



## **KHYATI MULTIMEDIA - ENTERTAINMENT LIMITED**

Office : 100, Chinubhai Towers, Opp. Handloom House, Ashram Road, Ahmedabad - 380 009.  
Phone : ( 079) 26584335, 26582983 Fax No. : (079) 26574354 Email ID : khyatimulti@yahoo. com.  
Cin - L92199GJ1995PLCO24284

**Date: 01.09.2022**

To,  
Department of Corporate Services  
**Bombay Stock Exchange Ltd.**  
Phiroze Jeejeebhoy Tower,  
Dalal Street,  
**Mumbai - 400 001**

**BSE Scrip Code: 531692**

**Sub: Submission of Annual Report 2021-22 including Notice of the 28<sup>th</sup> Annual General Meeting of the Company as per Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the year ended on 31<sup>st</sup> March, 2022 (2021-22) including Notice of the 28<sup>th</sup> Annual General Meeting ("28<sup>th</sup> AGM"). This will also be available on the website of the Company.

You are requested to take the same on record and acknowledge the receipt of the same.

Thanking You.

Yours faithfully,

**For Khyati Multimedia Entertainment Limited**

**Kartik J. Patel**  
Managing Director  
DIN: 00047862

**Encl.:** As stated above



**KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED**

**28<sup>TH</sup> ANNUAL REPORT  
FOR THE YEAR 2021-22**

COMPANY REGISTRATION NO: 04-024284

CIN NO: L92199GJ1995PLC024284

Registered with Registrar of Companies, Gujarat State

**KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED**

Regd.Office: 100, Chinubhai Towers, Opp: Handloom House, Ashram Road,  
Navrangpura, Ahmedabad: 380 009.

Telephone: 91-079-26582983 (F) 91-079-26584335

E.Mail: [khyatimulti@gmail.com](mailto:khyatimulti@gmail.com) ~ Website: [www.khyatimultimedia.com](http://www.khyatimultimedia.com)

CIN: L92199GJ1995PLC024284

DATE OF: 20/01/1995

COMPANY REGN NUMBER: 04-24284

INCORPORATION;

NOMINAL SHARE CAPITAL: Rs.13, 00, 00,000/-

**28<sup>TH</sup> ANNUAL GENERAL MEETING PROGRAMME**

DATE : 25<sup>th</sup> SEPTEMBER 2022

DAY : SUNDAY

TIME : 01.00 P.M

VENUE : THE PRESIDENT - A BOUTIQUE HOTEL,  
OPP-MUNICIPAL MARKET, OFF. C G. ROAD,  
NAVRANGPURA, AHMEDABAD-380009 GUJARAT

**NOTE TO THE SHAREHOLDERS:**

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting, Shareholders are requested to kindly bring their copies to the meeting.

## **BOARD OF DIRECTORS**

Mr. Kartik J. Patel	Chairman & Managing Director
Mr. Rao Kamalkant	Independent Director
Mr. Praful Agrawal	Non-Independent Director
Mr. Arvindkumar Prajapati	Independent Director
Mrs. Jignaben K. Patel	Non-Executive Women Director

## **KEY MANAGERIAL PERSONNEL**

Mr. Devilal J. Shah	Company Secretary
Mrs. Deepa Gidwani	Chief Financial Officer

### **SECRETARIAL AUDITOR**

Shri Kamlesh M. Shah  
(Practicing Company Secretary)

### **BANKERS OF THE COMPANY**

HDFC Bank Limited, Navrangpura Branch, Ahmedabad: 380 009.

### **REGISTRAR AND SHARE TRANSFER AGENT**

#### **MCS SHARE TRANSFER AGENT LIMITED**

201, Shatdal complex,  
Opp. Bata show room,  
Ashram road,  
Ahmedabad – 380 009

#### **Auditors**

MAAK & ASSOCIATES  
Chartered Accountants  
Ahmedabad

#### **Company Law Consultants**

M/s. Kamlesh M Shah & Co.,  
Practicing Company Secretary  
Ahmedabad

#### **REGD. OFFICE**

100, Chinubhai Towers,  
Opp. Handloom House,  
Ashram Road, Navrangpura,  
Ahmedabad: 380 009.

#### **INVESTORS GRIEVANCE AND COMPLIANCE OFFICER:**

Devilal J. Shah,  
Compliance Officer  
100, Chinubhai Towers, Opp: Handloom House,  
Ashram Road, Navrangpura,  
Ahmedabad: 380 009

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## NOTICE

**NOTICE** is hereby given that the 28<sup>TH</sup> Annual General Meeting of the Members of the **KHYATI MULTIMEDIA ENTERTAINMENT LIMITED** will be held on Sunday the 25<sup>th</sup> September, 2022 at 01:00 P.M. at the THE PRESIDENT, Opp- Municipal Market, Off C.G. Road, Navrangpura, Ahmedabad, Gujarat- 380009, India to transact the following business:

### **ORDINARY BUSINESS:**

- 1) To Receive, Consider, and Adopt the Audited Financial Statement of the Company for the 31st March, 2022 and the reports of the Auditors thereon.
- 2) To Re-appoint a director Kartik J. Patel (DIN: 00047862) who retires by rotation and being eligible offers himself for reappointment.
- 3) To Ratify the Reappointment of M/s. MAAK & Associates, Chartered Accountants, Ahmedabad FRN: 135024W as the Statutory Auditors of the Company for the next financial year 2022-23 and to hold the office as such up to the conclusion of the Next Annual General Meeting and to authorize the Board of Directors to fix their remuneration in their consultation.

### **SPECIAL BUSINESS:**

#### **4) To Give Omnibus Approval for Related Party Transactions**

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

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other provisions, if any, applicable to the Company, for the time being in force, of the Companies Act, 2013 read with the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per SEBI (LODR), 2015, an omnibus consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into the related party transactions including the transaction subsequent foreseen and repetitive in the nature whether or not made in ordinary course of business & at arm’s length price by the Company with its related parties.”

**“RESOLVED FURTHER THAT** nothing contained in the above resolution shall restrict the Audit Committee / Board / Shareholders to periodically review, approve and revise the criteria for approval of subsequent related party transactions.”

**“RESOLVED FURTHER THAT** this approval does not allow the Management of the Company either impliedly or expressly to enter into related party transactions to take any personal benefit or to defeat interest of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Regulation 23 (8) of the SEBI (LODR), as amended from time to time, consent of the Members be and is hereby accorded for approval of related party transactions between the Company and Related Parties to be entered into during the period 2021-22.

**By order of the board  
KHYATI MULTIMEDIA ENTERTAINMENT LIMITED**

**Date: 13/08/2022  
Place: Ahmedabad**

**Kartik J. Patel  
(Chairman & Managing Director)  
(DIN: 00047862)**

**IMPORTANT NOTES:**

1. A member entitled to attend, and vote is entitled to appoint a proxy to attend and vote instead of him/herself and proxy need not be a member. The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

**A person can act as a proxy on behalf of members not exceeding fifty members and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights.** A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

2. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide the facility of remote e-voting to all members as per the applicable Regulations relating to e-voting. Complete instructions on e-voting facility provided by the Company are annexed to this Notice explaining the process of e-voting with necessary user id and password along with procedure for such e-voting.
3. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative/s to attend and vote at the Annual General Meeting.
4. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of directors seeking appointment/reappointment at the Annual General Meeting is given in detail, as annexed hereto.
- 5. Shareholders are requested to bring their copy of Annual Report to the meeting.**
6. Members/Proxies should fill Attendance Slip for attending the meeting.
- 7. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 17<sup>th</sup> September, 2022 to Sunday, 25<sup>th</sup> September, 2022 (both days inclusive).**
8. Members seeking any information or clarification on Accounts are requested to send written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries received only at the meeting.
9. Relevant documents referred to in the accompanying Notice and the Explanatory Statement will remain open and available for inspection by the members at the administrative office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every member participating in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository

Participants with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN to the Company or its Share Registrars and Transfer Agents.

11. **Members who have not registered their email IDs so far with their depository participants, are requested to register their email IDs for receiving all the Communications including Annual Report, Notices etc. in electronic mode.**
12. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, and Regulation 36 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository.
13. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31<sup>st</sup> March, 2022 is uploaded on the Company's website [www.khyatimultimedia.com](http://www.khyatimultimedia.com) and may be accessed by the members.
14. Electronic copy of the Annual Report for 2021-22 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, please register the Email address with RTA and depositories.

**The instructions for members for voting electronically are as under: -**

- (i) The voting period begins on Thursday, 22<sup>nd</sup> September, 2022 at 09:00 A.M. and ends on Saturday, 24<sup>th</sup> September, 2022 at 05:00 P.M. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday of 16<sup>th</sup> September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in DEMAT form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first-time user, follow the steps given below:

	<b>For Members holding shares in DEMAT Form and Physical Form</b>
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both DEMAT shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL</li></ul>



	letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

After entering these details appropriately, click on “SUBMIT” tab.

- (i) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in DEMAT form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the DEMAT holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iii) Click on the EVSN for the relevant Khyati Multimedia Entertainment Limited on which you choose to vote.
  - (iv) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (v) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
  - (vi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
  - (vii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (viii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (viii) If DEMAT account holder has forgotten the changed password then enter the User ID and the image verification code “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (ix) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (x) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xiii) If DEMAT account holder has forgotten the changed password then enter the User ID and the image verification code
  - a. Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
  - b. The voting period begins on Thursday, 22<sup>nd</sup> September, 2022 at 09:00 A.M. and ends on Saturday, 24<sup>th</sup> September, 2022 at 05:00 P.M. During this period shareholders of the Company

holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday of 16<sup>th</sup> September,2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- c. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**GENERAL INSTRUCTIONS FOR VOTING:**

- a. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- b. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- c. Shri Kamlesh. M. Shah, Practicing Company Secretary, (Membership No. ACS: 8356 and COP No. 2072, Address: 801-A, Mahalaya Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India,) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- d. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favor or against, if any, submit to the Chairman of the Company.
- e. Results declared by the Chairman along with the Scrutinizer’s Report shall be placed on the Company’s website [www.khyatimultimedia.com](http://www.khyatimultimedia.com) and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Company. The results shall be communicated to the BSE Limited and will also be uploaded on website of Stock Exchanges.
- f. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, 16<sup>th</sup> September,2022 may obtain the login ID and password by sending a request at [www.evotingindia.com](http://www.evotingindia.com)

**By order of the Board of Directors**  
**for KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED**

**Place: Ahmedabad**  
**Date: 13<sup>th</sup> August,2022**

**Kartik J. Patel**  
**(Chairman & Managing Director)**  
**(DIN: 00047862)**

**ANNEXURE TO NOTICE STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:**

**For Item No. 4**

The Securities and Exchange Board of India, vide its Circular No. SEBI/LAD-NRO/GN/2015-16/013 dated 2<sup>nd</sup> September, 2015 (the “said circular”), introduced the regulations called the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [herein after “SEBI (LODR)”]. As per regulation 23 (4) of the SEBI (LODR), all material related party transactions shall require approval of the shareholders through resolution in the General Meeting. Further as per regulation 23(8) of SEBI (LODR), all existing material related party contracts or arrangements as on the date of notification of SEBI (LODR), Regulations 2015 i.e., which are likely to continue beyond such date shall be placed for approval of the shareholders in the first General Meeting subsequent to notification of the regulations. The related party transactions set out below are all contractual obligations entered / to be entered into by the Company in its ordinary course of business and are at arms’ length transactions for financial year 2022-23:

**For financial year 2022-23**

<b>Name of the related party</b>	Khyati World Educare Pvt Ltd. Khyati World School Khyati Realities Limited Firdaus Memorial Charity & Education Trust Khyati Foundation Any other Related Party	
<b>Relation with the Company</b>	Common Director/Key Significant Influence/Common Director/ Promoter	
<b>Purpose of related party transaction</b>	Sale	Purchase
<b>Amount Approx. (in Lacs.)</b>	500.00	250.00

As approved by the members in the Annual General Meeting held on 29/09/2021, Company entered into related party transactions for the financial year 2021-22 as below:

Name	Relationship	Nature of Transaction	Amt in Rs.
			2021-2022
Jignaben Patel	Director	Rent	1,14,000/-
Khyati World Educare Pvt Ltd.	Common Director (Kartik J. Patel)	Sale	2,21,161/-
Khyati Realities Ltd.	Common Director (Kartik J. Patel & Jignaben K. Patel)	Sale	-

Khyati World School (Managed By Firdaus Memorial Charity & Education Trust)	COO (Kartik J. Patel) & Trustee (Jignaben K. Patel)	Sale	7,12,913
Firdaus Memorial Charity & Education Trust	COO (Kartik J. Patel) & Trustee (Jignaben K. Patel)	Sale	1,43,344
Khyati Foundation	Trustee (Kartik J. Patel)	Sale	14,47,932

Further as per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, states that all Material Related Party Transaction ('RPT') with an aggregate value exceeding 10% of annual turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require approval of shareholders by means of an ordinary resolution. The said limits are applicable even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis. The amended Regulation 2(1) (zc) of the SEBI Listing Regulations has also enhanced the definition of related party transaction which now includes a transaction involving a transfer of resources, services, or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not. It is in the above context that Resolutions No. 4 is placed for the approval of the Shareholders of the Company.

**Details of Directors seeking Appointment / Re-appointment at the Forthcoming Annual General Meeting (Pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2)**

Name of Director	Mr. Kartik Jasubhai Patel
Director Identification Number	00047862
Date of Birth	13 <sup>th</sup> February, 1965
Age	57
Qualification	Graduation ( Bachelor of Science)
Experience	34 Years
Last Remuneration drawn	Nil
No. of Equity Shares held in the Company	1630600
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mrs. Jignaben K. Patel (Wife) Mr. Yash Patel (Son) Mr. Yogesh Patel (Brother In Law)
Directorships held in other Companies	8 Companies
Chairmanship/Membership of the committee of the Board of Directors of the Company	1 Membership of Stakeholders Relationship Committee
Committee position held in other Listed Companies	Nil

**KHYATI MULTIMEDIA ENTERTAINMENT LIMITED**

**CIN: L92199GJ1995PLC024284**

100, CHINUBHAI TOWERS, 1ST FLOOR, OPP: HANDLOOM HOUSE, ASHRAM ROAD, NAVRANGPURA,  
AHMEDABAD 380009 GUJARAT

**ATTENDANCE SLIP**

<b>DP ID*</b>		<b>Folio</b>	
<b>Client ID*</b>		<b>No. of Shares</b>	

**NAME AND ADDRESS OF THE SHAREHOLDER**

I hereby record my presence at the 28<sup>th</sup> **ANNUAL GENERAL MEETING** of the Company held on Sunday, 25<sup>th</sup> September, 2022 at 01:00 P.M. at The President, Opp- Municipal Market, Off C.G. Road, Navrangpura, Ahmedabad, Gujarat- 380009, Gujarat, India.

Signature of the Shareholder | Proxy

\* Applicable for investors holding shares in electronic form.

**KHYATI MULTIMEDIA ENTERTAINMENT LIMITED**

**CIN: L92199GJ1995PLC024284**

100, CHINUBHAI TOWERS, 1ST FLOOR, OPP: HANDLOOM HOUSE, ASHRAM ROAD, NAVRANGPURA,  
AHMEDABAD 380009 GUJARAT

**Form No. MGT- 11**

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Members:

Registered Address:

E-mail Address:

Folio No. | Client ID:

DP Id:

I/we, being the member(s) of \_\_\_\_\_ shares of Khyati Multimedia Entertainment Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28<sup>th</sup> Annual General Meeting of the Company, to be held on Sunday, 25<sup>th</sup> September, 2022 at 01:00 P.M. at The President, Opp- Municipal Market, Off C.G. Road, Navrangpura, Ahmedabad, Gujarat- 380009, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Subject Matter of Resolution	Optional	
		For	Against
	<b>ORDINARY RESOLUTION</b>		
1	To receive, consider and adopt the financial statements of the Company including the Audited Balance Sheet as on March 31, 2022, the Statement of Profit and Loss and the Cash flow statement for the year ended on that date and the Reports of the Board of Directors and the Auditors of the Company.		
2	To Re-Appoint Kartik J. Patel (DIN: 00047862), who retires by rotation and being eligible, offers himself for re-appointment.		
3	Subject to Ratification Re-Appointment of M/s. MAAK & ASSOCIATES, as a Statutory Auditors of the Company for the Financial Year 2022-23.		
	<b>SPECIAL RESOLUTION</b>		
4	Approval of Related Party Transaction for the Financial year 2022-23.		

Signed this ..... day of .... 2022

Affix ₹1/- revenue stamp
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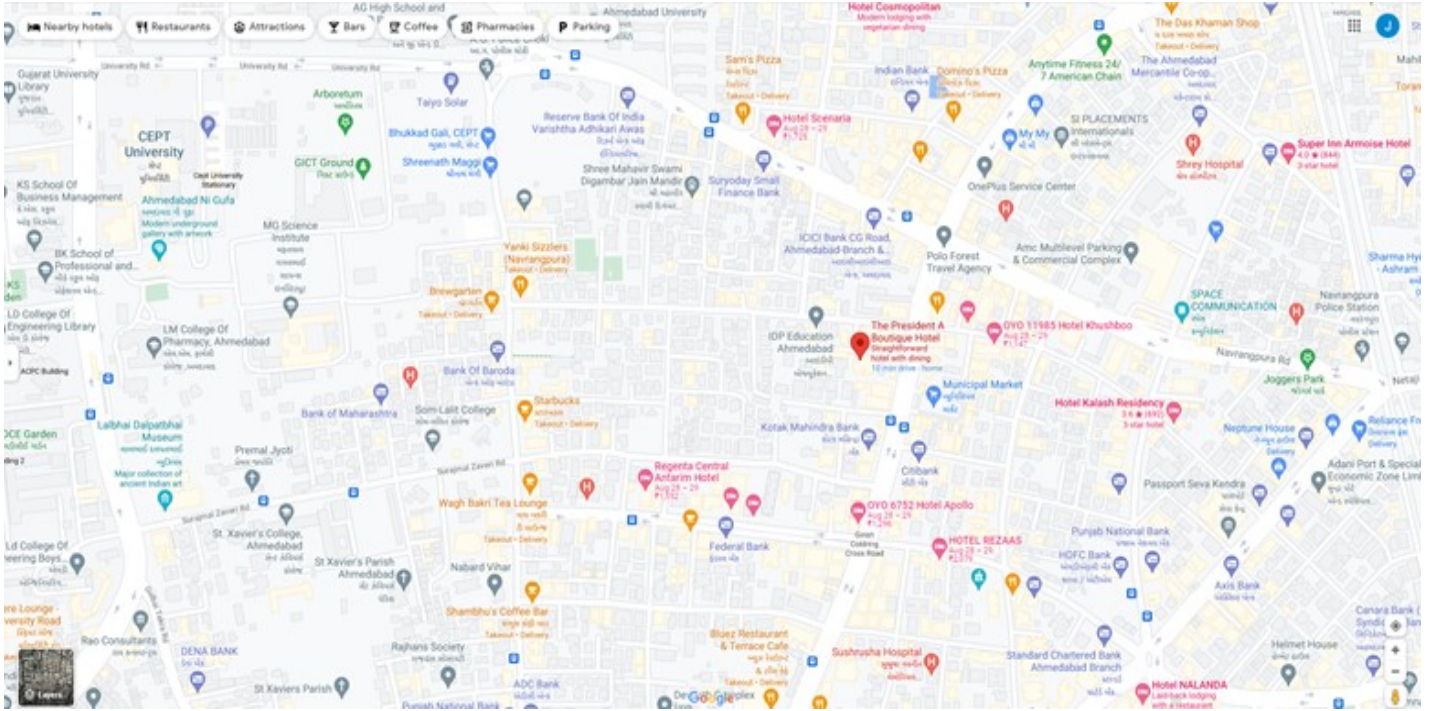
(Signature of the member/ Proxy)

**Notes:**

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

\*2. This is only optional. Please put a '☑' in appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

## Route Map of the AGM Venue



## DIRECTORS' REPORT

Your Directors are pleased to submit herewith their report together with the audited statement of accounts for the 28<sup>th</sup> financial year ended 31<sup>st</sup> March, 2022.

[Amount in Rs.]

PARTICULARS	2021-22	2020-21
Income from Operation	23,58,534	4,76,637
Other Income	-	3,398
Total Income	<b>23,58,534</b>	<b>4,80,035</b>
Total Expenditure	34,77,943	16,70,919
Profit/ (loss) before tax and dep.	(11,19,409)	(11,90,884)
Provision for depreciation	3748	3748
Provision for Differ Tax	2,81,653	2,99,745
Net Profit / (Loss) after tax for the year	(8,37,756)	(8,91,138)

### OPERATIONAL OVERVIEW

During the year under review the Company has earned total income from sources of Rs. 23,58,534/- (Previous Year of Rs. 4,76,637). After deducting all administrative expenses and depreciation and necessary adjustments for taxation, etc. the company has incurred a net loss of Rs. (8,37,756)/- (Previous of Rs (8,91,138)/-).

### DIVIDEND

Due to loss, your directors have not recommended dividend for the financial year 2021-22.

### BUSINESS ACTIVITY

Khyati Multimedia Entertainment Limited has involved in the area of high-quality Desktop Publishing, imaging, Corporate Presentations, advertisements, creative designing, graphic designing and multimedia software development and is also engaged in the business of letting out vehicle.

There was no change in the nature of any of the business activity during the year.

### DETAILS OF THE ASSOCIATES/ JOINT VENTURE / SUBSIDIARIES COMAPANIES

The company does not have holding or subsidiary companies during the year and no other company has become holding / subsidiary/ joint venture.

### DEPOSIT

The Company has not accepted any public deposit during the year under review and no amount against the same was outstanding at the end of the year.



## **REGULATORY STATEMENT**

In conformity with Regulations of SEBI (Listing Obligation and Disclosures Regulations), 2015 the Cash Flow Statement for the year ended 31.03.2022 is annexed hereto. The equity shares of the Company are listed on the BSE Ltd.

The Company has paid listing fees for the year 2022-23 to above stock exchanges.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.**

As required under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, particulars relating to conservation of Energy, R & D, Technology absorption and foreign Exchange earnings / outgo are separately provided in the annexure to this report. Also, We would like to Highlight that Our Company is not Engaged in Manufacturing Activity so, the Section 134 is not applicable to the Our Company.

## **DETAILS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186 OF THE COMPANIES ACT, 2013**

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate, or any other company. However, the company has borrowed a sum of Rs. 23,25,000 from Director as a unsecured loan at 0% Interest for dealing with the day to day fund requirement of the company.

The Board of Directors supports to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability, and integrity. The Report on corporate governance as stipulated according to the SEBI (LODR) Regulation, 2015 forms part of the Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance as required under SEBI (LODR), Regulation 2015 is attached to the Report on corporate governance.

## **DETAILS OF RELATED PARTIES TRANSACTIONS PURUSANT TO SECTION 188(1) OF THE COMPANIES ACT, 2013**

The Company had entered into related parties' transactions for sale/purchase of goods or services at arm's Length Transaction. However, all the transactions in the nature of sales/purchase of goods or services are made on arms length basis except the salary paid to employees and director and key managerial person. However, a lease rent is being paid to Mrs. Jignaben K Patel as per the valid lease rental agreement which will be paid. The same were reported to the Board at every meeting and Board took a note of the same and approved. Other details for inter corporate financial transactions or remuneration and other benefits paid to directors, their relatives, key managerial personnel etc. FORM AOC-2 is been attached as Separate Annexure-1

The Company has formulated various other policies like Risk Management Policy, Evaluation of Board Performance Policy, and CSR Policy etc. etc. All such policies were documented and adopted by the Board and also uploaded all the policies applicable at the website of the Company [www.khyatimultimedia.com](http://www.khyatimultimedia.com)

Full details of Risk Management Policy are given in the Corporate Governance Report under the head Whistle Blower Policy.

As the Company is loss making one, the provisions related to CSR is presently not applicable to the Company.

Regarding Performance Review of each of the member of the Board and also the performance of the various Committees and the Board, the Company has adopted the Model Code of Conduct for Independent Directors, Key Managerial Personnel as prescribed in Schedule IV to the Companies Act, 2013 and also as prescribed in the SEBI (Insider Trading) Regulations. The Company strictly follows the procedure to obtain necessary timely declarations from each of the directors and key managerial personnel from time to time.

### **BOARD OF DIRECTORS**

Details about the Board of Directors Meetings are attached to the Report on Corporate Governance. Further, Mr. kartik J. Patel, will be the Director retiring by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. Also, Board Comprises of Five Numbers of Directors out of Which Two are Independent Directors of the Company.

### **DECLARATION BY INDEPENDENT DIRECTORS:** **(Pursuant to Provisions of section 149(6) OF the Companies Act 2013)**

The Company has received necessary declarations from each Independent Director of the Company confirming that he/she meets with the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of section 134 Clause (C) of Sub-Section (3) of the Companies Act, 2013, in relation to financial statements for the year 2021-22, the Board of Directors state:

- a) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2021, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss account of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis; and
- e) The directors in the case of a listed company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DECLARATION BY BOARD AS PER REQUIREMENT OF SECTION 178 (1)**

In compliance with Section 178 (1) as also in compliance with Regulation of SEBI (LODR),2015, the Board of Directors do hereby declare that:

- a. The Company has proper constitution of the Board of Directors including independent directors in proportion as per requirement of SEBI (LODR),2015. However, the Company is still in process for appointing a suitable person as woman director as required under Section 149 of the Companies Act, 2013.
- b. The Company has constituted Nomination and Remuneration Committee, Stakeholders Relationship Committee, Audit Committee as per requirements of the SEBI (LODR),2015 and provisions of the Companies Act 2013.
- c. The Company has the policy for selection and appointment of independent directors who are persons of reputation in the society, have adequate educational qualification, sufficient business experience and have integrity & loyalty towards their duties.
- d. The Company is not paying managerial remuneration to its Managing/Whole Time Directors based upon their qualification, experience and past remuneration received by them from their previous employers and company's financial position.
- e. The Independent Directors are paid sitting fee for attending Board and other committee meetings as decided by the Board from time to time. This sitting fee is decided considering the financial position of the company.
- f. The Company is not paying any commission on net profits to any directors.
- g. During the year the Board has met 5 times during the year. The details of presence of every director at each meeting of the Board including the meetings of the Committees, if any, are given in the reports of the Corporate Governance.

**INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The details in respect of internal financial control and their adequacy are included in Management Discussion and Analysis Report, which forms part of this report.

**CORPORATE SOCIAL RESPONSIBILITY**

Company has earned loss in the year under review. Also, the Company does not fulfill any criteria as laid down in section 135(1) of the Companies Act, 2013, therefore, provisions related to expenditure of at least two percent of the average net profits in CSR activities as per section 135(5) of the Companies Act, 2013 is presently not applicable to the Company.

**SYSTEM OF PERFORMANCE EVALUATION OF THE BOARD, INDEPENDENT DIRECTORS AND COMMITTEES AND INDIVIDUAL DIRECTORS**

1. The Board makes evaluation of the effectiveness and efficiency of every individual director, committee of directors, independent directors and board as a whole.
2. For these purposes the Board makes evaluation twice in a year on a half yearly basis.
3. The performance of individual directors is evaluated by the entire Board, excluding the Director being evaluated on the basis of presence of every director at a meeting, effective participation in discussion of each of the business of agenda for the meetings, feedback receives from every director on draft of the minutes and follow up for action taken reports from first line management.
4. Effectiveness and performance of various committees are evaluated on the basis of the scope of work assign to each of the committees the action taken by the committees are reviews and evaluated on the basis of minutes and agenda papers for each of the committee meetings.

5. The performance of independent directors is evaluated on the basis of their participation at the meetings and post meeting follow up and communication from each of such independent directors.

#### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, independence and other matters as provided under subsection (3) of Section 178 of the Companies Act, 2013 is available on the Company's website at [www.khyatimultimedia.com](http://www.khyatimultimedia.com)

#### **PARTICULARS OF THE EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report as Annexure - II. Further, particulars of employees remuneration, as required 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, are not applicable since there was no employee of the Company including Executive Directors who was in receipt of remuneration in excess of the limits set out in the said rules.

#### **CORPORATE GOVERNANCE REPORT**

The Company is committed to observe good corporate governance practices. The report on Corporate Governance for the financial year ended March 31, 2022, as per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is herewith as Annexure – 6 and forms part of this Report.

#### **IND AS**

Your company has adopted IND AS w.e.f. 1st April 2017 pursuant to Notification of the Ministry of Corporate Affairs dated 16th February 2015 in place of Accounting Standards.

#### **AUDITORS**

##### **STATUTORY AUDITORS**

M/s. MAAK & Associates Chartered Accountant were appointed in the Annual General Meeting for the Financial Year i.e. 2019-20 hence, the Board has now proposed to Ratify the appointment of Statutory Auditors for f.y. 2022-23. Necessary Resolution for their appointment as the Statutory Auditors and fixing their remuneration is proposed to be passed at the Annual General Meeting.

##### **COST AUDITORS**

NOT APPLICABLE

##### **SECRETARIAL AUDITOR**

The Company has appointed M/s. KAMLESH M. SHAH & CO., as the secretarial auditor for the financial year 2021-22. They have given their report in the prescribed form MR-3 which is annexed to this report as an **ANNEXURE-III**.

##### **EXPLANATION TO THE AUDITORS' REMARKS**

The Directors submit their explanations to the various observations made by the statutory auditors in the report are as under for the year 2021-22.

The Annual Return of the Company as on 31st March, 2022 is available on the website of the Company at <http://www.khyatimultimedia.com/#>

**MATERIAL CHANGES / INFORMATION:**

1. No material changes have taken place after the closure of the financial year up to the date of this report which may have substantial effect on the business and financial of the Company. However, net worth of the company has been completely eroded.
2. No significant and material orders have been passed by any of the regulators or courts or tribunals impacting the going concern status and companies' operations in future.

**APPRECIATION**

Your Directors place on record their sincere appreciation for the valuable support and co-operation as received from government authorities, Financial Institutions and Banks during the year. The Directors are also thankful for the support extended by Customers, Suppliers and contribution made by the employees at all level. The Directors would also like to acknowledge continued patronage extended by Company's shareholders in its entire endeavor.

**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Schemes referred to in this Report.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- There has been no change in the nature of business of the Company.
- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the Financial Year 2021-22.
- There was no instance of onetime settlement with any Bank or Financial Institution during the Financial Year 2021-22

**For and on behalf of the Board**  
**Khyati Multi-Media Entertainment Limited**  
**Sd/-**

**Date: 13.08.2022**  
**Place: Ahmedabad**

**Kartik J. Patel**  
**(DIN: 00047862)**  
**Chairman & Managing Director**

**Annexure-I**

**FORM NO. AOC -2**

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

*Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.*

1 Details of contracts or arrangements or transactions not at Arm's length basis.								
	Name (s) of the related party	Nature of transaction	Duration of the transaction	Salient terms of the transaction	Justification for transactions'	Date of approval by the Board	Amount paid as advances	Date of special resolution
1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

2 Details of material contracts or arrangement or transactions at arm's length basis								
	Name (s) of the related party	Nature of relationship	Nature of transaction	Duration of the transaction	Transactions value ) in Rs.	Date of approval by the Board	Amount paid as advances	
1	Jigna K. Patel	Director/Relative of Promoter	Rent	April 2021 to March 2022	1,14,000	Since these RPTs are in the ordinary course of business and are at arms' length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee / Board at their quarterly meetings.	Nil	
2	Khyati World Educare Pvt Ltd.	Company With Common Director	Sale		2,21,161			
3	Khyati Realities Ltd.	Company With Common Director	Sale		Nil			
4	Khyati Foundation	Foundation with Common Trustee	Sale		14,47,932			
5	Khyati World School	Enterprise over which key managerial personnel are able to exercise significant influence	Sale		7,12,913			
6	Firdaus Memorial Charity and Education Trust		Sale		1,43,344			

## Annexure-II

### PARTICULARS OF THE EMPLOYEES

**Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

<b>I.</b>	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:			
<b>Sr. no.</b>	<b>Name of director / KMP</b>	<b>Designation</b>	<b>Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY 2021-22</b>	<b>% increase / (decrease) in remuneration in the FY 2021-2022</b>
a)	Shri Kartik J. Patel	Managing Director	0	0
b)	Smt. Deepa Gidwani	Chief Financial Officer	1.28:1	0
c)	Shri Devilal J. Shah	Company Secretary	0.72:1	0
<b>II.</b>	The percentage increase/decrease in the median remuneration of employees in the financial year:		Due to Covid-19 Pandemic there was decrease in the salary of key managerial personnel	
<b>III.</b>	The number of permanent employees on the rolls of company:		2	
<b>IV.</b>	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out of there are any exceptional circumstances for increase in the managerial remuneration;		During the year under review, the average annual increase was negligible	
<b>V.</b>	Affirmation that the remuneration is as per the remuneration policy of the Company.		All remuneration of the Employees and directors are paid as per remuneration policy of the Company.	

**ANNEXURE-III**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022

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

To,  
The Members,  
**KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED**  
**CIN: L92199GJ1995PLC024284**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED** (Hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the records of **KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering **the financial year ended on 31<sup>st</sup> March 2022** complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances mechanism in place to the extent , in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and record maintained by KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED (CIN: L92199GJ1995PLC024284) for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act,1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;



- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Training) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **NOT APPLICABLE FOR THE YEAR**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (vi) As stated in the **Annexure – A** – all the laws, rules, regulations are applicable specifically to the company.
- (vii) No other major corporate events occurred during the year and various compliances made by the Company with applicable Laws, Rules, Regulations, and Listing Regulations.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and applicable w.e.f July 01, 2015 or any amendment, substitution, if any, are adopted by the Company and are complied with.

(ii) The Listing Agreements entered into by the Company with B S E Limited and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

### **I further report that**

The board of directors of the company is duly constituted with proper balance of executive directors, non-executives directors, independent directors and woman director. There was no Change in the Constitution of the Board of Directors during the year under review.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance or with consent of directors at a shorter notice, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

### **Except:**

- 1. Company has given Loans & Advances (CLEAN) to three various Parties at Hyderabad and pune the company has sent by registered post the letter of confirmation of accounts; however counter confirmation is not yet received.***
- 2. Promoters Shareholding is not yet fully Dematerialize.***
- 3. 15, 20, 000 Equity Shares which are allotted on 26/12/2000 on preferential basis are not yet listed with Stock Exchange and not dematerialized.***
- 4. Independent Directors Registrations on IICA Website as Independent Directors is pending and all independent directors are yet to pass the qualifying examination as prescribed by MCA. However, as per MCA Records No Directors were disqualified u/s. 164(2) and NO DIN Numbers of any directors were disabled due to non-compliance of Annual KYC of DIN.***
- 5. Subject to our other observations in Annual Secretarial Compliance Report submitted to Stock Exchange Pursuant regulation 24A of The SEBI (Listing Obligation And Disclosure Requirement) Regulations, as amended by SEBI Circular Dated 8<sup>th</sup> February 2019 as amended up to date which is forming part of this report and annexed as Annexure-B.***

**Khyati Multimedia Entertainment Limited**  
**CIN: L92199GJ1995PLC024284**

**28<sup>th</sup> Annual General Meeting**  
**Annual Report 2021-2022**

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

**I further report that** during the audit period, in the company there was no specific event / action that can have a bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guideline, standards, except our observation as aforesaid paragraphs.

**Place: Ahmedabad**  
**Date: July 11, 2022**  
**UDIN: A008356D000601190**

**FOR KAMLESH M. SHAH & CO.,**  
**PRACTICING COMPANY SECRETARIES**

**(KAMLESH M. SHAH)**  
**PROPREITOR**  
**ACS: 8356, COP: 2072**

**“ANNEXURE-A”**

***Securities Laws***

1. All Price Sensitive Information were informed to the stock exchanges from time to time
2. All investors' complaint directly received by the RTA & Company is recorded on the same date of receipts and all are resolved within reasonable time.

***Labour Laws***

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments.
3. Provisions with relate to compliances of PF/ESI/Gratuity Act are NOT applicable to Company during the year under review.
4. There was no incidence of Sexual Harassment to any of the Female/ Women employee of the Company.

***Environmental Laws***

During the year under review there was no Manufacturing business activities in the Company. The Provisions of the Environmental laws and regulations relating to obtaining any specific permissions or licenses if any are not applicable to the company during the year.

***Taxation Laws***

The company follows all the provisions of the Indirect taxation laws and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other applicable departments.

Place: Ahmedabad  
Date: July 11, 2022  
UDIN: A008356D000601190

FOR KAMLESH M. SHAH & CO.,  
PRACTICING COMPANY SECRETARIES

(KAMLESH M. SHAH)  
PROPREITOR  
ACS: 8356, COP: 2072

**“ANNEXURE-B”**

**To**  
**The Members,**  
**KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED**  
**CIN: L92199GJ1995PLC024284**  
**100, CHINUBHAI TOWERS, 1ST FLOOR,**  
**OPP: HANDLOOM HOUSE, ASHRAM ROAD, NAVRANGPURA,**  
**AHMEDABAD 380009 Gujarat India**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures and compliances done are on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied on Management Representation Letter provided by the Company before issuing this Report to the Company.

**Place: Ahmedabad**  
**Date: July 11, 2022**  
**UDIN: A008356D000601190**

**FOR KAMLESH M. SHAH & CO.,**  
**PRACTICING COMPANY SECRETARIES**

**(KAMLESH M. SHAH)**  
**PROPREITOR**  
**ACS: 8356, COP: 2072**

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

To,  
Members,  
**KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED,**  
Ahmedabad-09, Gujarat

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED bearing CIN: L92199GJ1995PLC024284 and having its registered office at 100, Chinubhai Towers, 1st Floor, Opp: Handloom House, Ashram Road, Navrangpura, Ahmedabad 380009 Gujarat India (hereinafter referred to 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority. **However, All the Independent Directors are not Registered at [www.independentdirectorsdatabank.in](http://www.independentdirectorsdatabank.in) Portal but the Appointment of all Independent Directors were made before the new rules for mandatory Registration at IICA comes into the Force.**

Sr. No.	Name of Director	DIN	Disqualified Under Section 164 of Companies Act,2013	Deactivation of DIN Due to Non-Filing of DIR-3 KYC
1	Kartik Jasubhai Patel	00047862	N.A.	N.A.
2	Jignaben Kartikbhai Patel	00047896	N.A.	N.A.
3	Prafulchandra Agarwal	00088295	N.A.	N.A.
4	Rao Kamalkant	02576450	N.A.	N.A.
5	Arvindkumar D. Prajapati	02694784	N.A.	N.A.

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

**For, Kamlesh M. Shah & Co.,**  
**Practicing Company Secretary**

**Place: Ahmedabad**  
**Date: June 09, 2022**  
**UDIN: A008356D000479301**

**Kamlesh M. Shah**  
**(Proprietor)**  
**(ACS: 8356, COP: 2072)**

## **ANNEXURE-IV**

# **CORPORATE GOVERNANCE REPORT**

[Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 “Listing Regulations”]

Detailed report on Corporate Governance for the financial year ended March 31, 2022, as per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below:

### **1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE:**

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder’s aspirations and expectations. The Company will continue to focus its resources, strengths and strategies for enhancement of the long term shareholders’ value while at the same time protecting the interest of other stakeholders.

### **2. BOARD OF DIRECTORS:**

#### **COMPOSITION AND CATEGORY**

The composition of the Board of Directors of the Company represents an appropriate mix of executive and non-executive directors to ensure the independence of the Board and to separate the board functions of governance and management

The Board currently comprises of proper Constitution of Board of Directors including the Chairman of the Board.

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

#### **BOARD PROCEDURE**

The Board meets at least once in a quarter to review the quarterly performance and the financial results. The Board meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting on the overall performance of the company.

The Minutes of the Board meetings are circulated in advance to all Directors and confirmed at subsequent Meeting. The Minutes of Audit Committee and other Committees of the Board are regularly placed before the Board.

During the financial year ended March 31<sup>st</sup>, 2022, Five Board Meetings were held respectively on 31.05.2021, 14.08.2021, 29.09.2021, 13.11.2021, 12.02.2022. The gap between two Board Meetings did not exceed four months.

The composition of the Board of Directors, the number of other Directorship and Committee positions held by the Director, of which the Director is a Member/Chairman, are as under:

Name of Director	Category	DIN	No. of Board Meetings attended during the year	Whether attended last AGM	No. of other Director-ship held
<b>Shri Kartik J. Patel</b>	Non-Executive Promoter Chairman	00047862	5	No	6
<b>Smt. Jignaben K Patel</b>	Non-Executive Promoter Women Director	00047896	5	No	2
<b>Shri Prafulchandra J. Agarwal</b>	Non-Independent promoter & Non-Executive Director	00088295	5	Yes	15
<b>Shri Rao Kamalkant</b>	Independent & Non-Executive Director	02576450	5	Yes	2
<b>Shri Arvindkumar Prajapati</b>	Independent & Non-Executive Director	02694784	5	Yes	Nil

\*1 Committee includes Audit Committee and Shareholders', Investors Grievance Committee & Nomination and Remuneration Committee only.

### **CODE OF CONDUCT**

The Company has already adopted a code of conduct for all employees of the company and Executive directors. The board has also approved a code of conduct for the non-executive directors of the company. All board members and senior management personnel have affirmed compliance with the applicable code of conduct has been provided in the Annual Report. The directors and senior management of the company have made disclosures to the board confirming that there is no material financial and/ or commercial transactions between them and the company that could have potential conflict of interest with the company at large.

### **3. COMMITTEES OF THE BOARD**

#### **AUDIT COMMITTEE:**

The terms of reference of the Audit Committee are wide enough to cover matters specified for Audit Committees under Regulation 18 of the SEBI (Listing Obligation and Disclosures Regulations) ,2015 as well as in Section 177 of the Companies Act, 2013 besides other terms as may be referred to by Board of Directors from time to time.

The Audit Committee comprises of three Directors all of whom two are Independent Directors.

During the period under review, Five Audit Committee meetings were held respectively on 31.05.2021, 14.08.2021, 29.09.2021, 13.11.2021, 12.02.2022.



The composition of the Audit Committee and attendance at its meetings is given hereunder:

Name of Director	Position	No. of Meetings	Meetings attended
Shri Rao Kamalkant	Chairman	5	5
Shri Arvindkumar D. Prajapati	Member	5	5
Shri Praful Chandra Agarwal	Member	5	5

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

**NOMINATION AND REMUNERATION COMMITTEE:**

The Remuneration Committee comprises of two independent non-executive directors viz. Shri Rao Kamalkant, Shri Arvindkumar Prajapati and Shri Prafulchandra Agarwal

During the period under review, **Five** Nomination and Remuneration Committee meetings were held.

The remuneration committee has been constituted to recommend/review the remuneration package of the Managing/ Whole Time Directors based on performance and defined criteria. If any.

**DETAILS OF REMUNERATION PAID TO DIRECTORS DURING 2021-2022**

*(Amount in Rs.)*

NAME OF DIRECTOR	REMUNERATION	SITTING FEES	TOTAL
Shri Kartik J. Patel	Nil	Nil	Nil
Smt. Jignaben K Patel	Nil	Nil	Nil
Shri Rao Kamalkant	Nil	Nil	Nil
Shri Arvindkumar	Nil	Nil	Nil
Shri Prafulchandra Agarwal	Nil	Nil	Nil

**SHAREHOLDERS' /INVESTORS' GRIEVANCE COMMITTEE:**

Shri Rao Kamalkant- Chairman, Shri Kartik J. Patel and Smt. Jignaben K. Patel are members of the Committee. The Committee is empowered to oversee the redressal of Investors' complaints and other miscellaneous complaints. The Company as a matter of policy disposes of investor complaints within a span of five working days.

Name and designation of Compliance Officer:

Mr. Devilal J. Shah

No. of shareholders' complaints received during the year: Nil

No. of complaints not resolved to the satisfaction of shareholders: Nil

No. of pending Complaints: Nil

No. of complaints resolved during the year: Nil

#### 4. GENERAL BODY MEETING

• *Date, Time and Venue of the last three Annual General Meetings:*

Year	Date	Time	Venue	No. of special resolutions passed
2018-19	September 28 <sup>TH</sup> , 2019	3.00 P.M	Subharti Prarthna Bhavan & Party Plot, C. K. Khadayata Chatralaya Campus, Gulbai Tekara, Ahmedabad-380006	3
2019-20	September 27 <sup>th</sup> , 2020	01.30 P.M	Radisson Blu, Near Panchvati Cross Roads, Ellisbridge, Ahmedabad: 380006, Gujarat, India	7
2020-21	September 29 <sup>th</sup> , 2021	01.00 P.M	THE PRESIDENT, Opp-Municipal Market, Off C.G. Road, Navrangpura, Ahmedabad, Gujarat- 380009, India	4

- 1.No extra-ordinary general meeting of the shareholders was held during the year.
- 2.Postal ballot: during the year under review No Postal Ballot has been done by Company.

#### **INDEPENDENT DIRECTORS' MEETING**

Independent Directors met on 12.02.2021 without presence of Non - Independent Directors and members of the Management. At this meeting, the Independent Directors inter alia evaluated performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company's Management and the Board.

#### **DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE**

Only Mr. Kartik J. Patel and Mrs. Jigna K. Patel are Related to Each other as a Relation of Husband and Wife.

## **DISCLOSURES**

### **POLICIES:-**

#### **A. POLICY ON RELATED PARTY TRANSACTIONS SCOPE AND PURPOSE OF THE POLICY**

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of the company and its shareholders. Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 (“Act”) read with the Rules framed there under and Regulation 23 of SEBI (Listing Obligations and Disclosures Regulations),2015, our Company has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions.

Also, Regulation 23 of SEBI (LODR),2015 requires a company to formulate a policy on materiality of related party transactions and dealing with related party transactions. In light of the above, our Company has framed this Policy on Related Party Transactions (“Policy”). This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee. Going forward, the Audit Committee would review and amend the Policy, as and when required, subject to the approval of the Board.

#### **OBJECTIVE OF THE POLICY**

The objective of this Policy is to set out (a) the materiality thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Act, Regulation 23 of SEBI (LODR),2015 and any other laws and regulations as may be applicable to the Company.

#### **MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS**

**a) Identification of related parties: -**

The Company has formulated guidelines for identification and updating the list of related parties as prescribed under Section 2(76) of the Act read with the Rules framed there under and Regulation 23 of SEBI (LODR),2015.

**b) Identification of related party transactions: -**

The Company has formulated guidelines for identification of related party transactions in accordance with Section 188 of the Act and Regulation 23 of SEBI (LODR),2015.

## **DISCLOSURES**

The Company shall disclose, in the Board’s report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business along with the justification for entering into such transaction.

## **B. FAMILIARIZATION POLICY FOR INDEPENDENT DIRECTORS**

### **PURPOSE AND OBJECTIVE OF THE POLICY**

The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company.

### **FAMILIARIZATION AND CONTINUING EDUCATION PROCESS**

- The Company through its Managing Director / Executive Director / Key Managerial Personnel conducts programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.
- Such programmes/presentations provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.
- The programmes/presentations also familiarize the Independent Directors with their roles, rights and responsibilities.
- When a new Independent Director comes on the Board of the Company, a meeting is arranged with the Chairperson, Managing Director, Chief Financial Officer to discuss the functioning of the Board and the nature of the operation of the Company's business activities.
- New Independent Directors are provided with copy of latest Annual Report, the Company's Code of Conduct, the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices, Schedule of upcoming Board and Committee meetings.
- The Company provides the Directors with the tours of company's facilities from time to time.
- A detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, insurance cover, Tata Code of Conduct and obligations on disclosures, is issued for the acceptance of the Independent Directors.

## **C. RISK MANAGEMENT POLICY**

### **LEGAL FRAMEWORK**

Risk Management is a key aspect of the "Corporate Governance Principles and Code of Conduct" which aims to improvise the governance practices across the Company's activities. Risk management policy and processes will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities.

### **BACK GROUND AND IMPLEMENTATION**

The Company is prone to inherent business risks. The objective of Risk Management Policy shall be identification, evaluation, monitoring and minimization of identifiable risks. This policy is in compliance with the which requires the Company to lay down procedure for risk assessment and procedure for risk minimization. The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network. Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

The Company has not made Risk Management Committee but the Board of Directors & Audit Committee is looking after the Risk Management of the Company.

#### **D. CORPORATE SOCIAL RESPONSIBILITY POLICY**

India's new Companies Act, 2013 has introduced several new provisions which change the face of Indian corporate business. One of such new provisions is Corporate Social Responsibility (CSR). As per Section 135 of the Companies Act, 2013, it provides the threshold limit for applicability of the CSR to a Company i.e. (a) net worth of the company to be Rs 500 crore or more; (b) turnover of the company to be Rs 1000 crore or more; (c) net profit of the company to be Rs 5 crore or more.

Since company is a loss making company, CSR Policy is not applicable. Company has not made Corporate Responsibility Committee.

#### **E. VIGIL MECHANISM POLICY**

##### **LEGAL FRAMEWORK**

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

Regulation 22 of SEBI (LODR), 2015 between listed companies and the Stock Exchanges, inter alia, provides for a mandatory requirement for all listed companies to establish a mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct.

##### **POLICY**

In compliance of the above requirements, Khyati Multimedia Entertainment Ltd, being a Listed Company has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

## **F. SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (POLICY WHERE MORE THAN 4 WOMEN WORKING) AND ELIMINATION OF CHILD LABOUR POLICY.**

### **OBJECTIVE:**

It is the endeavor of the Company, to ensure a safe, secure and congenial work environment where employees and workers will deliver their best without any inhibition, threat or fear. In pursuance of this objective, the Company has evolved a “Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Policy”.

The approach adopted by the Company is to spread awareness about the causes and consequences of sexual harassment at workplace and thereby prevent any occurrences. In the event of such an occurrence, the Group would use this Policy to provide the framework for action.

### **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Policy:**

Sexual harassment in the work place has been defined as “unwelcome” sexually determined behavior (whether directly or by implication). It includes any or all of the following:

- Physical contact and advances
- A demand or request for sexual favours
- Sexually colored remarks
- Showing pornography
- Any other unwelcome physical, verbal or non-verbal conduct of a sexual nature.
- Sexual harassment will be deemed to have taken place if work is used as the excuse or occasion for repeated, personalized, offensive and unwelcome speech or gestures.

It is the duty of the Organization to prevent or deter acts of sexual harassment and if they take place, to provide procedure for resolution, encourage counseling, settlement or prosecution of acts of sexual harassment;

- Where the conduct of the employee would constitute an offence under the Indian Penal Code of any other law, Khyati Multimedia Entertainment Limited shall initiate legal action
- Where the conduct would in addition to an offence under law, constitute misconduct under the rules or regulations of the organization, Khyati Multimedia Entertainment Limited. shall initiate disciplinary action against him/her.

The concerns of or about employees can be reported without fear of reprisal or retaliation. Any allegations of sexual harassment will be investigated quickly and discreetly, and disciplinary action initiated as described in this policy. To the extent possible, the identity of the complainant, the victim, witnesses and the alleged harasser will be protected against unnecessary disclosure. All efforts will be made to ensure that proceedings remain confidential.

**POLICY BASED ON SEBI (LODR) REGULATION, 2015**

**Company has also adopted the Policy based on SEBI (Listing Obligation and disclosure Requirements) Regulation, 2015 the following policies applicable w.e.f 01.12.2015 are as follows.**

All the policies applicable are also uploaded with BSE Website and also available on companies' website [www.khyatimultimedia.com](http://www.khyatimultimedia.com)

**I. POLICY ON PRESERVATION OF DOCUMENTS**

A Policy on preservation of Documents (defined below) would ensure safe-keeping of the records and safeguard the Documents from getting manhandled, while at the same time avoiding superfluous inventory of Documents. The Company, therefore, formulates this Policy, in pursuance to Regulation 9 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations"), on preservation of the Documents to aid the employees in handling the Documents efficiently. It not only covers the various aspects on preservation of the Documents, but also the safe disposal/destruction of the Documents.

**II . ARCHIVING OF DOCUMENTS WHICH ARE HOSTED ON THE COMPANY'S WEBSITE:**

Recognizing the need to ensure the preservation and availability of the Documents of the Company after their required regulatory preservation period, for any legal, administrative, and historical purposes, the Company adopts the following archival policy in respect of Documents which are hosted on the website of the Company:

1.1. All Documents generated, disclosed or received by the Company, on its website, for the purpose of shareholder communication, are the properties of the Company and constitute archival material.

1.2. Archival material of the Company shall not be destroyed or purged without the approval of the Authorized Person. Provided that nothing contained herein shall be deemed to lead to an exception in case of an accidental deletion, or deletion due to any system flaw, virus, or any other deletion, inaccessibility or loss due to any reason other than deliberate and determinate deletion.

1.3. Material so selected for preservation shall be sent to the Company archives in the category of [Libraries]

1.4. The Authorized Person, in consultation with the Board, will be responsible for deciding how long archival material is to be retained in and under the direct control of the officer concerned, if the law does not specify any time period. The period shall not be less than 3 years.

a. Archiving of the Documents to be submitted to the stock exchange, in terms of the Regulations, shall be done after the lapse of the preservation period of 5 years [as specified in Regulation 30(8)], as per the archival policy.

b. For the Documents to be submitted to the stock exchange to comply with disclosure norms as required by any other Applicable Law, the Documents are to be archived after the lapse of the specified/required time period.

### **III. POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS.**

#### **GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION**

Events / information shall be considered as Material if it meets any of the following criteria: (a) the event or information is in any manner unpublished price sensitive information;

(b) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;

(c) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date; and

(d) any other event/information which is treated as being material in the opinion of the Board of Directors of the Company.

#### **1. DISCLOSURES OF EVENTS OR INFORMATION**

a. Events specified in Annexure A are deemed to be material events and the Company shall make disclosure to of such events or information as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information in the following manner:

- i. inform the stock exchanges in which the securities of the Company are listed;
- ii. upload on the corporate website of the Company.

Provided that in case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall, along with such disclosure(s) provide an explanation for delay.

b. The Company shall make disclosure of events as specified in Annexure B based on application of guidelines for determining Materiality as per clause 3 of the Policy.

c. The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

d. The Company shall disclose all events or information with respect to its Material Subsidiaries.

e. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.

f. In case where an event occurs or information is available with the Company, which has not been indicated in Annexure A or Annexure B, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.



**NON-COMPLIANCE BY THE COMPANY, PENALTIES, STRICTURES:**

The Company has complied with the requirements of the Stock Exchange/SEBI/any statutory authorities on all matters related to capital markets. There are no penalties or strictures imposed on the Company by Stock Exchange.

**5. CODE OF CONDUCT**

The Company has its Code of Conduct which is applicable to Board of Directors as well as designated senior management personnel. The Code is circulated to all the members of the Board and management personnel and the compliance of the same is affirmed by them annually. An annual declaration of Managing Director, as to compliance of Code of Conduct has been provided in the Annual Report.

**6. CERTIFICATE ON CORPORATE GOVERNANCE**

As required under Regulation 15 of SEBI (LODR),2015, Certificate is provided in the Annual Report.

**7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

This is given as a separate section in this Annual Report.

**8. CERTIFICATION**

As required by Regulations of SEBI LODR,2015, certification on financial statements is provided in the Annual Report.

**9. COMPLIANCE WITH CORPORATE GOVERNANCE**

Company is fully committed to the compliance of applicable mandatory requirement of SEBI (Listing Obligations and Disclosures Regulations),2015 as amended from time to time. The company submits quarterly Compliance Report to BSE in respect of compliance of Regulation 15 of the SEBI (LODR),2015.

**10. MEANS OF COMMUNICATION**

- a. All financial results are immediately sent to stock exchanges after being taken on record by the Board.
- b. As per the requirements of Listing Agreement, Results are also published in leading daily local & English National newspapers namely Indian Express and Financial Express. The said results are also displayed at Company's web site.
- c. The Company's website [www.khyatimultimedia.com](http://www.khyatimultimedia.com) contains a separate dedicated section named "Investors" where information for shareholders is available. Press releases, if any, are also displayed at Company's website as well as published in newspapers.

## 11. GENERAL INFORMATION FOR SHAREHOLDERS AND INVESTORS

The Company is registered in the State of Gujarat having Corporate Identification Number (CIN) as allotted by Ministry of Corporate Affairs (MCA) as **L92199GJ1995PLC024284**

### a) Annual General Meeting.

**Date** : 25<sup>th</sup> September, 2022

**Time** : 01:00 P.M.

**Venue**: THE PRESIDENT, Opp- Municipal Market, Off C.G. Road, Navrangpura, Ahmedabad, Gujarat- 380009

### b) Financial Year

For accounting and financial reporting purpose, Company follows Financial Year which starts from 1<sup>st</sup> April each year and ends on 31<sup>st</sup> March of every succeeding year.

The Quarterly Results for the financial year 2022-2023 will be taken on record by the Board of Directors as per the following tentative schedule (subject to change, if any):

Quarter ending 30 <sup>th</sup> June 2022	:	By 14/08/2022
Quarter ending 30 <sup>th</sup> September 2022	:	By 14/11/2022
Quarter ending 31 <sup>st</sup> December 2022	:	By 14/02/2023
Quarter ending 31 <sup>st</sup> March 2023	:	By 30/05/2023

**c) Date of Book Closure / Record Date** : 17-09-2022 to 25-09-2022  
(Both days inclusive)

**d) Dividend Payment Date** : Not Applicable

**e) Listing on Stock Exchange** : **Bombay Stock Exchange Ltd.(BSE)**  
Phiroze Jeejeebhoy Towers Dalal  
Street, Mumbai – 400001  
*Scrip Code*: 531692

**Demat ISIN No. for NSDL and CDSL** : **INE593B01030**

### f) Listing Fees to Stock Exchanges

Company has paid listing fees in respect of financial year 2022-23 to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

### g) Custodial Fees to Depositories

Company has paid Custodian Fees for the financial year 2020-21 to both depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**h) Share Price Data**

Company : [KHYATI MULTIMEDIA-ENTERTAINMENT LTD.](#) 531692

Period: April 2021 to March 2022

All Prices in ₹ ((Rs. per share)

Month	Price at BSE	
	Month's High Price	Month's Low Price
Apr-21	0.66	0.52
May-21	0.64	0.45
Jun-21	0.92	0.67
Jul-21	0.92	0.88
Aug-21	0.88	0.88
Sep-21	0.88	0.67
Oct-21	1.01	0.70
Nov-21	0.95	0.91
Dec-21	1.01	0.79
Jan-22	1.13	0.99
Feb-22	1.12	1.07
Mar-22	1.12	1.06

**i) Shareholding pattern as on 31<sup>st</sup> March, 2022**

Sr. No.	Particulars	No. of Shares of Rs.10/- each	% holding
1	INDIAN PROMOTERS	18,12,895	16.79%
2	BODIES CORPORATES	212851	2.07%
3	PUBLIC	8780688	81.30%
4	NON-RESIDENT INDIANS (NRI)	12766	0.12%
	<b>Total</b>	<b>10800200</b>	<b>100.00%</b>

**j) Distribution of shareholding as on 31<sup>st</sup> March, 2022**

	No. of Shares	No. of Members
Up to 500	1466434	6831
501 - 1000	1132137	1269
1001 - 2000	895071	556
2001 - 3000	530552	208
3001 - 4000	306288	83
4001 - 5000	434372	89
5001 - 10000	1010527	133
10001 - 50000	1774688	83
50001 - 100000	636614	10
And Above	2613537	4

**k) Dematerialization of Shares and Liquidity**

On March 31<sup>st</sup> 2022, nearly 80.90 % of the shareholders of Company were holding Company's shares in demat form. In the same way, Promoters & Promoters-group shareholding was not fully dematerialized. Also, the aggregate dematerialized shareholding of the Company stood at 80.90% of the total no. of shares. Brief position of Company's dematerialized shares is given below:

S. No.	Description	Shares	% Holding
1	NSDL	5350590	49.55%
2	CDSL	3317768	30.72%
3	PHYSICAL	2131842	19.73%
<b>Total</b>		<b>10800200</b>	<b>100%</b>

**l) Share Transfer System**

All transfers of shares held in physical form are dealt by our Registrar and Share Transfer Agents. Presently the share transfers received in physical form are processed and registered within prescribed time periods (15) days from the date of receipt subject to the documents being valid and complete in all respects. Depositories control share transfers in Demat Mode. The Company obtains from a Company Secretary in Practice half yearly certificate of compliance in respect of compliance with share transfer formalities as required under Regulation 40 (10) of the SEBI (LODR),2015 with Stock Exchanges and files a copy of the certificate with the stock exchanges.

**m) Reconciliation of Share Capital Audit Report**

As stipulated by Securities and Exchange Board of India, Company is required to carry out Reconciliation of Share Capital Audit (RSCA) from a practicing Company Secretary. This audit is carried out every quarter and the report thereon of Practicing Company Secretary is submitted to the stock exchanges. The audit, inter alia, confirms that the total listed and paid-up capital of the company agrees with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

**n) Registered & Administrative Offices:**

**Registered Office**

101, Chinubhai Towers,  
Opp: Handloom House,  
Ashram Road, Navrangpura,  
Ahmedabad: 380 009

**o) Address for Investor Correspondence:**

In case any problem or query shareholders can contact at:

**Address** : 100, Chinubhai Towers,  
Opp: Handloom House, Ashram Road,  
Navrangpura, Ahmedabad-380009  
Tel NO: 91-079-26582983  
Fax: 91-079-26584335  
E-Mail: [khyatimulti@yahoo.com](mailto:khyatimulti@yahoo.com)  
Website: [www.khyatimultimedia.com](http://www.khyatimultimedia.com)

Shareholders may also contact Company's Registrar & Share Transfer Agent at:

**Name** : **MCS SHARE TRANSFER AGENT LIMITED**  
201, Shatdal complex,  
Opp. Bata show room,  
Ashram road,  
Ahmedabad – 380 009  
**Phone** : **91-022-67720400**  
**Fax** : **91-022- 28591568**  
**Email** : [helpdeskahmd@mcsregistrars.com](mailto:helpdeskahmd@mcsregistrars.com)  
**Website** : [www.mcsregistrars.com](http://www.mcsregistrars.com)

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**CEO AND CFO CERTIFICATION**

As required by Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, CFO has given Compliance Certificate on financial statements to the Board of Directors.

**DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL UNDER REGULATION 17(5) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015**

I, Deepa Gidwani, CFO of the Company, hereby certify that all Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct in accordance with Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with Stock Exchange. Company has adopted a code of conduct for all Board members and senior management of the company which is posted on the website of the company.

We further confirm that during the year, none of the Directors or any of the Key managerial persons had done any trading in shares of the Company in the secondary market. Further the company had not made any allotment of shares to any Directors or any of the key managerial personnel during the year.

The above Report was adopted by the Board at their meeting held on 13<sup>th</sup> August, 2022.

For, Khyati Multimedia Entertainment Limited

Place: Ahmedabad  
Date: 13.08.2022

Sd/-  
(Deepa Gidwani)  
CFO

**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
Members  
**KHYATI MULTIMEDIA ENTERTAINMENT LIMITED.**

We have examined the compliance of the conditions of Corporate Governance by Khyati Multimedia Entertainment Limited for the year ended 31<sup>st</sup> March, 2022 as stipulated in Regulation 15 of the SEBI (LODR), 2015 of the Company with stock exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (LODR), Regulation 2015.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2022, no investor grievances are pending against the company for the period exceeding one month, as per the records maintained by the Company and presented to the Investors/Shareholders Grievance Committee. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Ahmedabad**

**Date: 26<sup>th</sup> August, 2022**

**UDIN: A008356D000854916**

**FOR KAMLESH M. SHAH & CO.,**  
**PRACTICING COMPANY SECRETARIES**

**(Kamlesh M. Shah)**  
**PROPREITOR**  
**ACS: 8356, COP: 2072**

**CERTIFICATION**

*(Pursuant to SEBI (LODR) Regulation 2015)*

To  
The Board of Directors

**We hereby certify that:**

- a. We have reviewed Financial Statements and the Cash Flow Statement for the year ended **31<sup>st</sup> March 2022** and that 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 existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee –
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Khyati Multimedia Entertainment Limited**

**Place:** Ahmedabad

**Date:** 13.08.2022

**Kartik J. Patel**  
Managing Director  
DIN: 00047862

**Prafulchandra J. Aggarwal**  
Director  
DIN: 00088295



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Global business environment is becoming more competitive than ever. As a result, this is forcing businesses to seek newer ways to improve their efficiency, lower operating costs, be more responsive to customer needs, and bring new products to market faster. This drive to improve results has resulted in a burgeoning interest in technology management ranging from the acquisition to the exploitation of new technologies. While many technologies are of primary interest to one or two industries, almost all industries have an interest in information technology most companies cannot operate without computer system. These have been employed in nearly all business areas from education to manufacturing to construction. Management is becoming aware that their competitive edge may depend on the ability of their computer and communication systems to respond quickly to changing business needs. This means that businesses must keep abreast of competitive moves in the use of computers and in many cases be prepared to stay ahead of their competitors. Having access to the latest technological advancements may be a major factor that will give a business that extra competitive edge.

### **DISCUSSION ON COMPANY'S PERFORMANCE**

During the year under review the Company has earned total income from sources of Rs. 23,58,534/- (Previous Year of Rs. 4,76,637). After deducting all administrative expenses and depreciation and necessary adjustments for taxation, etc. the company has incurred a net loss of Rs. (8,37,756)/- (Previous of Rs (8,91,138)/-.

### **SWOT ANALYSIS OF COMPANY**

#### **Strength**

When media industries tout their strengths, they often mean their customers rather than the journalism awards sitting on the trophy shelf. They might note their total volume of customers, or their market dominance in demographics that your business covets. Consider larger trends as well as specific. If you're looking to invest or advertise, broadcast television rules if you want the broadest audience, but doesn't have the influence it once did, for example. Brand names can also be a strength. Both customers and advertisers may want to be associated with media outlets considered elite news and entertainment sources.

#### **Weaknesses**

Every media outlet engages in a fierce competition for a larger share of audience. At any given time, ratings or circulation figures are a weakness for some industry sectors. Cost structure is a weakness in some traditional media industries, where a change in audience media preferences has left a solid brand, but a bloated workforce and narrowing customer base. New media can have a similar problem, with founders and investors pouring cash into their vision of the future that results in an unsustainable amount of red ink.

### **Opportunities**

Traditional media industries are looking to monetize their offerings on the Internet, or turn their free social media outlets into effective sales pitches for their pay offerings. There's also the time-honored opportunities presented by the expansion of markets. Combine them both, and media outlets may find it profitable to specialize in niche content that's more popular outside of their traditional geographic footprint, and sell targeted Web advertisements to bring in the necessary revenue. The shifting consumer preferences, while often viewed as a negative also provides opportunities for media organizations to benefit. People using the Internet to get their news may lower the market for the physical newspaper, but create new opportunities to market its content, for example

### **Threats**

Disruptive technologies are a threat to media industries that haven't been proactive in using them for their benefit. User-generated content, whether it's a popular series of YouTube videos or the hottest social media site that everyone's obsessing over, also takes eyeballs away from established media industries. Fragmentation is a further threat for those who depend on a high volume of customers, as broadcast TV networks, radio and newspapers in particular have found out. If you're a business looking to get the most comprehensive coverage possible in your advertising, doing it through the leading local radio station has less appeal if the ratings are far from what they once were.

### **RISKS AND CONCERNS**

Some of the major risks and concerns identified by the Company are:

- Working Capital risks
- Market ups and down ratio risk
- Government Policy and Political Structure risk
- Competition risk
- Economic Slowdown risk

In its process of Risk Management, Company takes proactive steps in identifying inherent business and operational risks and accordingly takes appropriate steps to guard against these identified risks.

### **INTERNAL CONTROL SYSTEM**

Your Company has in place adequate internal control systems commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, applicable laws and regulations, safeguarding of assets and economical and efficient use of resources. The system is assessed periodically. The Internal Audit team continuously monitors the effectiveness of the internal control systems. It reports to the Audit Committee about the adequacy and effectiveness of the internal control system of your Company.

Company maintained healthy, cordial and harmonious industrial relations at all levels. The Board of Directors and management wish to place on record their appreciation of the efforts put in by all employees to achieve good performance.

### **RISK MANAGEMENT**

Risks are events, situations or circumstances which may lead to negative consequences on a Company's business. Risk management is a structured approach to manage uncertainty. It involves identifying potential risks, assessing their potential impact, taking timely action to minimize potential impact and continuous monitoring of identified risks. Your Company has a robust risk management process to identify and assess business risks and opportunities. Your Company's risk management plan describes the potential risk, contains an analysis of the impact of risks and includes risk strategies to help the business reduce the consequences. The risk management plan of your Company is regularly reviewed to ensure that it accurately reflects the current potential risks to its business.

### **FUTURE OUTLOOK**

Khyati Multimedia Entertainment Limited has involved in the area of high-quality Desktop Publishing, imaging, Corporate Presentations, creative designing, graphic designing and multimedia software development and is also engaged in the business of letting out vehicle.

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF KHYATI MULTIMEDIA ENTERTAINMENT LIMITED

Report on the Audit of the Standalone Financial Statements

#### Qualified Opinion

We have audited the accompanying standalone Ind AS financial statements of **Khyati Multimedia Entertainment Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, **except for the matters stated in paragraph basis of qualified opinion**, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2022, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis of Qualified Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibility under those Standards are further described in Auditor's Responsibility for the Audit of the standalone financial statements section of our report. We are independent of the company in accordance of with code of ethics issued by ICAI together with the independence requirement that are relevant to our audit of standalone financial statement under the provisions of the Act and the rule 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the stand alone financial statement except for the following matter:**

*Advance against Land (Unsecured, considered good) amounting to Rs 2,08,75,000 has been paid to certain parties as advance against land over the years but the land registration has not yet been completed. Refer Note 5 to the Standalone Financial Statements. We have also not been provided with the registered agreements or party confirmations for the said advances.*

*As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transactions and accounts receivable/payable in the Balance Sheet, and the corresponding elements making up the Statement of Profit and Loss.*

***Emphasis of Matters:***

*The company has made investment in the shares of Khyati Retail & Eatery Private Limited.. The value of the same is reported at book value. We have not been provide with any evidence to confirm that the fair value of the investment has matched the book value.*

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial Statement for the financial year ended March 31<sup>st</sup>, 2022. These matters were addressed in the context of our audit of Ind AS financial Statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Other Information**

The company's management and board of directors are responsible for the other information. The other information comprises Board's Report on corporate governance and Business Responsibility report but does not include the consolidated financial statements, standalone financial statement and our auditor's report thereon.

Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of 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 procedures or otherwise appear 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 on that fact. We have nothing to report in this regard.

**Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, Profit (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Board of directors is also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether 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 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 aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risk of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedure responsive to those risk, and obtain evidence that are sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional, omission, misrepresentation, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedure 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 control 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 the 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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

1. 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 A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations except as specified in basis of qualified opinion, 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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - (e) We have received written representation from the directors as on as on 31<sup>st</sup> March, 2022 and therefore none of the directors are disqualified as on 31<sup>st</sup> March, 2022 from being appointed as director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure B”**.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i.** There is no pending litigation on the company therefore the same is not required to be disclosed.
- ii.** The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii.** There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Date: 30/05/2022  
Place: Ahmedabad  
UDIN: 22133926AJWATB9026

For, M A A K & Associates  
(Chartered Accountants)  
FRN: 135024W

Marmik G. Shah  
Partner  
M. No.: 133926



## **Annexure A to the Independent Auditors' Report of Khyati Multimedia Entertainment Limited**

(Referred to in our report of even date)

With reference to the Annexure A referred to in the Independent Auditors' report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2022, we report the following:

### **I. In Respect of Fixed Assets**

- (a) As per the information provided by the management, the Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- (b) As per the information and explanations given to us, the management at reasonable intervals during the year in accordance with a programme of physical verification, has physically verified the fixed assets and no material discrepancies were noticed on such verification as compared to the available records.
- (c) As company has not acquired any immovable property paragraph 3 (i)(c) is not applicable.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use Assets) or intangible assets or both during the year, the clause for revaluation of Property, Plant and Equipment (including Right of Use assets) or intangible assets or both is not applicable.
- (e) No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

### **II. In Respect of Inventories**

As the company has not purchased/sold goods during the year. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the order is not applicable to the company.

### **III. Compliance under section 189 of The Companies Act, 2013**

As per Information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, Therefore the provision of Clause 3(iii) (a),(b),(c),(d),(e),(f) of the said order are not applicable to the company.

#### **IV. Compliance under section 185 and 186 of The Companies Act, 2013**

In our opinion and according to information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or securities to the parties covered under provisions of Section 185 and 186 of the Companies Act 2013. Accordingly the provisions of clause 3(iv) of the order are not applicable to the company.

#### **V. Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits**

As per information and explanation given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

#### **VI. Maintenance of cost records**

The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

#### **VII. Deposit of Statutory Dues**

(a) The company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax and wealth tax, service tax, custom duty, excise duty, GST, Cess and other statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) As informed to us by the management, there is no dispute with the revenue authorities regarding any duty or tax payable.

(c) According to the records of the Company, there are no dues outstanding of employees' state insurance, income-tax, sales-tax, duty of custom, duty of excise, Cess and other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

#### **VIII. Unrecorded income disclosed in tax assessments**

There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

**IX. Repayment of Loans and Borrowings**

According to the information and explanation given to us, the company has not taken any loan from financial institution, bank or debenture holders. The Company did not have any outstanding debentures during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

**X. Utilization of Money Raised by Public Offers and Term Loan for which they raised**

- (a) The Company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

**XI. Reporting of Fraud during the Year**

- (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistleblower complaints received by the Company during the year.

**XII. Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

As per information and records available, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

**XIII. Related party compliance with Section 177 and 188 of companies Act - 2013**

According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

**XIV. Internal Audit Systems**

- (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

**XVI. Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934**

(a) As per the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies(Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

**XVII. Cash Losses**

The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

**XVIII. Resignation of Statutory Auditor**

There has been no resignation of the statutory auditors of the Company during the year.

**XIX. Material Uncertainty**

On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**XX. Unspent CSR Expenditure**

The company has no obligation to spend under corporate social responsibility. So, reporting under clause (xx) of the order is not applicable for the year.

Date: 30/05/2022  
Place: Ahmedabad  
UDIN: 22133926AJWATB9026

For, M A A K & Associates  
(Chartered Accountants)  
FRN : 135024W

Marmik G. Shah  
Partner  
M. No.: 133926

## **Annexure B to the Auditor's Report**

### **Report on the Internal Financial Controls under Clause (f) 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 Khyati Multimedia Entertainment Limited ("the Company") as of March 31<sup>st</sup>, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

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

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

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

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

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

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

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

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

### **Opinion**

In our opinion, 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<sup>st</sup>, 2022, 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.

Date: 30/05/2022  
Place: Ahmedabad  
UDIN: 22133926AJWATB9026

For, M A A K & Associates  
(Chartered Accountants)  
FRN : 135024W

Marmik G. Shah  
Partner  
M. No.: 133926

<b>Khyati Multimedia Entertainment Limited</b> <b>Balance Sheet as at March 31, 2022</b> <b>(All amounts in rupees, in Lakhs , unless otherwise stated)</b>			
Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	0.06	0.10
(b) Capital work-in-progress		-	-
(c) Right of use assets		-	-
(d) Other intangible assets		-	-
(d) Intangible assets under development		-	-
<b>(e) Financial assets</b>			
(i) Investments	4	36.40	36.40
(ii) Loans		-	-
(ii) Other financial assets		-	-
(f) Deferred tax assets (net)	19	12.93	10.11
(g) Income tax assets (net)		-	-
(h) Other non-current assets	5	208.75	208.75
<b>Total non-current assets</b>		<b>258.14</b>	<b>255.36</b>
<b>Current assets</b>			
(a) Inventories	6	-	-
<b>(b) Financial assets</b>			
(i) Trade receivables	4	6.16	3.51
(ii) Cash and cash equivalents	4	12.09	0.89
(iii) Bank balance other than (ii) above		-	-
(iv) Loans		-	-
(v) Other financial assets		-	-
(c) Other current assets	5	3.57	2.02
<b>Total current assets</b>		<b>21.82</b>	<b>6.41</b>
<b>Total Assets</b>		<b>279.96</b>	<b>261.77</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Share capital	7	1,080.02	1,080.02
(b) Other equity	8	(872.24)	(863.87)
<b>Total Equity</b>		<b>207.78</b>	<b>216.15</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Borrowings	9	66.87	43.62
(ii) Lease liability		-	-
(iii) Other financial liabilities		-	-
<b>(b) Provisions</b>			
		-	-
<b>Total non-current liabilities</b>		<b>66.87</b>	<b>43.62</b>
<b>Current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Borrowings		-	-
(ii) Lease liability		-	-
(iii) Trade payables		-	-
(a) total outstanding dues of micro enterprises and small enterprises	9	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		5.19	1.92
(iv) Other financial liabilities	10	-	-
<b>(b) Other current liabilities</b>			
(c) Provisions	11	0.12	0.08
(d) Income tax liabilities (net)	12	0.00	0.00
		-	-
<b>Total current liabilities</b>		<b>5.31</b>	<b>2.00</b>
<b>Total liabilities</b>		<b>72.18</b>	<b>45.62</b>
<b>Total equity and liabilities</b>		<b>279.96</b>	<b>261.77</b>
<p>Summary of significant accounting policies Summary of significant accounting judgements, estimates and assumptions The accompanying notes are an integral part of these financial statements.</p> <p>As per our report of even date <b>For MAAK &amp; Associates</b> Chartered Accountants FRN:135024W</p> <p style="text-align: right;"><b>For and on Behalf of the Board of Directors of Khyati Multimedia Entertainment Limited</b></p> <p><b>Marmik G Shah</b> Partner Membership No. 133926 UDIN:22133926AJWATB9026</p> <p><b>Kartik Patel</b> Managing Director DIN:00047862</p> <p><b>Praful Agarwal</b> Director DIN : 00088295</p> <p><b>Deepa Gidwani</b> CFO</p> <p><b>Devilal J. Shah</b> Company Secretary</p> <p><b>Date: 30/05/2022</b> <b>Place: Ahmedabad</b></p> <p><b>Date: 30/05/2022</b> <b>Place: Ahmedabad</b></p>			

<b>Khyati Multimedia Entertainment Limited</b>				
<b>Statement of Profit and Loss for the year ended March 31, 2022</b>				
<b>(All amounts in rupees, in Lakhs , unless otherwise stated)</b>				
Sr. No.	Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
(I)	Revenue from operations	13	23.59	4.77
(II)	Other income	14	-	0
(III)	<b>Total Income (I+ II)</b>		<b>23.59</b>	<b>4.81</b>
(IV)	<b>Expenses</b>			
	Cost of material consumed	15	20.51	4.14
	Employee benefit expenses	16	4.94	3.90
	Finance costs	17	0.00	-
	Depreciation and amortization expenses	3	0.04	0.04
	Other expenses	18	9.29	8.63
	<b>Total Expenses (IV)</b>		<b>34.78</b>	<b>16.71</b>
(V)	<b>Profit/(loss) before tax (III-IV)</b>		<b>(11.19)</b>	<b>(11.91)</b>
(VI)	<b>Tax expense</b>	19		
	(1) Current tax			
	(2) Adjustment of tax relating to earlier years			
	(2) Deferred tax charge / (credit)		(2.82)	(3.00)
	<b>Total tax expense (VI)</b>		<b>(2.82)</b>	<b>(3.00)</b>
(VII)	<b>Profit/(loss) for the year (V-VI)</b>		<b>(8.38)</b>	<b>(8.92)</b>
(VIII)	<b>Other comprehensive income</b>			
	<b>Items that will not be reclassified to profit or loss in subsequent periods</b>			
	Re-measurement gain/(loss) on defined benefit plans		-	-
	Income tax effect		-	-
	<b>Total other comprehensive income/(loss) for the year (VIII)</b>		-	-
(IX)	<b>Total comprehensive income/(loss) for the year (VII+ VIII)</b>		<b>(8.38)</b>	<b>(8.92)</b>
	Earnings per equity share (Face value per share: Rs. 10 each (March 31, 2022: Rs. 10)) (in Rs.)			
	Basic and diluted	22	(0.08)	(0.08)
<p>Summary of significant accounting policies Summary of significant accounting judgements, estimates and assumptions The accompanying notes are an integral part of these financial statements.</p> <p>As per our report of even date <b>For MAAK &amp; Associates</b> Chartered Accountants FRN:135024W</p> <p><b>Marmik G Shah</b> Partner Membership No. 133926 UDIN:22133926AJWATB9026</p> <p>Date: 30/05/2022 Place: Ahmedabad</p> <p style="text-align: right;"><b>For and on Behalf of the Board of Directors of Khyati Multimedia Entertainment Limited</b></p> <p style="text-align: right;">Kartik Patel      Praful Agarwal      Deepa Gidwani Managing Director    Director            CFO DIN:00047862      DIN : 00088295</p> <p style="text-align: right;">Date: 30/05/2022 Place: Ahmedabad</p> <p style="text-align: right;">Devilal J. Shah Company Secretary</p>				



<b>Khyati Multimedia Entertainment Limited</b>		
<b>Statement of cash flows for the year ended March 31, 2022</b>		
<b>(All amounts in rupees, in Lakhs , unless otherwise stated)</b>		
<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>A Cash flow from operating activities</b>		
<b>Profit/(Loss) before tax</b>	<b>(11.19)</b>	<b>(11.91)</b>
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization	0.04	0.04
Finance cost	0.00	-
Net interest income	-	-
Security deposits written off	-	-
Liabilities no longer required written back	-	-
Provision for doubtful debts	-	-
Provision for doubtful loans	-	-
Other receivables written off	-	-
Property, plant and equipment and capital work in progress written off	-	-
Provision for doubtful advances to creditors	-	-
Reversal on lease modification	-	-
Unrealized foreign exchange loss	-	-
<b>Operating profit before working capital changes</b>	<b>(11.14)</b>	<b>(11.87)</b>
<b>Adjustments for:</b>		
(Increase) in trade receivables	(2.65)	10.23
(Increase)/Decrease in inventories	-	-
(Increase) in financial assets	-	(1.09)
(Increase) in other assets	(1.56)	(0.11)
(Decrease)/Increase in trade payables	3.28	(10.78)
Increase in other financial liabilities	-	-
Increase in other current liabilities	0.03	(0.04)
Increase in provisions	-	-
<b>Cash generated from operation</b>	<b>(12.03)</b>	<b>(13.66)</b>
Direct taxes paid (net of refund)	-	-
<b>Net cash flow generated from operating activities (A)</b>	<b>(12.03)</b>	<b>(13.66)</b>
<b>B Cash flow from investing activities</b>		
Purchase of property, plant and equipment, intangible assets including intangible assets under development and Capital work-in-progress	-	-
Proceeds from sale of property, plant and equipment	-	-
<b>Net cash flow (used in) investing activities (B)</b>	<b>-</b>	<b>-</b>
<b>C Cash flow from financing activities</b>		
Proceeds from long-term borrowing	23.25	14.00
<b>Net Cash flow (used in) financing activities (C)</b>	<b>23.25</b>	<b>14.00</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>11.22</b>	<b>0.34</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>0.89</b>	<b>0.54</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>12.09</b>	<b>0.89</b>
<b>Components of cash and cash equivalent</b>		
Balance with banks:		
- On current accounts	11.97	0.66
Cash on hand	0.12	0.23
<b>Total cash and cash equivalent at the end of the year (refer note 4.3)</b>	<b>12.09</b>	<b>0.89</b>
<b>For MAAK &amp; Associates</b> Chartered Accountants FRN:135024W	<b>For and on Behalf of the Board of Directors of Khyati Multimedia Entertainment Limited</b>	
<b>Marmik G Shah</b> Partner Membership No. 133926 UDIN:22133926AJWATB9026	<b>Kartik Patel</b> Managing Director DIN:00047862	<b>Praful Agarwal</b> Director DIN : 00088295
<b>Date: 30/05/2022</b> <b>Place: Ahmedabad</b>	<b>Deepa Gidwani</b> CFO <b>Date: 30/05/2022</b> <b>Place: Ahmedabad</b>	<b>Devilal J. Shah</b> Company Secretary

Khyati Multimedia Entertainment Limited

Notes to Financial Statements for the year ended March 31, 2022

(All amounts in rupees , unless otherwise stated)

3 Property, plant and equipment, Capital work-in-progress, Other intangible assets and Right of use assets as at March 31, 2022

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Opening balance as at April 01, 2021	Addition	Deduction	Closing balance as at March 31, 2022	Opening balance as at April 01, 2021	Charge for the for the year	On deduction	Closing balance as at March 31, 2022	As at March 31, 2022	As at March 31, 2021
3.1. Property, plant and equipment										
Plant & Machinery	0.50	-	-	0.50	0.40	0.04	-	0.44	0.06	0.10
<b>Total</b>	<b>0.50</b>	<b>-</b>	<b>-</b>	<b>0.50</b>	<b>0.40</b>	<b>0.04</b>	<b>-</b>	<b>0.44</b>	<b>0.06</b>	<b>0.10</b>
Previous Year	0.50	-	-	0.50	0.37	0.04	-	0.40	0.10	0.14

**Khyati Multimedia Entertainment Limited**  
Notes to Financial Statements for the year ended March 31, 2022  
(All amounts in rupees, in Lakhs, unless otherwise stated)

**4 Financial assets**

**4.1 Investments**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
<b>Investment in equity instruments (carried at cost) (Unquoted)</b>		
Khyati Retail & Eatery Private Limited (345780 equity shares of Rs. 10 each)	36.40	36.40
Less: Provision for impairment on non-current investment		
	<b>36.40</b>	<b>36.40</b>
<b>Total</b>	<b>36.40</b>	<b>36.40</b>
<b>Total non current investment</b>	<b>36.40</b>	<b>36.40</b>
Aggregate amount of quoted investments and market value thereof		-
Aggregate amount of unquoted investments	36.40	36.40
Aggregate amount of impairment in value of investment	-	-

**4.2 Trade receivables**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade receivables</b>		
Secured, considered good	6.16	3.51
Unsecured, considered good		
Trade receivables which have significant increase in credit risk		
<b>Total</b>	<b>6.16</b>	<b>3.51</b>

**Trade Receivables ageing schedule as at March 31, 2022**

Particulars	Outstanding for following periods from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables – considered good		6.16					6.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired							
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	<b>6.16</b>	-	-	-	-	<b>6.16</b>

**Trade Receivables ageing schedule as at March 31, 2021**

Particulars	Outstanding for following periods from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables – considered good		3.51					3.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired							
(iv) Disputed Trade Receivables–considered good							
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	<b>3.51</b>	-	-	-	-	<b>3.51</b>

**4.3 Cash and cash equivalents**

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks:		
- On current accounts	11.97	0.66
Cash on hand	0.12	0.23
<b>Total</b>	<b>12.09</b>	<b>0.89</b>

**5 Other assets**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-Current</b>		
Capital advances	208.75	208.75
Less: Provision for doubtful advances		
Prepaid expenses		
<b>Sub-total</b>	<b>208.75</b>	<b>208.75</b>
<b>Current</b>		
<b>Unsecured, considered good</b>		
Balance with government authorities (refer note below)	3.54	2.00
Prepaid expenses	0.03	0.02
Advance to creditors		
Less: Provision for doubtful advances		
<b>Total</b>	<b>3.57</b>	<b>2.02</b>

**Note:**

Balance with government authorities includes GST input tax credit receivable (net of liability).

**6 Inventories (valued at lower of cost and net realizable value)**

Particulars	As at March 31, 2022	As at March 31, 2021
Consumables		
<b>Total</b>	<b>-</b>	<b>-</b>

**Khyati Multimedia Entertainment Limited**  
**Notes to Financial Statements for the year ended March 31, 2022**  
(All amounts in rupees, in Lakhs , unless otherwise stated)

**7 Share Capital**

**Equity share capital**

Particulars	Equity shares	
	No. of shares	Amount
Authorised shares of Rs. 10 each		
As at March 31, 2020	1,30,00,000	1300.00
Change during the year	-	-
As at March 31, 2021	1,30,00,000	1300.00
Change during the year	-	-
As at March 31, 2022	1,30,00,000	1300.00

Particulars	Equity shares	
	No. of shares	Amount
Issued, subscribed and fully paid up equity shares of Rs. 10 each		
As at March 31, 2020	1,08,00,200	1080.02
Changes in Equity Share Capital due to prior period errors	-	-
Change during the year	-	-
As at March 31, 2021	1,08,00,200	1,080.02
Changes in Equity Share Capital due to prior period errors	-	-
Change during the year	-	-
As at March 31, 2022	1,08,00,200	1,080.02

**Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year**

**Equity Share Capital**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,08,00,200	1,080.02	1,08,00,200	1,080.02
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,08,00,200	1,080.02	1,08,00,200	1,080.02

**( b ) Terms / rights attached to equity shares**

In respect of Ordinary shares, voting rights shall be in the same proportion as the capital paid upon such ordinary share bears to the total paid up ordinary capital of the company.  
The Dividend proposed by the board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.  
In the event of liquidation, the shareholders of Ordinary shares are eligible to receive the remaining asset of the company after distribution of all preferential amount, in proportion to their shareholding.

**( c ) Details of Shareholders holding more than 5% shares in the company**

**Equity Share Capital**

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of Holding	Number	% of Holding
Kartik J Patel	16,30,600	15.10%	16,30,600	15.10%

**( d ) Shareholding of Promoters as at March 31, 2022**

Promoter Name	Class of share	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year
Kartik J Patel	Equity Shares of Rs 10 each	16,31,600	-	16,31,600
Praful J Agarwal	Equity Shares of Rs 10 each	10,995	-	10,995
Rajiv R Parikh	Equity Shares of Rs 10 each	100	-	100
Yogesh Patel	Equity Shares of Rs 10 each	100	-	100
Jashubhai Patel	Equity Shares of Rs 10 each	76,100	-	76,100
Jigna K Patel	Equity Shares of Rs 10 each	76,000	-	76,000
Yash K Patel	Equity Shares of Rs 10 each	18,000	-	18,000
<b>Total</b>		<b>18,12,895</b>	-	<b>18,12,895</b>

**( e ) Shareholding of Promoters as at March 31, 2021**

Promoter Name	Class of share	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year
Kartik J Patel	Equity Shares of Rs 10 each	16,31,600	-	16,31,600
Praful J Agarwal	Equity Shares of Rs 10 each	10,995	-	10,995
Rajiv R Parikh	Equity Shares of Rs 10 each	100	-	100
Yogesh Patel	Equity Shares of Rs 10 each	100	-	100
Jashubhai Patel	Equity Shares of Rs 10 each	76,100	-	76,100
Jigna K Patel	Equity Shares of Rs 10 each	76,000	-	76,000
Yash K Patel	Equity Shares of Rs 10 each	18,000	-	18,000
<b>Total</b>		<b>18,12,895</b>	-	<b>18,12,895</b>

<b>Khyati Multimedia Entertainment Limited</b>				
<b>Statement of changes in equity for the year ended March 31, 2022</b>				
<b>(All amounts in rupees, in Lakhs , unless otherwise stated)</b>				
<b>A) Equity share capital:</b>				
Equity shares of Rs. 10 each issued, subscribed and fully paid				
Particulars	No of Shares	Amount		
Issued, Subscribed and fully paid equity shares of Rs.10 each	1,08,00,200	1,080.02		
<b>Balance as at March 31, 2020</b>	1,08,00,200	1,080.02		
Changes in Equity Share Capital due to prior period errors	-	-		
Issue of equity shares during the year	-	-		
<b>Balance as at March 31, 2021</b>	1,08,00,200	1,080.02		
Changes in Equity Share Capital due to prior period errors	-	-		
Issue of equity shares during the year	-	-		
<b>Balance as at March 31, 2022</b>	1,08,00,200	1,080.02		
<b>B) Other equity</b>				
Particulars	Other equity			Total
	Reserves and surplus			
	Securities premium	Capital redemption	Retained earnings	
<b>Balance as at March 31, 2020</b>	34.96	-	(1,204.55)	(1,169.59)
Changes due to accounting policy or prior period errors	-	-	-	-
Profit / (Loss) for the year (net of taxes)	-	-	(0.00)	(0.00)
Other comprehensive income / (loss) for the year (net of taxes)	-	-	-	-
<b>Total comprehensive income (loss) for the year</b>	34.96	-	(1,204.55)	(1,169.59)
Amount transferred to capital redemption reserve on redemption of preference shares	-	-	-	-
<b>Balance as at March 31, 2021</b>	34.96	-	(1,204.55)	(1,169.59)
Changes due to accounting policy or prior period errors	-	-	-	-
Profit/(Loss) for the year (net of taxes)	-	-	(0.00)	(0.00)
Other comprehensive income / (loss) for the year (net of taxes)	-	-	-	-
<b>Total comprehensive income / (loss) for the year</b>	34.96	-	(1,204.55)	(1,169.59)
Amount transferred to capital redemption reserve on redemption of preference shares	-	-	-	-
<b>Balance as at March 31, 2022</b>	34.96	-	(1,204.55)	(2,339.19)
As per our report of even date				
For MAAK & Associates		For and on Behalf of the Board of Directors of		
Chartered Accountants		Khyati Multimedia Entertainment Limited		
FRN:135024W		-		
<b>Marmik G Shah</b>	<b>Kartik Patel</b>	<b>Praful Agarwal</b>	<b>Deepa Gidwani</b>	<b>Devilal J. Shah</b>
Partner	Managing Director	Director	CFO	Company Secretary
Membership No. 133926	DIN:00047862	DIN : 00088295		
UDIN: 22133926AJWATB9026				
Date: 30/05/2022	Date: 30/05/2022			
Place: Ahmedabad	Place: Ahmedabad			

**Khyati Multimedia Entertainment Limited**  
**Notes to Financial Statements for the year ended March 31, 2022**  
(All amounts in rupees, in Lakhs , unless otherwise stated)

**8 Other Equity**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Securities premium</b>		
<b>Balance at the beginning of the year</b>	349.60	349.60
Changes due to accounting policy or prior period errors	-	-
<b>Balance at the end of the year</b>	<b>349.60</b>	<b>349.60</b>
<b>Capital redemption reserve</b>		
<b>Balance at the beginning of the year</b>	-	-
Changes due to accounting policy or prior period errors	-	-
Amount transferred to capital redemption reserve on redemption of preference shares	-	-
<b>Balance at the end of the year</b>	-	-
<b>(Deficit) in the statement of profit and loss</b>		
<b>Balance at the beginning of the year</b>	(1,213.47)	(1,204.55)
Changes due to accounting policy or prior period errors	-	-
Profit/(Loss) for the year (net of taxes)	(8.38)	(8.92)
Other comprehensive (loss)/Income for the year (net of taxes)	-	-
Amount transferred to capital redemption reserve on redemption of preference shares	-	-
<b>Balance at the end of the year</b>	<b>(1,221.85)</b>	<b>(1,213.47)</b>
<b>Total other equity</b>	<b>(872.25)</b>	<b>(863.87)</b>

**Nature and purpose of reserves:**

(1)**Securities Premium:** In cases where the company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares has been transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the securities premium and to buy-back of shares.

(2) **Capital Redemption Reserve:**Capital redemption reserve represents the amount transferred on account of redemption of preference shares.

(3)**Retained earnings:** Surplus in statement of profit and loss: Surplus in statement of profit and loss are the profits / (losses) that the company has earned / incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to the statement of profit and loss. Retained earnings is a free reserve available to the company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

**Khyati Multimedia Entertainment Limited**  
**Notes to Financial Statements for the year ended March 31, 2022**  
(All amounts in rupees, in Lakhs , unless otherwise stated)

**9 Financial liabilities**

**9.1 Borrowings**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current borrowing (A)</b>		
<b>Secured</b>		
<b>Term Loans facilities from bank</b>		
Indian Rupee loan from bank	-	-
Foreign currency loan from bank	-	-
<b>Unsecured</b>		
<b>Loan from Related Parties</b>		
Director	66.87	43.62
	<b>66.87</b>	<b>43.62</b>
<b>Current maturities of long term borrowings disclosed under "current borrowings" (B)</b>		
<b>Secured</b>		
<b>Term Loans facilities from bank</b>		
Indian Rupee loan from bank	-	-
Foreign currency loan from bank	-	-
<b>Total current maturities of long term borrowings disclosed under "current borrowings" (B)</b>		
	<b>66.87</b>	<b>43.62</b>
<b>Total Non-current borrowings (A) - (B)</b>		
	<b>66.87</b>	<b>43.62</b>
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Current Borrowings</b>		
<b>Secured</b>		
<b>Loans repayable on demand</b>		
Cash credit from bank	-	-
<b>Current maturities of long term debt</b>		
<b>Secured</b>		
<b>Term Loans facilities from bank</b>		
Indian Rupee loan from bank	-	-
Foreign currency loan from bank	-	-
<b>(iii) Total</b>	<b>-</b>	<b>-</b>
<b>Unsecured</b>		
<b>Redeemable Preference Shares</b>		
	-	-
<b>Total Current borrowings</b>	<b>-</b>	<b>-</b>
<b>Total Borrowings</b>	<b>66.87</b>	<b>43.62</b>
<b>Aggregate secured loan</b>	<b>-</b>	<b>-</b>
<b>Aggregate unsecured loan</b>	<b>66.87</b>	<b>43.62</b>

**9.2 Trade payables**

Particulars	As at March 31, 2022	As at March 31, 2021
Outstanding dues of micro and small enterprises	-	-
Outstanding dues of creditors other than micro and small enterprises	5.19	1.92
<b>Total</b>	<b>5.19</b>	<b>1.92</b>

**Trade Payables ageing schedule as at March 31, 2022**

Particulars	Outstanding for following periods from the date of transaction*					Total
	Unbilled	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	5.19	-	-	-	5.19
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>5.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.19</b>

**Trade Payables ageing schedule as at March 31, 2021**

Particulars	Outstanding for following periods from the date of transaction*					Total
	Unbilled	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	1.92	-	-	-	1.92
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1.92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.92</b>

\*Considering the availability of data, the above ageing is considered from the date of recording the transaction instead of due date.

Consequently, there are no 'not due' creditors balance disclosed.

<b>Khyati Multimedia Entertainment Limited</b>		
<b>Notes to Financial Statements for the year ended March 31, 2022</b>		
<b>(All amounts in rupees, in Lakhs , unless otherwise stated)</b>		
<b>10 Other current liabilities</b>		
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Statutory dues payable	0.12	0.08
<b>Total</b>	<b>0.12</b>	<b>0.08</b>
<b>11 Provisions</b>		
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Non-current</b>		
<b>Provision for employee benefit</b>		
Gratuity	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
<b>Provision for employee benefit</b>		
Gratuity	-	-
Compensated absence	-	-
<b>Provision for Expense</b>	<b>0.00</b>	<b>0.00</b>
<b>Sub-total</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>0</b>	<b>0</b>
<b>12 Income tax liabilities (net)</b>		
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Income tax liability (net)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>13 Revenue from operations</b>		
<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>Revenue from contract with customers</b>		
Sale of Services	23.59	4.77
<b>Total revenue from contract with customers</b>	<b>23.59</b>	<b>4.77</b>
<b>14 Other income</b>		
<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>Interest income on</b>		
- Others	-	-
Interest on Income Tax Refund	0.00	0.03
<b>Total</b>	<b>0.00</b>	<b>0.03</b>



<b>Khyati Multimedia Entertainment Limited</b>		
<b>Notes to Financial Statements for the year ended March 31, 2022</b>		
<b>(All amounts in rupees, in Lakhs , unless otherwise stated)</b>		
<b>15</b>	<b>Cost of material consumed</b>	
	<b>Particulars</b>	<b>Year ended March 31, 2022</b>
		<b>Year ended March 31, 2021</b>
	Opening stock	-
	Purchases during the year	20.51
	Less : Closing stock	-
	<b>Total</b>	<b>20.51</b>
		<b>4.14</b>
<b>16</b>	<b>Employee benefit expenses</b>	
	<b>Particulars</b>	<b>Year ended March 31, 2022</b>
		<b>Year ended March 31, 2021</b>
	Salary, bonus and allowances	4.94
	Staff welfare expenses	-
	<b>Total</b>	<b>4.94</b>
		<b>3.90</b>
<b>17</b>	<b>Finance costs</b>	
	<b>Particulars</b>	<b>Year ended March 31, 2022</b>
		<b>Year ended March 31, 2021</b>
	<b>Interest expense on</b>	
	-Delayed payment of statutory dues	0.00
	-Others	-
	<b>Total</b>	<b>0.00</b>
		<b>-</b>
<b>18</b>	<b>Other expenses</b>	
	<b>Particulars</b>	<b>Year ended March 31, 2022</b>
		<b>Year ended March 31, 2021</b>
	Marketing and business promotion expenses	1.90
	Rent expenses	1.14
	Advertisement Expense	0.41
	GST Expense	0.21
	Listing fees	3.00
	ROC Fees	0.02
	Legal and professional charges	1.49
	Stationary and Printing Expense	0.00
	Telephone expenses	0.05
	Payments to the auditor (refer note below)	1.00
	Miscellaneous expenses	0.08
	<b>Total</b>	<b>9.29</b>
		<b>8.63</b>
	<b>Note:</b>	
	<b>Payments to the auditor</b>	
	<b>Particulars</b>	<b>Year ended March 31, 2022</b>
		<b>Year ended March 31, 2021</b>
	<b>As auditor:</b>	
	Audit fees	1.00
	Reimbursement of Expenses	-
	<b>Total</b>	<b>1.00</b>
		<b>1.00</b>

**19 Tax expense**

The major components of income tax expense for the year ended March 31, 2022 and March 31, 2021:

**(A) Profit and loss section**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Current tax</b>		
Current income tax charge		
Adjustment of tax relating to earlier years		
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences		
<b>Total tax expense reported in the statement of profit and loss</b>	-	-

**(B) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2022 and March 31, 2021**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Profit before tax</b>	(11.19)	(11.91)
Tax using the Company's domestic tax rate (March 31, 2022: 25.17% and March 31, 2021: 25.17%)	(2.82)	(3.00)
<b>Adjustment</b>		
Non deductible expense	-	-
Adjustment of tax relating to earlier years	-	-
MAT credit lapsed due to adoption of new tax regime	-	-
Impact on account of change in tax rate	-	-
Others	-	-
<b>Tax expense as per statement of profit and loss</b>	<b>(3)</b>	<b>(3)</b>

**Note:**

The Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) ordinance, 2019. Accordingly, the company has recognized the provision for income tax for the year ended March 31, 2022 and remeasured its deferred tax basis the rate prescribed in the aforesaid section.

**(D) Balance sheet section**

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax assets (net)	12.93	10.11
Income tax liabilities (net)	-	-

**(E) Deferred tax**

Particulars	Balance Sheet		Statement of Profit and Loss		OCI	
	As at March 31, 2022	As at March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
<b>Deferred tax asset/(Liability) (Net)</b>						
Difference between depreciable assets as per books of accounts and written down value for tax purpose	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-
Right of use assets & lease liabilities	-	-	-	-	-	-
Provision for doubtful debts, doubtful loans, and advances to creditors	-	-	-	-	-	-
Prepaid expense on upfront fees	-	-	-	-	-	-
Interest liability on Goods and Services Tax	-	-	-	-	-	-
Others	12.93	10.11	2.82	3.00	-	-
Utilisation from opening MAT Credit	-	-	-	-	-	-
MAT credit lapsed due to adoption of new tax regime	-	-	-	-	-	-
<b>Deferred tax asset (net)</b>	<b>12.93</b>	<b>10.11</b>	<b>2.82</b>	<b>3.00</b>	-	-
Add: MAT Credit	-	-	-	-	-	-
<b>Deferred tax asset (net) (net of MAT Credit)</b>	<b>12.93</b>	<b>10.11</b>	<b>2.82</b>	<b>3.00</b>	-	-

\* Figure nullified in conversion of Rupees in million.

Reconciliation of deferred tax asset (net) (net of MAT Credit)	As at March 31, 2022	As at March 31, 2021
Opening balance as at the beginning of the year	-	-
Utilization of MAT credit for payment of income tax	-	-
MAT credit lapsed due to adoption of new tax regime	-	-
Current year tax provision utilised from opening MAT Credit	-	-
Tax income/(expense) during the year recognized in profit or loss	-	-
Tax income/(expense) during the year recognized in OCI	-	-
<b>Closing balance as at the end of the year</b>	<b>-</b>	<b>-</b>

**Note:**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

**Khyati Multimedia Entertainment Limited**  
**Notes to Financial Statements for the year ended March 31, 2022**  
**(All amounts in rupees, in Lakhs , unless otherwise stated)**

**20 Contingent liabilities & capital commitment not provided for**

**20.1 Contingencies**

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the company not acknowledged as debts:		
Service tax	-	-

**20.2 Capital Commitments**

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-

**21.3 Undeclared accrued preference share dividend**

Particulars	As at March 31, 2022	As at March 31, 2021
Dividend on Optionally Convertible Redeemable Preference Shares (OCRPS) (refer note 10.1(8))	-	-

Figure nullified in conversion of Rupees in million.

**22 Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share used in the basic and diluted EPS computation:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit/(Loss) after tax	(8.38)	(8.92)
Nominal value of equity share (Amount in Rs.)	10	10
Total number of equity shares	1,08,00,200	1,08,00,200
Weighted average number of equity shares for basic and diluted EPS (nominal value of equity share Rs. 10)	1,08,00,200	1,08,00,200
<b>Earnings per equity share (Amount in Rs.)</b>		
Basic and diluted earnings per share	-0.08	-0.08

**Khyati Multimedia Entertainment Limited**  
**Notes to Financial Statements for the year ended March 31, 2022**

**23 Related party transactions**

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows :

**Name of related parties and their relationship :**

**Key managerial personnel of the company :**

Kartik J Patel  
 Jignaben K Patel

**Enterprises over which key managerial personnel are able to exercise significant influence :**

Khyati retail and Eatery Private Limited(Earlier known as Khyati Exports Private Limited)  
 Khyati World Educare Private Limited  
 Khyati realities Limited  
 Khyati World School  
 Firaduas Memorial Charity and Education Trust  
 Khyati Foundation

<b>Nature of transactions with related Parties</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b><u>Key managerial personnel</u></b>		
<b>Loan Taken</b>		
Kartik J Patel	23.25	14.00
<b>Rent Paid</b>		
Jignaben K Patel	1.14	1.14
<b>Sale</b>		
Khyati World Educare Private Limited	2.21	1.51
Khyati realities Limited	-	0.46
Khyati World School	7.13	-
Firaduas Memorial Charity and Education Trust	1.43	-
Khyati Foundation	14.48	3.06

<b>Outstanding balances at the end of the year</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b><u>Key managerial personnel</u></b>		
<b>Loan Taken</b>		
Kartik J Patel	66.87	43.62
<b>Trade receivable</b>		
Khyati World Educare Private Limited	0.83	1.30
Khyati realities Limited	-	-
Khyati World School	-	0.52
Firaduas Memorial Charity and Education Trust	-	-
Khyati Foundation	5.34	1.69

Note: In addition to above, there is an investment in Unquoted Equity Shares of Khyati Retail and Eatery Pvt. Ltd.(earlier Kadam Exports Pvt. Ltd.) by the company for Rs 36,39,770/- towards 3,45,780 equity shares of Rs 10/- each.

<b>Khyati Multimedia Entertainment Limited</b> <b>Notes to Financial Statements for the year ended March 31, 2022</b> <b>(All amounts in rupees, in Lakhs, unless otherwise stated)</b>						
<b>24 Corporate social responsibility (CSR) expenditure</b>						
Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
a) The gross amount required to be spent by the company on the corporate social responsibility (CSR) activities during the year as per the provisions of Section 135 of the Companies Act, 2013 (refer note below)	-	-	-	-	-	-
b) Amount approved by the board to be spent during the year	-	-	-	-	-	-
c) Amount spent during the year	-	-	-	-	-	-
i) Construction/acquisition of asset	-	-	-	-	-	-
ii) On purposes other than (i) above	-	-	-	-	-	-
d) Details related to spent/unsent obligations:	-	-	-	-	-	-
i) Contribution to public trust	-	-	-	-	-	-
ii) Contribution to charitable trust	-	-	-	-	-	-
iii) Contribution to others	-	-	-	-	-	-
iv) Unspent amount in relation to;	-	-	-	-	-	-
- Ongoing project	-	-	-	-	-	-
- Other than ongoing project	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
e) reason for shortfall	Not applicable			Not applicable		
f) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Not applicable			Not applicable		
g) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period shall be shown separately	Not applicable			Not applicable		
h) Details of CSR expenditure under section 135(5) of the Act in respect of other than ongoing projects						
Particulars	For the year ended March 31, 2022					
<b>Balance as at April 01, 2021</b>	-					
Amount deposited in a specified fund of schedule VII of the Act within 6 months	-					
Amount required to be spent during the year	-					
Amount spent during the year	-					
<b>Balance unspent as at March 31, 2022</b>	-					
Particulars	For the year ended March 31, 2021					
<b>Balance as at April 01, 2020</b>	-					
Amount deposited in a specified fund of schedule VII of the Act within 6 months	-					
Amount required to be spent during the year	-					
Amount spent during the year	-					
<b>Balance unspent as at March 31, 2021</b>	-					
<b>Note:</b>						
Amount required to be spent by the company has been computed based on the signed financial statements of the respective years.						
<b>25 Details of dues to micro and small enterprises as per MSMED Act, 2006</b>						
The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act').						
Accordingly, the disclosure in respect of the amounts payable to such Enterprises as at March 31, 2022 has been made in the Financial Statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any Supplier as at the Balance Sheet date.						
The details as required by MSMED Act are given below;						
Particulars	As at March 31, 2022	As at March 31, 2021				
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	-	-				
<b>Principal and interest amount</b>	-	-				
Trade payable	-	-				
Capital payable	-	-				
The amount of interest paid by the buyer under the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-				
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act not paid);	-	-				
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-				
The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-				
On basis of information and records available with the Company, the above disclosures are made in respect of amount due to the micro and small enterprises, which have been registered with the relevant competent authorities. This has been relied upon by the auditors.						

**Khyati Multimedia Entertainment Limited**  
**Notes to Financial Statements for the year ended March 31, 2022**  
**(All amounts in rupees, in Lakhs , unless otherwise stated)**

**26 Ratio analysis and its elements**

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% change from March 31, 2021 to March 31, 2022
Current ratio	Current Assets	Current Liabilities	4.11	3.21	28%
Debt- Equity Ratio	Current borrowings + Non-Currenet Borrowings+ lease payments	Shareholder's Equity	0.32	0.20	59%
Debt Service Coverage ratio	Earning for Debt Service = Net Profit after taxes + Non cash operating expenses + Interest + other adjustments	Debt service = Interest & Lease Payments + Principal Repayments	-	-	0%
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.04)	(0.04)	-2%
Inventory Turnover ratio	Cost of material consumed	Average Inventory			
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	4.88	0.55	782%
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	5.77	0.57	917%
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Average working capital = Current assets – Current liabilities	2.25	4.17	-46%
Net Profit ratio	Net Profit after tax	Net sales = Total sales - sales return	-36%	-187%	-81%
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability+Lease Payments	-4%	-4.59%	-11%

**Reasons for change more than 25% in above ratios**

Particulars	Reasons for % change from March 31, 2021 to March 31, 2022
Current ratio	Rise in Current Assets due to bank balance increase due to rise in Long term Borrowings.
Debt- Equity Ratio	Rise in Debt Equity Ratio due to rise is n Long Term Borrowings.
Debt Service Coverage ratio	-
Inventory Turnover ratio	-
Trade Receivable Turnover Ratio	Outstanding increase in year end and will be received in next year.
Trade Payable Turnover Ratio	Outstanding increase in year end and will be Paid in next year.
Net Capital Turnover Ratio	WC of Mar'22 increased due to bank balance increase due to rise in Long Term Borrowings.
Net Profit ratio	Due to T.O. increased in current year.
Return on Capital Employed	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1. COMPANY OVERVIEW:

The Company is a listed Company and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in high-quality desktop publishing, imaging, corporate presentations, creative designing and multimedia software development.

### 2. BASIS OF PREPARATION:

#### i. Statement of Compliance with IND AS

The standalone financial statements for the year ended March 31,2022 of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended time to time.

#### ii. Accounting Convention and Basis of measurement

The standalone financial statements have been prepared on a historical cost basis, on the accrual basis of accounting except for certain financial assets and liabilities measured at fair value

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting polices set put below have been applied consistently to all the periods presented in the financial statements unless otherwise stated.

#### a) Property, plant and equipment

All items of property, plant and equipment are stated at acquisition cost of the items. Acquisition cost includes expenditure that is directly attributable to get the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance costs are charged to profit or loss during the reporting period in which they are incurred.

Property, plant and equipment are eliminated from financial statement on disposal. Losses arising in the case of retirement of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

#### Depreciation

Depreciation is calculated to allocate the cost of assets, net of their residual values, over their estimated useful lives.

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

**b) Inventories**

Net Realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make sale.

**c) Finance Cost**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A Qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

**d) Revenue Recognition**

Revenue is recognized to the extent 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 is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

However, Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

**Sale of products**

Revenue from the sale of products is recognized when the significant risks and rewards of ownership of the products have passed to the buyer, usually on delivery of the products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

**Sale of Service**

Revenue from services rendered is recognized as and when services are rendered and related costs are incurred in accordance with the agreement.



### **Interest Income**

For all financial assets measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

### **e) Employee Benefit Expenses**

#### **Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

#### **Post- Employment Benefits**

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related services.

The gratuity liability is paid in terms of insurance premium and the company does not have any liability once the contribution in terms of premium is paid.

### **f) Earnings per share**

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### **g) Taxation**

Income tax expense represents the sum of the Current tax payable and deferred tax.

### **Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'Profit Before Tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and Losses in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### **Current and deferred tax for the year**

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income, in which case, the current and deferred tax are also recognized in other comprehensive income.

## **h) Provisions, Contingent Liabilities, Contingent Assets and Commitments**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the Company 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 risk and uncertainties surrounding the obligations. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present obligations of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a 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.

**i) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**j) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

27. Balance of Loans & Advances and Investments are subject to confirmation.

28. Previous year balances have been regrouped, rearranged and reclassified wherever required to make them comparable.

As per our report of even date attached

**For, M A A K & Associates,**  
**Chartered Accountants**  
**F R N : 135024W**

For and on behalf of the Board of directors of  
**Khyati Multimedia Entertainment Limited**

\_\_\_\_\_  
**CA Marmik G. Shah**  
**Partner**  
**M. No. 133926**

\_\_\_\_\_  
**Kartik Patel**  
**Managing director**  
**DIN: 00047862**

\_\_\_\_\_  
**Praful Agarwal**  
**Director**  
**DIN: 00088295**

Place : Ahmedabad  
Date : 30/05/2022

**Deepa Gidwani**  
**Chief Financial Officer**

**Devilal J. Shah**  
**Company Secretary**

**Khyati Multimedia Entertainment Limited**  
**CIN: L92199GJ1995PLC024284**

**28<sup>th</sup> Annual General Meeting**  
**Annual Report 2021-2022**

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**CIN: L92199GJ1995PLC024284**

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