Ranga Vasanth (Director) | Anitha Vasanth (Director) | Anup Kumar Bhattacharjee Partner |
| Place :Bangalore | | Membership No. 082184 |
| Date : 30th June 2021 | | Place :Ahmedabad |
| | | Date : 30th June 2021 |

Notes forming part of Financial Statements

1. CORPORATE INFORMATION

Vision Cinemas Limited is a public company incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange.

The Company is engaged in the business of movie exhibition. The company earns revenue from screening income and distribution income.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENTS

(a) Statement of Compliance

These standalone financial statements have not been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial instruments which are measured at fair value at end of the each reporting period, as explained in the accounting policies below.

(c) Use of judgement, estimates and assumptions

The preparation of the financial statements requires the management to make judgements, estimates and assumptions considered in the reported amounts of assets and liabilities and disclosure relating to contingent liabilities as at the date of financial statement and the reported amounts of income and expenditure during the reported year. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

i) Income taxes

The Company's major tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The

realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

ii) Impairment testing

Investments in subsidiaries, goodwill and intangible assets are tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

iii) Depreciation and amortisation

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortization charges.

iv) Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

Fair valuation of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the “functional currency”). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

(b) Investment In Subsidiary:

Investment in subsidiary company is carried at cost less accumulated impairment losses, if any. Where an indication of Impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate and joint venture companies, the difference between net disposal of proceeds and the carrying amounts are recognised in the statement of Profit and Loss.

(c) Property, plant and equipment

Property, plant and equipment are measured at historical cost or its deemed cost less accumulated depreciation and impairment losses, if any. Historical Cost includes expenditures directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

Subsequent expenditure on additions and betterment of operational properties are capitalized, only if, it is probable that the future economic benefits

associated with the expenditure will flow to the Company and expenditures for maintenance and repairs are charged to statement of Profit & Loss as incurred.

(d) Depreciation/ Amortisation

Depreciable amount for assets is the cost of asset less its estimated residual value.

Depreciation has been provided on assets on the straight line method, as per the useful life prescribed in Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The Company assesses at each Balance Sheet date whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

All the assets except building are at residual value as on 1st April, 2020 and hence depreciation is provided only on building value amount.

The residual values are not more than 5% of the original cost of assets.

(e) Leases

From April 1, 2019, Ind AS 116 'Leases' is applicable to all the listed companies. Ind AS 116 has certain exemptions from the application of Ind AS – 116:

As per explanation and books of accounts provided to us, there are no lease payments done by the company and as per the explanation provided to us, no lease agreements are entered into by the company.

(f) Financial Instruments

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non-derivative financial liabilities at

amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Non-derivative financial assets

i. Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

ii. Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

For assets, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the company has exercised the option to classify the equity investment as at FVTOCI, all fair value changes on the investment are recognised in OCI. The accumulated gains or losses on such investments are not recycled to the Statement of Profit and Loss even on sale of such investment.

iii. Financial assets at Fair Value through Profit and loss (FVTPL)

Financial assets which is not classified in any of the above category is measured at FVTPL. These include surplus funds invested in mutual funds etc.

Financial assets included within the FVTPL category are measured at fair values with all changes recorded in the statement of profit and loss.

Non-derivative financial liabilities

Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method. For trade and other payable maturing within one year from the Balance Sheet date, the carrying value approximates fair value due to short maturity.

Financial liabilities at Fair Value through Profit and loss (FVTPL)

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognized in the statement of profit and loss.

Derivative financial instruments and hedging activities

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company enters into derivative contracts to hedge the risks asserted with currency fluctuations relating to firm commitments and highly probable transactions. The Company does not use derivative instruments for speculative purposes.

The Company documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The ineffective portion of changes in the fair value of the derivative is recognised in the Statement of Profit and Loss.

Amounts accumulated in hedging reserve are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects the Statement of Profit and Loss.

The full fair value of a hedging derivative is classified as a current/ non-current, asset or liability based on the remaining maturity of the hedged item.

When a hedging instrument expires, swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in Statement of Changes in Equity is recognised in the Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Fair value measurement

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the Balance Sheet date.
- ii) Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.
- iii) Level 3 - The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

(g) Employee Benefits

Salaries and wages paid to employees is recognized as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

The Company does not have any policy for deduction of professional Tax, Provident Fund, ESIC and/or any other employee benefit plans.

(h) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

(i) Income Taxes

Income tax comprises current and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

- a) Current income tax** - Current income tax liability/ (asset) for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the year. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the year. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.
- b) Deferred tax** - Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base

of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(j) Cash flow Statement:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cash-flows. The cash flow from operating, investing and financing activities of the Company are segregated.

(k) Revenue Recognition

The Company derives revenue primarily from screening and distribution income. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company, and the revenue can be reliably measured regardless of when the payment is being made. Revenue excludes goods and service tax, sales tax and entertainment tax which are collected by the Company on behalf of the Government and deposited to the credit of respective Governments.

(l) Dividend and dividend distribution tax

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The Company declares and pays dividends in Indian rupees and are subject to applicable distribution taxes. The applicable distribution taxes are treated as an appropriation of profits.

(m) Foreign Currency transactions and translations

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

(n) Finance Income and expense

Finance income consists of interest income on funds invested, dividend income and fair value gains on the FVTPL financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Dividend income is recognized in the statement of profit and loss on the date that the Company's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method.

(o) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity

shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(p) Contingent Liabilities

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

The company has defaulted in timely submission of SEBI statutory statements and has been late in filing statements. The basic fine payable is of Rs. 1,03,32,472 pursuant to SEBI SOP Circular for the period from March – 2014 to March-2021.

The company has not made provision for above referred contingent liabilities in its financial statements.

(q) Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognize a contingent asset.

(r) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

(s) Borrowing Costs

Borrowing costs include interest and amortization of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in

connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

During the year company has not incurred any borrowing expenses.

(t) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

(u) Goods & Service Tax:

GST credit on materials purchased for production / service availed for production / input service are taken into account at the time of purchase and GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

The GST credits so taken are utilized for payment of excise duty/GST on sales. The unutilized GST credit is carried forward in the books. The GST credits so taken are utilized for payment of tax on goods sold. The unutilized GST credit, if any, is carried forward in the books.

Method : Straight Line basis

PROPERTY, PLANT AND EQUIPMENT

| SI No | Gross Block | | | | | Accumulated Depreciation | | | | Net Block | |
|-------|--------------------------|------------------------------|------------------------|-----------------------------|-------------------------------|------------------------------|-----------------------------|---------------------------|-------------------------------|-------------------------------|-------------------------------|
| | Particulars | Balance as at 1st April 2020 | Additions/ (Disposals) | Revaluations/ (Impairments) | Balance as at 31st March 2021 | Balance as at 1st April 2020 | Transfer to General reserve | Depreciation for the Year | Balance as at 31st March 2021 | Balance as at 31st March 2021 | Balance as at 31st March 2020 |
| 1 | Tangible Assets Building | 10,934,127 | - | | 10,934,127 | 5,016,330 | | 365,200 | 5,381,530 | 5,552,598 | 5,917,798 |
| 2 | Plant & Machinery | 26,005,707 | - | | 26,005,707 | 24,705,422 | | - | 24,705,422 | 1,300,286 | 1,300,286 |
| 3 | Furniture & Fixtures | 2,525,585 | - | | 2,525,585 | 2,400,802 | | - | 2,400,802 | 124,785 | 124,785 |
| 4 | Office Equipment | 1,252,773 | - | | 1,252,773 | 1,190,134 | | - | 1,190,134 | 62,640 | 62,640 |
| 5 | Vehicles | 1,777,614 | - | | 1,777,614 | 1,688,733 | | - | 1,688,733 | 88,882 | 88,882 |
| 6 | Computers | 10,898,950 | - | | 10,898,950 | 10,354,003 | | - | 10,354,003 | 544,948 | 544,948 |
| | Total | 53,394,755 | - | - | 53,394,755 | 45,355,423 | - | 365,200 | 45,720,623 | 7,674,139 | 8,039,339 |
| | Previous Year | 53,394,755 | - | - | 53,394,755 | 44,990,223 | - | 365,200 | 45,355,423 | 8,039,339 | 8,404,539 |

Method : Straight Line basis

PROPERTY, PLANT AND EQUIPMENT

| SI No | Gross Block | | | | | Accumulated Depreciation | | | | Net Block | |
|-------|--------------------------|------------------------------|------------------------|-----------------------------|-------------------------------|------------------------------|-----------------------------|---------------------------|-------------------------------|-------------------------------|-------------------------------|
| | Particulars | Balance as at 1st April 2019 | Additions/ (Disposals) | Revaluations/ (Impairments) | Balance as at 31st March 2020 | Balance as at 1st April 2019 | Transfer to General reserve | Depreciation for the Year | Balance as at 31st March 2020 | Balance as at 31st March 2020 | Balance as at 31st March 2019 |
| 1 | Tangible Assets Building | 10,934,127 | - | | 10,934,127 | 4,651,130 | | 365,200 | 5,016,330 | 5,917,798 | 6,282,998 |
| 2 | Plant & Machinery | 26,005,707 | - | | 26,005,707 | 24,705,422 | | - | 24,705,422 | 1,300,286 | 1,300,286 |
| 3 | Furniture & Fixtures | 2,525,585 | - | | 2,525,585 | 2,400,802 | | - | 2,400,802 | 124,785 | 124,785 |
| 4 | Office Equipment | 1,252,773 | - | | 1,252,773 | 1,190,134 | | - | 1,190,134 | 62,640 | 62,640 |
| 5 | Vehicles | 1,777,614 | - | | 1,777,614 | 1,688,733 | | - | 1,688,733 | 88,882 | 88,882 |
| 6 | Computers | 10,898,950 | - | | 10,898,950 | 10,354,003 | | - | 10,354,003 | 544,948 | 544,948 |
| | Total | 53,394,755 | - | - | 53,394,755 | 44,990,223 | - | 365,200 | 45,355,423 | 8,039,339 | 8,404,539 |
| | Previous Year | 53,394,755 | - | - | 53,394,755 | 448,174,644 | - | 172,759 | 44,990,223 | 8,404,539 | 8,577,298 |

NOTES ON ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS THE FINANCIAL YEAR 2020-21

4 INVESTMENT IN SUBSIDIARY

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|------------------|------------------|
| Investment in Wholly Owned Subsidiary | | |
| 49,900 Equity shares of Rs 10/- each, fully paid up (Pyramid Entertainment (India) Private Limited) | 499,000 | 499,000 |
| TOTAL | 499,000 | 499,000 |

5 OTHER NON-CURRENT ASSETS

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|------------------------------|------------------|------------------|
| (Unsecured, Considered good) | | |
| Security Deposit - Others | 869,658 | 869,658 |
| TOTAL | 869,658 | 869,658 |

6 TRADE RECEIVABLES

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|-------------------|-------------------|
| Unsecured, considered good | | |
| Outstanding for a period exceeding six months from the date they are due for payment | | |
| - from related Parties | 96,694,459 | 97,895,959 |
| Others | | |
| TOTAL | 96,694,459 | 97,895,959 |

7 CASH AND CASH EQUIVALENTS

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---------------------------|------------------|------------------|
| Cash and Cash equivalents | | |
| Cash on hand | 126,639 | 126,639 |
| Balances with Banks | | |
| in Current Account | 50,632 | 31,979 |
| TOTAL | 177,271 | 158,618 |

8 OTHER CURRENT ASSETS

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---------------------------------------|-------------------|-------------------|
| Unsecured, considered good | | |
| Advance to Vendors | 2,859,388 | - |
| Advance Taxes (Net of Provisions) | - | - |
| GST Input receivable | - | - |
| Due From Related Parties | - | - |
| Pyramid Entertainment (India) Pvt Ltd | 66,839,964 | 66,706,464 |
| Other loans | (30,000) | (30,000) |
| TOTAL | 69,669,352 | 66,676,464 |

VISION CINEMAS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

9. EQUITY SHARE CAPITAL

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|-------------------|-------------------|
| Authorised | | |
| 15,00,00,000 (Previous Year 15,00,00,000) Equity Shares of Rs. 1/- each | 150,000,000 | 150,000,000 |
| (A) Issued and Subscribed and fully Paid-up | | |
| 5,41,74,705 (Previous Year 5,41,74,705) Equity Shares of Rs. 1/- each fully paid up | 70,824,705 | 70,824,705 |
| (B) Forfeiture of Shares | | |
| (arising out of reduction in capital as per court order) | | |
| Opening balance | 8,096,250 | 8,096,250 |
| Add : Transfer During the year | - | - |
| Balance as at the end of the year | 8,096,250 | 8,096,250 |
| TOTAL | 78,920,955 | 78,920,955 |

The Company has only one class of shares referred to as equity shares having a par value of Re.1/-. Each holder of equity shares is entitled to one vote per share held.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

Dividend, if approved, is payable to the shareholders in proportion to their shareholding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company.

The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of number of Shares

| | As at 31.03.2021 | | As at 31.03.2020 | |
|--|------------------|------------|------------------|------------|
| Equity Shares: | Number of Shares | Amount | Number of Shares | Amount |
| Balance as at the beginning of the previous year | 70,824,705 | 70,824,705 | 70,824,705 | 70,824,705 |
| | 70,824,705 | 70,824,705 | 70,824,705 | 70,824,705 |
| Add: Shares issued during the year | | | | |
| Balance as at the end of the year | 70,824,705 | 70,824,705 | 70,824,705 | 70,824,705 |

Details of Shares held by shareholders, holding more than 5% of the aggregate shares in the Company.

| Particulars | No. of shares | Percentage | No. of shares | Percentage |
|--------------------|---------------|------------|---------------|------------|
| S.I.Media LLP | 10,000,000 | 14.12% | 10,000,000 | 14.12% |
| Anita Vasanth | 6,950,170 | 9.81% | 6,950,170 | 9.81% |
| Vasanth Color Labs | 5,000,000 | 7.06% | 5,000,000 | 7.06% |

| 10. OTHER EQUITY | | | |
|--|-------------|--------------------|--------------------|
| Particulars | | As at 31.03.2021 | As at 31.03.2020 |
| (a) Capital Reserve | | | |
| Opening balance | 55,125 | | 55,125 |
| Add : Transfer During the year | - | | - |
| Balance as at the end of the year | | 55,125 | 55,125 |
| (b) Securities Premium Account | | | |
| Opening balance | 79,160,995 | | 79,160,995 |
| Add : Transfer During the year | - | | - |
| Balance as at the end of the year | | 79,160,995 | 79,160,995 |
| (c) Profit and Loss Account | | | |
| Opening balance | (3,923,254) | | (4,015,467) |
| Add : Transfer from Statement of Profit and Loss | (1,370,665) | | 92,213 |
| Balance as at the end of the year | | (5,293,919) | (3,923,254) |
| (d) Other Comprehensive Income | | | |
| Opening balance | - | | - |
| Additions during the year | - | | - |
| Balance as at the end of the year | | - | - |
| TOTAL | | 73,922,201 | 75,292,866 |
| <div> <div> For and on behalf of the Board of Vision Cinemas Limited </div> <div> Ranga Vasanth (Director) </div> <div> Anitha Vasanth (Director) </div> </div> <div> For and on behalf of the Board of Vision Cinemas Limited CHARTERED ACCOUNTANTS Firm Reg No. : 104098W Anup Kumar Bhattacharjee Partner Membership No. 082184 Place : Ahmedabad Date : 30th June 2021 </div> <div> Place :Bangalore Date : 30th June 2021 </div> | | | |

| | | |
|--|-------------------------|-------------------------|
| 11 NON - CURRENT LIABILITIES | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 |
| Anitha Vasanth | 6,100,000 | 6,100,000 |
| Vasanth Colour Labs | 499,000 | 249,000 |
| TOTAL | 6,599,000 | 6,349,000 |
| 12 DEFERRED TAX LIABILITIES | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 |
| On account fiscal allowance of depreciation | 1,733,000 | 1,795,000 |
| TOTAL | 1,733,000 | 1,795,000 |
| 13 TRADE PAYABLES | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 |
| Trades payables | | |
| - Due to micro small and medium enterprises | 127,500 | - |
| - Due to related parties | - | - |
| -Others | 11,937,161 | 8,299,797 |
| TOTAL | 12,064,661 | 8,299,797 |
| 14 OTHER CURRENT LIABILITIES | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 |
| Due to Key managerial personnel | | |
| Ranga Vasanth | 1,209,317 | 1,461,817 |
| BRG and Associates, Company Secretary | - | 30,000 |
| Outstanding Expenses | 162,000 | 162,000 |
| Statutory Dues(Including Providend Fund,Withholding Taxes Payable) | 738,713 | 1,500,068 |
| Audit Fees Payabale | 234,031 | 234,031 |
| TOTAL | 2,344,061 | 3,387,916 |
| There are no amounts due for payment to the Investor Education and Protection Fund under Section 125(2)(e) of the Companies Act, 2013. | | |
| 15 Short Term Provisions | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 |
| Provision for Taxation | - | 93,503 |
| TOTAL | - | 93,503 |

| | | | | |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| 16 REVENUE FROM OPERATIONS | | | | |
| Particulars | Year ended 31st March 2021 | | Year ended 31st March 2020 | |
| Screening Income | - | | 7,524,821 | |
| TOTAL | <u>-</u> | | <u>7,524,821</u> | |
| 17 OPERATION COSTS | | | | |
| Particulars | Year ended 31st March 2021 | | Year ended 31st March 2020 | |
| Screening expenses | - | | 720,000 | |
| TOTAL | <u>-</u> | | <u>720,000</u> | |
| 18 DEPRECIATION AND AMORTISATION EXPENSES | | | | |
| Particulars | Year ended 31st March 2021 | | Year ended 31st March 2020 | |
| Depreciation on tangible assets | 365,200 | | 365,200 | |
| | <u>365,200</u> | | <u>365,200</u> | |
| 19 OTHER EXPENSES | | | | |
| Particulars | Year ended 31st March 2021 | | Year ended 31st March 2020 | |
| Audit fees - Statutory | 150,000 | | 150,000 | |
| Administrative Exp. | - | | 146,168 | |
| Advertising & Print Media Exp. | 8,580 | | 127,660 | |
| Annual Issuer Fees | 22,500 | | 103,610 | |
| Annual Listing Fee | 300,000 | | 300,000 | |
| Consultancy Charges | - | | 1,600,000 | |
| Electricity Charges | - | | 230,867 | |
| Fuel Exp. | - | | 119,887 | |
| General Expenses | 5,044 | | 159,026 | |
| Interest/ Penalty/ Late Fees | 24,253 | | - | |
| Late Submission Fees | - | | 44,000 | |
| Legal & Professional Charges | 355,956 | | 1,532,068 | |
| NSDL Annual Custody Fee | | | 38,344 | |
| Printing & Stationery Exp. | | | 84,537 | |
| Prior Period Exp. | | | 98,140 | |
| R T A Exp. | 13,255 | | 83,376 | |
| Salary & Wages Payable | 120,000 | | 987,620 | |
| Security & Housekeeping Exp. | - | | 167,400 | |
| Statutory Expenses | - | | 21,600 | |
| Travelling and Conveyance Exp. | 12,294 | | 281,903 | |
| | <u>1,011,882</u> | | <u>6,276,206</u> | |
| 20 EARNINGS PER SHARE | | | | |
| Particulars | After extraordinary items | Before extraordinary items | After extraordinary items | Before extraordinary items |
| Basic/Diluted | | | | |
| Profit /(Loss) after tax | (1,370,665) | (1,370,665) | 92,213 | 92,213 |
| Weighted average number of shares outstanding | 70,824,705 | 70,824,705 | 70,824,705 | 70,824,705 |
| Basic EPS | (0.019) | (0.019) | 0.00 | 0.00 |
| Face value per share | 1 | 1 | 1 | 1 |

21. Segment reporting:

The company is engaged in the business of providing Screening and distribution Services. The company is therefore having one business segment, only.

22. Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

Total creditors as on 31.03.2021 is Rs. 1,20,64,661. Details of classification of creditors into MSME and non MSME is not available. As per our knowledge there is one creditor as on March 31, 2021 with credit balance of Rs. 1,27,500, which qualifies under dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. In the absence of additional information, we are not able to comment on the actual outstanding balance as on March 31, 2021 payable to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

23. In the opinion of Management, any of the assets other than items of property, plant and equipment, intangible assets and Non-Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.

24. On periodical basis and as and when required, the Company reviews the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss have been provided in the Financial Year 2020-21 (Previous Year Rs. Nil)

25. Financial Instruments and Risk Management

Risk Management Framework

The Company's risk management is governed by policies and approved by the board of directors. Company identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The company has policies for overall risk management, as well as policies covering specific areas, such as - exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a. Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company maintains its cash and cash equivalents and bank deposits with banks having good reputation, good past

track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis. The maximum exposure to credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of the adoption of Ind AS 109, the company uses ECL model to assess the impairment loss or gain. The company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the company's experience for customers.

The Company reviews trade receivables on periodic basis and charges to profit and loss account when management feels the amount will not be receivable in future. The Company also calculates the expected credit loss (ECL) for non-collection of receivables.

b. Liquid Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and liabilities including debt financing plans and maintenance of balance sheet liquidity ratios are considered while reviewing the liquidity position.

Exposure to Liquid Risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

c. Market Risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors. Market risk comprises two types of risks:

a) Currency Risk

The functional currency of the Company is Indian Rupee. The Company is exposed to currency risk on account of receivables in foreign currency. Company is exposed to currency risk on account of receivables in foreign currency.

b) Price Risk

As of 31st March 2021, the company has nil exposure on security price risks.

d. 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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The carrying amount of cash and cash equivalents, trade receivables, trade payables considered to be the same as their values due to their short term nature.

26. Related Party Transactions

Following are the name and relationship of related parties with which company have transactions/balances:

Associate/Subsidiary/Related Company/Enterprise/Firms:

- M/s Pyramid Entertainment India Pvt Ltd
- M/s Vasanth Color Laboratories India Ltd
- M/s SI Media LLP
- M/s Visual Communication Services

Key Management Personnel along with their relatives having significant influence:

a. Key Management Personnel

- Ranga Vasanth
- Anita Vasanth

a. Disclosures in respect of significant transactions with related parties during the year:

| Transactions | Year Ended March 31,2021 | Year Ended March 31,2020 |
|--|---|---|
| | | |
| Operating Expenses | | |
| SI Media LLP | - | 3,15,000 |
| | | |
| Screening Expenses | | |
| SI Media LLP | - | 4,05,000 |
| | | |
| Administrative Expenses | | |
| SI Media LLP | - | 1,46,168 |
| | | |
| On Behalf Payment | | |
| Salary paid by SI Media LLP | - | 1,49,620 |
| Security & Housekeeping Expense paid by SI Media LLP | - | 1,67,400 |
| Electricity Expense paid by SI Media LLP | - | 2,30,867 |
| Fuel Expense paid by SI Media LLP | - | 7,387 |
| Travelling Expense paid by SI Media LLP | - | 6,455 |
| Travelling Expense paid by Ranga Vasanth | - | 89,160 |
| | | |
| Distributor Share Income | | |
| SI Media LLP | - | 58,51,799 |
| | | |
| Screening Income | | |
| SI Media LLP | - | 27,14,000 |
| | | |
| Investment in Subsidiary Shares | | |
| Pyramid Entertainment India Pvt Ltd | 4,99,000 | 4,99,000 |
| | | |
| Loan given to | | |
| Pyramid Entertainment India Pvt Ltd | 1,33,500 | 1,70,100 |
| SI Media LLP | 35,000 | 1,78,000 |
| | | |
| Repayment of Loan from | | |
| Pyramid Entertainment India Pvt Ltd | - | 26,000 |
| SI Media LLP | 12,36,500 | 27,25,000 |
| | | |
| Receipt of Loan | | |

| | | |
|--|-------------|-------------|
| Vasanth Color Laboratories India Ltd | 2,50,000 | 1,51,500 |
| Ranga Vasanth | 2,97,500 | 12,11,000 |
| | | |
| Repayment of Loan | | |
| Ranga Vasanth | 5,50,000 | 6,24,02,058 |
| | | |
| Disclosure of closing balances: | | |
| | | |
| Amount Due to | | |
| Vasanth Color Laboratories India Ltd | 4,99,000 | 2,49,000 |
| Ranga Vasanth | 12,09,317 | 14,61,817 |
| Anita Vasanth | 61,00,000 | 61,00,000 |
| | | |
| Amount Due From | | |
| SI Media LLP | 9,66,94,459 | 9,78,95,959 |
| Pyramid Entertainment India Pvt Ltd | 6,68,39,964 | 6,67,06,464 |
| | | |
| Advances to Trade Creditors | | |
| Visual Communication Services | 11,71,600 | 11,71,600 |

27. The company has passed resolution for making necessary changes in Schedule III BALANCE SHEET of 2019-20 to making it parallel with books of account, Depository and RTA.
28. Previous year's figures have been regrouped and rearranged wherever necessary, to make them comparable with those of current year.

As per our report of even date
For, **Jayamal Thakore & Co.**
Chartered Accountants

For and on behalf of the Board of Directors of
Vision Cinemas Limited

Anup Kumar Bhattacharjee
(Partner)
M. No.:082184
Ahmedabad, June30th, 2021

Ranga Vasanth
Director
DIN: 01763289

Anitha Vasanth
Director
DIN: 01763255

Hetal Acharya
Company Secretary
M. No: 55811
Bangalore, June30th, 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VISION CINEMAS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Vision Cinemas Ltd.** ("the company") and its subsidiaries, (the company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Change in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the **"Emphasis of Matters paragraph"** and **"Report on Other Legal & Regulatory Requirements paragraph"** below, 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 other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and their consolidated profit, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Consolidated 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 consolidated financial statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

1. 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 period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matters | How our auditor addressed the key audit matter |
|---|---|
| <p><u>1. Recoverability of Loans to Subsidiary Company</u></p> <p>The Company has advanced a loan of Rs. 668.40 Lakhs as on March 31, 2021. The company had given the advance to its subsidiary during the previous financial year as well as during the current financial year.</p> <p>The aggregate of advance as on 31st March, 2020 was Rs. 667.06 Lakhs which has increased to Rs. 668.40 Lakhs as on 31st March, 2021.</p> | <p>We reviewed management's rational and objective for providing advance to subsidiary. We reviewed management's assessment of recoverability advances to subsidiary and corroborated the same with the financials of subsidiary. We reviewed the Company's internal control system for advancing the money to suppliers and subsidiary and carried out a combination of procedures involving enquiry and observation and inspection of evidence in respect of these loans and advances. Our audit approach consisted testing of design and operating effectiveness of internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Review of complete details of advance given to subsidiary and corroborating the same with of ledger Accounts and confirmation of subsidiary. • Review of onward payment by subsidiary to various parties and with the supporting documents / Purchase Orders / Invoices etc. • Reviewed the procedures followed by Vision and subsidiary for selection of vendors and justification of terms of payments, delivery, warranties/Guarantees etc. • Assessed present status of Advance, receipt / availability of material/services. • Obtained explanation from the management and went through the report obtained by the company from external independent expert on fund utilization. Based on our procedures, we found management's judgment around the recovery of the Advance to be appropriate. |

Information other than the Financial Statements and Auditor's Report thereon

- The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report, Management discussion and Analysis and Report on corporate governance but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- 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 during the course of our 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 Consolidated Financial Statements

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

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 the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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.

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

- 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.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities 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 the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the 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.

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.

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 period 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.

Emphasis of Matter

Without qualifying our report, I draw attention on the following non compliances under the Companies Act, 2013 and rules thereon:

- a) Non – appointment of Internal Auditors as required under section 138 of the said Act;
- b) Non – appointment of Independent Directors as required under section 149(4) of the said Act.
- c) The Company has not complied with all the requirements related to Ind AS financial statements and relevant information on its website as required under section 136 of the said Act

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in “Annexure A” which is based on the auditor’s reports of the Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies.
 - g) With respect to the other matters to be included in the Auditor’s Report in accordance with requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to

its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Parent Company has following pending litigations which may have impact on its standalone financial statements:
- A matter has been filed by SEBI against promoters of the company for preferential allotment of shares in their name. The Hon. Mumbai High Court has passed a Stay order favouring the promoters against SEBI regarding this matter.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, required to be transferred, to the Investor Education and Protection fund by the company and its subsidiary company incorporated in India.

For Jayamal Thakore & Co.
Chartered Accountants
Firm's Registration Number: 104098W

Place: Ahmedabad
Date: 30th June, 2021

Anup Kumar Bhattacharjee
Partner
Membership number: 082184
UDIN:20082184AAAAAO1252

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Vision Cinemas Limited (hereinafter referred to as “the Company”) and its subsidiary company, which is a company incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary company which is a company incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

1. In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary Company which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for Internal financial Control over financial reporting established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Jayamal Thakore & Co.

Chartered Accountants

Firm's Registration Number: 104098W

Place: Ahmedabad

Date: 30th June, 2021

Anup Kumar Bhattacharjee

Partner

Membership number: 082184

UDIN:20082184AAAAO1252

| VISION CINEMAS LIMITED BALANCE SHEET AS AT MARCH 31, 2021 | | | |
|---|------------------------------|--|--------------------|
| | Note No. | 31.03.2021 Rs. | 31.03.2020 Rs. |
| I. ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 16,840,587 | 19,298,259 |
| Other non-current assets | 4 | 1,056,413 | 1,056,413 |
| Total Non Current Assets | | 17,897,000 | 20,354,672 |
| Current Assets | | | |
| Financial Assets | | | |
| Trade receivables | 5 | 96,494,459 | 97,895,959 |
| Cash and cash equivalents | 6 | 242,563 | 226,110 |
| Other current assets | 7 | 2,844,168 | (15,220) |
| Total Current Assets | | 99,581,190 | 98,106,849 |
| TOTAL ASSETS | | 117,478,190 | 118,461,521 |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 8 | 78,920,955 | 78,920,955 |
| Other equity | | 6,006,636 | 9,666,974 |
| Share Warrants | | - | - |
| Total Equity | | 84,927,592 | 88,587,929 |
| Non-Current Liabilities | | | |
| Deferred tax liabilities | 9 | 6,399,000 | 6,349,000 |
| Provisions | 10 | 325,888 | 261,888 |
| | 11 | 12,247 | - |
| Total Non Current Liabilities | | 6,737,135 | 6,610,888 |
| Current liabilities | | | |
| Financial liabilities - Borrowings | | | |
| Trade payables | 12 | 4,259,408 | 4,259,408 |
| | 13 | 14,320,117 | 10,611,153 |
| Other current liabilities | 14 | 7,233,937 | 8,298,639 |
| Short Term Provisions | 15 | - | 93,503 |
| Total Current Liabilities | | 25,813,462 | 23,262,703 |
| Total Liabilities | | 32,550,597 | 29,873,591 |
| TOTAL EQUITY & LIABILITIES | | 117,478,190 | 118,461,521 |
| Significant accounting policies and Notes to accounts are an integral part of financial statements. | | | |
| For and on behalf of the Board of Vision Cinemas Limited | | As per my report of even date FOR Jayamal Thakore & Co. CHARTERED ACCOUNTANT Firm Reg No. : 104098W | |
| Ranga Vasanth (Director) | Anitha Vasanth (Director) | Anup Kumar Bhattacharjee Partner Membership No. 082184 Place : Ahmedabad Date : 30th June, 2021 | |
| Place : Bangalore Date : 30th June, 2021 | | | |

| VISION CINEMAS LIMITED | | | |
|---|------------------------------|--|---------------------------------|
| STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021 | | | |
| Amounts in INR | | | |
| | Note No. | YEAR ENDED 31.03.2021 Rs. | YEAR ENDED 31.03.2020 Rs. |
| Income | | | |
| Revenue from operations(Gross) | 16 | - | 7,524,821 |
| Other Income | 17 | - | 2,021,096 |
| Total Income | | - | 9,545,917 |
| Expenses | | | |
| Operation Costs | 18 | - | 720,000 |
| Finance costs | | - | 41,380 |
| Depreciation and amortisation expense | 19 | 2,457,672 | 2,965,319 |
| Other expenses | 20 | 1,083,083 | 6,635,996 |
| Total Expenses | | 3,540,755 | 10,362,695 |
| Profit/(Loss) before exceptional and extraordinary items and tax | | (3,540,755) | (816,778) |
| Exceptional items | | - | - |
| Profit/(Loss) before extraordinary items and tax | | (3,540,755) | (816,778) |
| Extraordinary Items | | | |
| Profit/(Loss) before Tax | | (3,540,755) | (816,778) |
| Tax expense: | | | |
| (1) Current tax | | 55,583 | 103,644 |
| (2) Deferred tax | | 64,000 | (54,000) |
| Profit/(Loss) for the year | | (3,660,338) | (974,422) |
| Less: Minority Interest | | 4,579 | 2,133 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss in subsequent period: | | | |
| Remeasurement of post employment benefit obligations | | - | - |
| Income tax relating to these items | | - | - |
| Other comprehensive income for the year, net of tax | | - | - |
| Total comprehensive income for the year | | (3,660,338) | (974,422) |
| Earnings per share: | | | |
| Basic/Diluted | 21 | (0.05) | (0.01) |
| Significant accounting policies and Notes to accounts are an integral part of financial statements. | | | |
| For and on behalf of the Board of Vision Cinemas Limited | | As per my report of even date FOR Jayamal Thakore & Co. CHARTERED ACCOUNTANT Firm Reg No. : 104098W | |
| Ranga Vasanth (Director) | Anitha Vasanth (Director) | Anup Kumar Bhattacharjee Partner Membership No. 082184 Place : Ahmedabad Date : 30th June, 2021 | |
| Place :Bangalore Date : 30th June, 2021 | | | |

| VISION CINEMAS LIMITED | | |
|---|--|-------------------------------------|
| CASH FLOW STATEMENT FOR THE YEAR ENDING MARCH 31, 2021 | | |
| Amount in INR | | |
| Particulars | YEAR ENDED 31.03.2021 | YEAR ENDED 31.03.2020 |
| A. Cash Flow from Operating Activities | | |
| Profit before Taxation and extraordinary items | (3,540,755) | (816,778) |
| Adjustments for Depreciation | 2,457,672 | 2,965,319 |
| Interest Income | - | - |
| Interest expenses | - | - |
| Transition in provisions in Usefullife as per Companies Act 2013 | | |
| Operating Profit before working capital changes | (1,083,083) | 2,148,541 |
| Changes in Working Capital: | | |
| Increase/(Decrease) in Trade Payables | 3,708,965 | (1,703,640) |
| Increase/(Decrease) in Long Term Provisions | 12,247 | (103,273) |
| Increase/(Decrease) in Short Term Provisions | (93,503) | (1,321,341) |
| Increase/(Decrease) in Other Liabilities | (1,064,702) | (58,645,459) |
| Increase/(Decrease) in Borrowings | - | (1,047,880) |
| Increase/(Decrease) in Non - Current Liabilities | 50,000 | 249,000 |
| Increase/(Decrease) in Financial Liabilities | - | (2,329,515) |
| (Increase)/Decrease in Trade Receivables | 1,401,500 | (1,465,975) |
| (Increase)/Decrease in Other Non-Current assets | - | 108,790 |
| (Increase)/Decrease in Other Current assets | (2,859,388) | 1,083,596 |
| Cash generated from Operations | 72,036 | (63,027,156) |
| Taxes paid (Net of refunds) | 55,583 | 157,644 |
| Net cash generated from operations before extraordinary items | 16,453 | (63,184,800) |
| Net cash generated from operating activities | 16,453 | (63,184,800) |
| B. Cash Flow from Investing Activities | | |
| (Increase)/Decrease in Investment | - | 62,401,000 |
| (Increase)/Decrease in Other Non Current liabilities | - | - |
| Interest received | - | - |
| Net Cash from Investing Activities | - | 62,401,000 |
| C. Cash flow from Financing Activities | | |
| Interest paid | - | - |
| Net cash raised in Financing activities | - | - |
| Net increase in cash and cash equivalents | 16,453 | (783,800) |
| Cash and Cash equivalents at the beginning of the year | 226,110 | 1,009,910 |
| Cash and Cash equivalents at the end of the year | 242,563 | 226,110 |
| Notes: | | |
| 1. There was no significant reconciliation items between cash flow prepared under IGAAP and those prepared under Ind AS | | |
| For and on behalf of the Board of Vision Cinemas Limited | As per my report of even date FOR Jayamal Thakore & Co. CHARTERED ACCOUNTANT Firm Reg No. : 104098W | |
| Ranga Vasanth (Director) | Anitha Vasanth (Director) | Anup Kumar Bhattacharjee Partner |
| Place :Bangalore | | Membership No. 082184 |
| Date : 30th June 2021 | | Place : Ahmedabad |
| | | Date : 30th June 2021 |

Notes forming part of Consolidated Financial Statements

1. CORPORATE INFORMATION

The Consolidated financial statements of Vision Cinemas Limited is made up of the Vision Cinemas Limited together with its subsidiaries Pyramid Entertainment India Pvt Ltd. (collectively referred to as the "Group").

The Company Is engaged in the business of movie exhibition. The company earns revenue from screening income and distribution income.

The Vision Cinemas Limited is a public company incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange.

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENTS

(a) Statement of Compliance

These consolidated financial statements have not been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

(b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial instruments which are measured at fair value at end of the each reporting period, as explained in the accounting policies below.

(c) Use of judgement, estimates and assumptions

The preparation of the financial statements requires the management to make judgements, estimates and assumptions considered in the reported amounts of assets and liabilities and disclosure relating to contingent liabilities as at the date of consolidated financial statement and the reported amounts of income and expenditure during the reported year. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

i) Income taxes

The Group's major tax jurisdictions is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

ii) Impairment testing

Investments in goodwill and intangible assets are tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

iii) Depreciation and amortisation

Depreciation and amortisation is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

iv) Other estimates

The preparation of Consolidated financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of consolidated financial statements and the reported amount of revenues and expenses for the reporting period.

Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

Fair valuation of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

v) Estimation of uncertainties relating to the global health pandemic COVID-19:

The management has considered the possible effects, if any, that may result from the pandemic relating to Covid 19 on the carrying amounts of receivables. In making the assumptions and estimates relating to the uncertainties as at the Balance sheet date in relation to recoverable amounts of these assets, the management has considered the global economic conditions prevailing at the date of approval of these financial statements and has used internal and external sources of Information to the extent determined by it. The actual outcome of these assumptions and estimates may vary in the future due to the impact of the pandemic.

2.2 Basis of Consolidation

| Name of the Company | Country of Incorporation | Proportion of Ownership as on March 31, 2021 | Proportion of Ownership as on March 31, 2020 |
|--------------------------------------|---------------------------------|---|---|
| Pyramid Entertainment India Pvt Ltd. | India | 99.8% | 99.8% |

Principles of Consolidation and equity accounting

- Subsidiary companies**

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is obtained by the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Consolidated Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between

Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Consolidated Balance Sheet respectively.

- **Equity Method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from subsidiary Company are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its subsidiary Company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in (ix) below.

- **Change in ownership interest**

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the Consolidated

Statement of Profit and Loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture Company or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss where appropriate.

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Functional and presentation currency

Items included in the Consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the “functional currency”). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company. The functional currency of its subsidiary is also Indian Rupee.

(b) Property, plant and equipment

Property, plant and equipment are measured at historical cost or its deemed cost less accumulated depreciation and impairment losses, if any. Historical Cost includes expenditures directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

(c) Depreciation/ Amortisation

Depreciable amount for assets is the cost of asset less its estimated residual value.

Depreciation has been provided on all assets on the straight line method, as per the useful life prescribed in Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The Company assesses at each Balance Sheet date whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

All the assets of Parent Company except building are at residual value as on 1st April, 2020 and hence depreciation is provided only on building value amount. Depreciation on all the assets of subsidiary company are provided according to the applicable rates.

The residual values are not more than 5% of the original cost of assets.

(d) Leases

From April 1, 2019, Ind AS 116 'Leases' is applicable to all the listed companies. Ind AS 116 has certain exemptions from the application of Ind AS – 116:

As per explanation and books of accounts provided to us, there are no lease payments done by the company and as per the explanation provided to us, no lease agreements are entered into by the company.

(e) Financial Instruments

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Non-derivative financial assets

i. Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

ii. Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

For assets, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the company has exercised the option to classify the equity investment as at FVTOCI, all fair value changes on the investment are recognised in OCI. The accumulated gains or losses on such investments are not recycled to the Statement of Profit and Loss even on sale of such investment.

iii. Financial assets at Fair Value through Profit and loss (FVTPL)

Financial assets which is not classified in any of the above category is measured at FVTPL. These include surplus funds invested in mutual funds etc.

Financial assets included within the FVTPL category are measured at fair values with all changes recorded in the statement of profit and loss.

Non-derivative financial liabilities

Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method. For trade and other payable maturing within one year from the Balance Sheet date, the carrying value approximates fair value due to short maturity.

Financial liabilities at Fair Value through Profit and loss (FVTPL)

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognized in the statement of profit and loss.

Derivative financial instruments and hedging activities

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group enters into derivative contracts to hedge the risks asserted with currency fluctuations relating to firm commitments and highly probable transactions. The Company does not use derivative instruments for speculative purposes.

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The ineffective portion of changes in the fair

value of the derivative is recognised in the Consolidated Statement of Profit and Loss.

Amounts accumulated in hedging reserve are reclassified to the Consolidated Statement of Profit and Loss in the periods when the hedged item affects the Consolidated Statement of Profit and Loss.

The full fair value of a hedging derivative is classified as a current/ non-current, asset or liability based on the remaining maturity of the hedged item.

When a hedging instrument expires, swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in Consolidated Statement of Changes in Equity is recognised in the Consolidated Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Consolidated Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Fair value measurement

The Group classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the Balance Sheet date.
- ii) Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.
- iii) Level 3 - The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

(f) Employee Benefits

Salaries and wages paid to employees is recognized as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

The Company does not have any policy for deduction of professional Tax, Provident Fund, ESIC and/or any other employee benefit plans.

(g) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

(h) Income Taxes

Income tax comprises current and deferred tax. Income tax expense is recognized in the Consolidated Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a) Current income tax - Current income tax liability/ (asset) for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the year. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the year. The Group off sets current tax assets and current tax

liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

- b) Deferred tax** - Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(i) Cash flow Statement:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cash-flows. The cash flow from operating, investing and financing activities of the Group are segregated.

(j) Revenue Recognition

The Group derives revenue primarily from screening and distribution income. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group, and the revenue can be reliably measured regardless of when the payment is being made. Revenue excludes goods and service tax, sales tax and entertainment tax which are collected by the Group on behalf of the Government and deposited to the credit of respective Governments.

(k) Dividend and dividend distribution tax

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The Company declares and pays dividends in Indian rupees and are subject to applicable distribution taxes. The applicable distribution taxes are treated as an appropriation of profits.

(l) Foreign Currency transactions and translations

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

(m) Finance Income and expense

Finance income consists of interest income on funds invested, dividend income and fair value gains on the FVTPL financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Dividend income is recognized in the Consolidated statement of profit and loss on the date that the Group's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the Consolidated Statement of Profit and Loss using the effective interest method.

(n) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(o) Contingent Liabilities

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

The group has defaulted in timely submission of SEBI statutory statements and has been late in filing statements. The basic fine payable is of Rs. 1,03,32,472 pursuant to SEBI SOP Circular for the period from March – 2014 to March-2021. The group has not made provision for above referred contingent liabilities in its financial statements.

(p) Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Group does not recognize a contingent asset.

(q) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

(r) Borrowing Costs

Borrowing costs include interest and amortization of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

During the year company has not incurred any borrowing expenses.

(s) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

(t) Goods & Service Tax:

GST credit on materials purchased for production / service availed for production / input service are taken into account at the time of purchase and GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

The GST credits so taken are utilized for payment of excise duty/GST on sales. The unutilized GST credit is carried forward in the books. The GST credits so taken are utilized for payment of tax on goods sold. The unutilized GST credit, if any, is carried forward in the books.

| Note No. 3 | | | | | | | | | | | |
|-------------------------------|----------------------|------------------------------|------------------------|-----------------------------|-------------------------------|------------------------------|-----------------------------|---------------------------|-------------------------------|-------------------------------|-------------------------------|
| Method : Straight Line basis | | | | | | | | | | | |
| PROPERTY, PLANT AND EQUIPMENT | | | | | | | | | | | |
| SI No | Gross Block | | | | | Accumulated Depreciation | | | | Net Block | |
| | Particulars | Balance as at 1st April 2020 | Additions/ (Disposals) | Revaluations/ (Impairments) | Balance as at 31st March 2021 | Balance as at 1st April 2020 | Transfer to General reserve | Depreciation for the Year | Balance as at 31st March 2021 | Balance as at 31st March 2021 | Balance as at 31st March 2020 |
| 1 | Tangible Assets | | | | | | | | | | |
| | Building | 82,571,014 | - | | 82,571,014 | 76,653,217 | - | 365,200 | 77,018,417 | 5,552,597 | 5,917,797 |
| 2 | Plant & Machinery | 89,592,528 | - | | 89,592,528 | 77,520,374 | - | 1,949,708 | 79,470,082 | 10,122,446 | 12,072,154 |
| 3 | Furniture & Fixtures | 7,006,658 | - | | 7,006,658 | 6,881,875 | - | - | 6,881,875 | 124,783 | 124,783 |
| 4 | Office Equipment | 1,512,662 | - | | 1,512,662 | 1,448,488 | - | - | 1,448,488 | 64,174 | 64,174 |
| 5 | Vehicles | 5,578,402 | - | | 5,578,402 | 5,009,945 | - | 149,770 | 5,159,715 | 418,687 | 568,457 |
| 6 | Computers | 11,158,029 | - | | 11,158,029 | 10,607,135 | - | (7,006) | 10,600,129 | 557,900 | 550,894 |
| 1 | Intangible Assets | | | | | | | | | | |
| | Multiplex Software | 180,144 | | | 180,144 | 180,144 | | - | 180,144 | | - |
| | Total | 197,599,437 | - | - | 197,599,437 | 178,301,178 | - | 2,457,672 | 180,758,850 | 16,840,587 | 19,298,259 |
| | Previous Year | 197,599,437 | - | - | 197,599,437 | 175,335,860 | - | 2,965,318 | 178,301,178 | 19,298,259 | 22,263,577 |
| Method : Straight Line basis | | | | | | | | | | | |
| PROPERTY, PLANT AND EQUIPMENT | | | | | | | | | | | |
| SI No | Gross Block | | | | | Accumulated Depreciation | | | | Net Block | |
| | Particulars | Balance as at 1st April 2019 | Additions/ (Disposals) | Revaluations/ (Impairments) | Balance as at 31st March 2020 | Balance as at 1st April 2019 | Transfer to General reserve | Depreciation for the Year | Balance as at 31st March 2020 | Balance as at 31st March 2020 | Balance as at 31st March 2019 |
| 1 | Tangible Assets | | | | | | | | | | |
| | Building | 82,571,014 | - | | 82,571,014 | 76,288,017 | | 365,200 | 76,653,217 | 5,917,797 | 6,282,997 |
| 2 | Plant & Machinery | 89,592,528 | - | | 89,592,528 | 75,139,778 | | 2,380,596 | 77,520,374 | 12,072,154 | 14,452,750 |
| 3 | Furniture & Fixtures | 7,006,658 | - | | 7,006,658 | 6,881,875 | | - | 6,881,875 | 124,783 | 124,783 |
| 4 | Office Equipment | 1,512,662 | - | | 1,512,662 | 1,448,488 | | - | 1,448,488 | 64,174 | 64,174 |
| 5 | Vehicles | 5,578,402 | - | | 5,578,402 | 4,792,162 | | 217,783 | 5,009,945 | 568,457 | 786,240 |
| 6 | Computers | 11,158,029 | - | | 11,158,029 | 10,605,396 | | 1,739 | 10,607,135 | 550,894 | 552,633 |
| 1 | Intangible Assets | | | | | | | | | | |
| | Multiplex Software | 180,144 | | | 180,144 | 180,144 | | - | 180,144 | - | - |
| | Total | 197,599,437 | - | - | 197,599,437 | 175,335,860 | - | 2,965,318 | 178,301,178 | 19,298,259 | 22,263,577 |
| | Previous Year | 197,599,431 | - | - | 197,599,431 | 153,735,544 | - | 5,409,500 | 159,145,044 | 38,454,386 | 43,863,886 |

NOTES ON ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS THE FINANCIAL YEAR 2020-21

4 OTHER NON-CURRENT ASSETS

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|------------------------------|------------------|------------------|
| (Unsecured, Considered good) | | |
| Security Deposit - Others | 1,056,413 | 1,056,413 |
| TOTAL | 1,056,413 | 1,056,413 |

5 TRADE RECEIVABLES

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|--|-------------------|-------------------|
| Unsecured, considered good | | |
| Outstanding for a period exceeding six months from the date they are due for payment | | |
| - from related Parties | 96,494,459 | 97,895,959 |
| Others | | |
| TOTAL | 96,494,459 | 97,895,959 |

6 CASH AND CASH EQUIVALENTS

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---------------------------|------------------|------------------|
| Cash and Cash equivalents | | |
| Cash on hand | 191,930 | 191,930 |
| Balances with Banks | | |
| in Current Account | 50,632 | 34,179 |
| TOTAL | 242,563 | 226,110 |

7 OTHER CURRENT ASSETS

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|------------------|------------------|
| Unsecured, considered good | | |
| Advance to Vendors | 2,859,388 | - |
| Advance Taxes & TDS (Net of Provisions) | 14,780 | 14,780 |
| GST Input receivable | - | - |
| Prepaid Expenses | | |
| Due From Related Parties | - | - |
| Other loans | (30,000) | (30,000) |
| TOTAL | 2,844,168 | (15,220) |

VISION CINEMAS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

8. EQUITY SHARE CAPITAL

| Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---|-------------------|-------------------|
| Authorised | | |
| 15,00,00,000 (Previous Year 15,00,00,000) Equity Shares of Rs. 1/- each | 150,000,000 | 150,000,000 |
| (A) Issued and Subscribed and fully Paid-up | | |
| 5,41,74,705 (Previous Year 5,41,74,705) Equity Shares of Rs. 1/- each fully paid up | 70,824,705 | 70,824,705 |
| (B) Forfeiture of Shares | | |
| (arising out of reduction in capital as per court order) | | |
| Opening balance | 8,096,250 | 8,096,250 |
| Add : Transfer During the year | - | - |
| Balance as at the end of the year | 8,096,250 | 8,096,250 |
| TOTAL | 78,920,955 | 78,920,955 |

The Company has only one class of shares referred to as equity shares having a par value of Re.1/-. Each holder of equity shares is entitled to one vote per share held.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

Dividend, if approved, is payable to the shareholders in proportion to their shareholding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company.

The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of number of Shares

| | As at 31.03.2021 | | As at 31.03.2020 | |
|--|------------------|------------|------------------|------------|
| Equity Shares: | Number of Shares | Amount | Number of Shares | Amount |
| Balance as at the beginning of the previous year | 70,824,705 | 70,824,705 | 70,824,705 | 70,824,705 |
| | 70,824,705 | 70,824,705 | 70,824,705 | 70,824,705 |
| Add: Shares issued during the year | | | | |
| Balance as at the end of the year | 70,824,705 | 70,824,705 | 70,824,705 | 70,824,705 |

Details of Shares held by shareholders, holding more than 5% of the aggregate shares in the Company.

| Particulars | No. of shares | Percentage | No. of shares | Percentage |
|--------------------|---------------|------------|---------------|------------|
| S.I.Media LLP | 10,000,000 | 14.12% | 10,000,000 | 14.12% |
| Anita Vasanth | 6,950,170 | 9.81% | 6,950,170 | 9.81% |
| Vasanth Color Labs | 5,000,000 | 7.06% | 5,000,000 | 7.06% |

| | | | |
|--|-------------------|-------------------|--------------|
| 9 NON - CURRENT LIABILITIES | | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 | |
| Anitha Vasanth | 6,100,000 | 6,100,000 | |
| Vasanth Colour Labs | 299,000 | 249,000 | |
| TOTAL | 6,399,000 | 6,349,000 | TOTAL |
| 10 DEFERRED TAX LIABILITIES | | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 | |
| On account fiscal allowance of depreciation | 325,888 | 261,888 | |
| TOTAL | 325,888 | 261,888 | TOTAL |
| 11 PROVISIONS | | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 | |
| Provision for Gratuity | 12,247 | | |
| Interest on TDS Payable | | | |
| TOTAL | 12,247 | - | TOTAL |
| 12 BORROWINGS | | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 | |
| Unsecured:- | | | |
| Inter corporate loan & Loan from related party | | | |
| Vision Cinemas Limited (Holding Company) | | | |
| Ranga Vasanth(Director) | - | - | |
| Vasanth Colour Labs Limited (Company having common directors) | 4,245,408 | 4,245,408 | |
| S I Media LLP | 14,000 | 14,000 | |
| TOTAL | 4,259,408 | 4,259,408 | TOTAL |
| 13 TRADE PAYABLES | | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 | |
| Trades payables | | | |
| - Due to micro small and medium enterprises | 177,500 | - | |
| - Due to related parties | - | - | |
| -Others | 14,142,617 | 10,611,153 | |
| TOTAL | 14,320,117 | 10,611,153 | TOTAL |
| 14 OTHER CURRENT LIABILITIES | | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 | |
| Due to Key managerial personnel | | | |
| Ranga Vasanth | 3,480,732 | 3,733,332 | |
| BRG and Associates, Company Secretary | - | 30,000 | |
| Outstanding Expenses | 2,352,000 | 2,352,000 | |
| Statutory Dues(Including Providend Fund,Withholding Taxes Payable) | 1,167,174 | 1,949,276 | |
| Audit Fees Payabale | 234,031 | 234,031 | |
| Current maturities of Long term borrowings | | | |
| TOTAL | 7,233,937 | 8,298,639 | TOTAL |
| 15 Short Term Provisions | | | |
| Particulars | As at 31.03.2021 | As at 31.03.2020 | |
| Provision for Taxation | - | 93,503 | |
| Provision for Gratuity | | | |
| TOTAL | - | 93,503 | TOTAL |

| | | | | |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| 16 REVENUE FROM OPERATIONS | | | | |
| Particulars | Year ended 31st March 2021 | | Year ended 31st March 2020 | |
| Screening Income | - | | 7,524,821 | |
| TOTAL | - | | 7,524,821 | |
| 17 Other Income | | | | |
| Particulars | Year ended 31st March 2021 | | Year ended 31st March 2020 | |
| Write Off | - | | 1,264,381 | |
| Other Income | - | | 752,340 | |
| Dividend Income | - | | 4,375 | |
| TOTAL | - | | 2,021,096 | |
| 18 OPERATION COSTS | | | | |
| Particulars | Year ended 31st March 2021 | | Year ended 31st March 2020 | |
| Screening expenses | - | | 720,000 | |
| TOTAL | - | | 720,000 | |
| 19 DEPRECIATION AND AMORTISATION EXPENSES | | | | |
| Particulars | Year ended 31st March 2021 | | Year ended 31st March 2020 | |
| Depreciation on tangible assets | 2,457,672 | | 2,965,318 | |
| | 2,457,672 | | 2,965,318 | |
| 20 OTHER EXPENSES | | | | |
| Particulars | Year ended 31st March 2021 | | Year ended 31st March 2020 | |
| Audit fees - Statutory | 175,000 | | 175,000 | |
| Administrative Exp. | - | | 372,168 | |
| Advertising & Print Media Exp. | 8,580 | | 127,660 | |
| Annual Issuer Fees | 22,500 | | 103,610 | |
| Annual Listing Fee | 300,000 | | 300,000 | |
| Consultancy Charges | - | | 1,600,000 | |
| Electricity Charges | - | | 230,867 | |
| Fuel Exp. | - | | 119,887 | |
| General Expenses | 7,145 | | 159,026 | |
| Late Submission Fees | 24,253 | | 44,000 | |
| Legal & Professional Charges | 355,956 | | 1,532,068 | |
| NSDL Annual Custody Fee | - | | 38,344 | |
| Printing & Stationery Exp. | - | | 84,537 | |
| Prior Period Exp. | 44,100 | | 206,930 | |
| R T A Exp. | 13,255 | | 83,376 | |
| Salary & Wages Payable | 120,000 | | 987,620 | |
| Security & Housekeeping Exp. | - | | 167,400 | |
| Statutory Expenses | - | | 21,600 | |
| Travelling and Conveyance Exp. | 12,294 | | 281,903 | |
| | 1,083,083 | | 6,635,996 | |
| 21 EARNINGS PER SHARE | | | | |
| Particulars | Year ended 31st March 2021 | | Year ended 31st March 2020 | |
| | After extraordinary items | Before extraordinary items | After extraordinary items | Before extraordinary items |
| Basic/Diluted Profit /(Loss) after tax | (3,660,338) | (3,660,338) | (974,422) | (974,422) |
| Weighted average number of shares outstanding | 70,824,705 | 70,824,705 | 70,824,705 | 70,824,705 |
| Basic EPS | (0.05) | (0.05) | (0.01) | (0.01) |
| Face value per share | 1 | 1 | 1 | 1 |

22. Segment reporting:

The company is engaged in the business of providing Screening and distribution Services. The company is therefore having one business segment, only.

23. Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

Total creditors of group as on 31.03.2021 is Rs. 1,43,20,117. Details of classification of creditors into MSME and non MSME is not available. As per our knowledge there is one creditor as on March 31, 2021 with credit balance of Rs. 1,77,500, which qualifies under dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. In the absence of additional information, we are not able to comment on the actual outstanding balance as on March 31, 2021 payable to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

24. In the opinion of Management, any of the assets other than items of property, plant and equipment, intangible assets and Non-Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.

25. On periodical basis and as and when required, the Company reviews the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss have been provided in the Financial Year 2020-21 (Previous Year Rs. Nil)

26. Financial Instruments and Risk Management**Risk Management Framework**

The Company's risk management is governed by policies and approved by the board of directors. Company's identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a. Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company maintains its cash and cash

equivalents and bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis. The maximum exposure to credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of the adoption of Ind AS 109, the company uses ECL model to assess the impairment loss or gain. The company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the company's experience for customers.

The Company reviews trade receivables on periodic basis and charges to profit and loss account when management feels the amount will not be receivable in future. The Company also calculates the expected credit loss (ECL) for non-collection of receivables.

b. Liquid Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and liabilities including debt financing plans and maintenance of balance sheet liquidity ratios are considered while reviewing the liquidity position.

Exposure to Liquid Risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

c. Market Risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors. Market risk comprises two types of risks:

a) Currency Risk

The functional currency of the Company is Indian Rupee. The Company is exposed to currency risk on account of receivables in foreign currency. Company is exposed to currency risk on account of receivables in foreign currency.

b) Price Risk

As of 31st March 2021, the company has nil exposure on security price risks.

d. 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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants

The carrying amount of cash and cash equivalents, trade receivables, trade payables considered to be the same as their values due to their short term nature.

27. Related Party Transactions

Following are the name and relationship of related parties with which company have transactions/balances:

Associate/Subsidiary/Related Company/Enterprise/Firms:

- M/s Pyramid Entertainment India Pvt Ltd
- M/s Vasanth Color Laboratories India Ltd
- M/s SI Media LLP
- M/s Visual Communication Services

Key Management Personnel along with their relatives having significant influence:

a. Key Management Personnel

- Ranga Vasanth
- Anita Vasanth

a. Disclosures in respect of significant transactions with related parties during the year:

| Transactions | Year Ended March 31, 2021 | Year Ended March 31, 2020 |
|--|--|--|
| Operating Expenses | | |
| SI Media LLP | - | 3,15,000 |
| Screening Expenses | | |
| SI Media LLP | - | 4,05,000 |
| Administrative Expenses | | |
| SI Media LLP | - | 1,46,168 |
| On Behalf Payment | | |
| Salary paid by SI Media LLP | - | 1,49,620 |
| Security & Housekeeping Expense paid by SI Media LLP | - | 1,67,400 |
| Electricity Expense paid by SI Media LLP | - | 2,30,867 |
| Fuel Expense paid by SI Media LLP | - | 7,387 |
| Travelling Expense paid by SI Media LLP | - | 6,455 |
| Travelling Expense paid by Ranga Vasanth | - | 89,160 |
| Vehicle Loan paid by Visual Communication Services | - | 10,47,880 |
| Distributor Share Income | | |
| SI Media LLP | - | 58,51,799 |
| Screening Income | | |
| SI Media LLP | - | 27,14,000 |
| Loan given to | | |
| SI Media LLP | 35,000 | 1,64,000 |
| Repayment of Loan from | | |
| SI Media LLP | 12,36,500 | 27,25,000 |
| Receipt of Loan | | |
| Vasanth Color Laboratories India Ltd | 2,50,000 | 1,65,000 |
| Ranga Vasanth | 2,97,500 | 12,11,000 |

| | | |
|--|-------------|-------------|
| Repayment of Loan | | |
| Ranga Vasanth | 5,50,100 | 6,24,02,058 |
| | | |
| Disclosure of closing balances: | | |
| | | |
| Amount Due to | | |
| Vasanth Color Laboratories India Ltd | 48,58,908 | 46,08,908 |
| Ranga Vasanth | 34,80,732 | 37,33,332 |
| Anita Vasanth | 61,00,000 | 61,00,000 |
| Visual Communication Services | 10,93,938 | 10,93,938 |
| | | |
| Amount Due From | | |
| SI Media LLP | 9,66,80,459 | 9,78,81,959 |
| | | |
| Advances to Trade Creditors | | |
| Visual Communication Services | 11,71,600 | 11,71,600 |

28. The company has passed resolution for making necessary changes in Schedule III BALANCE SHEET of 2019-20 to making it parallel with books of account, Depository and RTA.
29. Previous year's figures have been regrouped and rearranged wherever necessary, to make them comparable with those of current year.

As per our report of even date
For, **Jayamal Thakore & Co.**
Chartered Accountants

For and on behalf of the Board of Directors of
Vision Cinemas Limited

Anup Kumar Bhattacharjee
(Partner)
M. No.:082184
Ahmedabad, June30th, 2021

Ranga Vasanth
Director
DIN: 01763289

Anitha Vasanth
Director
DIN: 01763255

Hetal Acharya
Company Secretary
M. No: 55811
Bangalore, June30th, 2021