CINELINE MOVIEMAX

Date: - 05th September, 2023

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

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

Company Code: CINELINE (NSE) / 532807(BSE)
Sub: Annual Report of the Company for the Financial Year 2022-2023

Dear Sir,

Pursuant to Regulation 34(1) and Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Annual Report of the Company for the Financial Year 2022-2023 along with the Notice of 21st Annual General Meeting of the Members of the Company.

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

This is for your information and record.

Thanking You,
Yours faithfully,
For Cineline India Limited

Rashmi Jatin Shah
Digitally signed by Rashmi Jatin Shah
Date: 2023.09.05 18:03:00 +05'30'

Mrs. Rashmi Shah
Company Secretary & Compliance Officer

Encl: As above

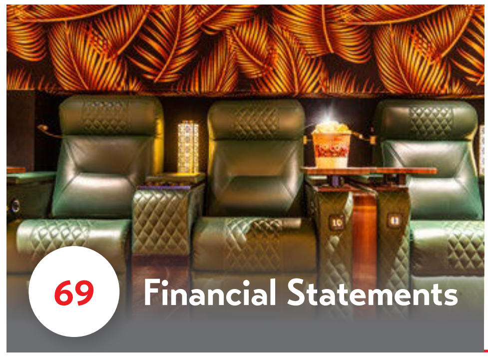
CINELINE
CINELINE INDIA LIMITED

MOVIE MAX

MOVIES MOMENTS MEMORIES

2022-23
ANNUAL REPORT

ACROSS THE PAGES



An electronic version of this report is available online at:
https://www.moviemax.co.in/results-and-reports

Scan this QR code to navigate investor-related information

Investor Information

Market Capitalisation as on 31 March 2023	:	291.67 crores
CIN	:	L92142MH2002PLC135964
BSE Code	:	532807
NSE Symbol	:	CINELINE
AGM Date	:	27 September 2023
AGM Venue	:	OAVM

Disclaimer: This document contains statements about expected future events and financials of Cineline India Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this annual report.

MOVIES, MOMENTS, MEMORIES...

Movies have the power to transport us to different worlds, immerse us in compelling stories, and create lasting memories...

Last year was an exciting one for us as Cineline India Limited unfolded a tapestry of cinematic enchantment in the lives of families across India. In a time when the pandemic reshaped viewing habits, sparking a surge in at-home streaming, Cineline emerged as a refuge, a sanctuary of cinematic experiences. As restrictions gradually eased, our theatres welcomed back audiences, igniting the unparalleled allure of the big screen – an auditory symphony, visuals larger-than-life, and the human connections that can only happen in a theatre.

With meticulous investments in state-of-the-art seating, food and beverage offerings, and interactive zones, Cineline fosters an environment for families to weave their bonds through a shared love for movies. Our screens are a canvas for recapturing the social essence absent during lockdowns. Looking ahead, Cineline is committed to unveiling new cinemas, infusing substantial investments in technology and infrastructure to amplify the visual odyssey. Through this journey to make movies more universally accessible across India, our aspiration remains clear – to kindle countless, unforgettable moments for lovers of cinema...immersing them in a world where Movies, Moments, and Memories converge...

UNFOLDING STORIES. DEEPENING CONNECTIONS...

EXPLORING CINEMATIC WONDERS OF CINELINE INDIA

ABOUT THE COMPANY

Cineline India Limited is a prominent entertainment company that operates multiplexes and theatres across India. With its headquarters in Mumbai, Cineline has established itself as one of the leading multiplex chains in the country.

Cineline India Limited ('Cineline' or 'The Company' or 'We') operates an expansive network of contemporary multiplexes equipped with cutting-edge technology and top-tier amenities, ensuring a premium experience for our patrons. These premier multiplexes are located in major metropolitan cities, including Mumbai, NCR, and Hyderabad. Additionally, Cineline runs single-screen theatres, catering to smaller towns and cities. All the multiplexes and theatres run under their brand name MovieMAX. Cineline remains committed to delivering superior cinema experiences to audiences nationwide. The Company continues to expand its geographical footprint and optimise its operations to emerge stronger despite the current challenges facing the film exhibition industry.

61 Screens
Opened in FY 2022-23

35.8 Lakhs
Admits

₹ 8,496 Lakhs
Revenue

₹ 1,108 Lakhs
EBITDA

₹ 5,677 Lakhs
Net Box Office Collections

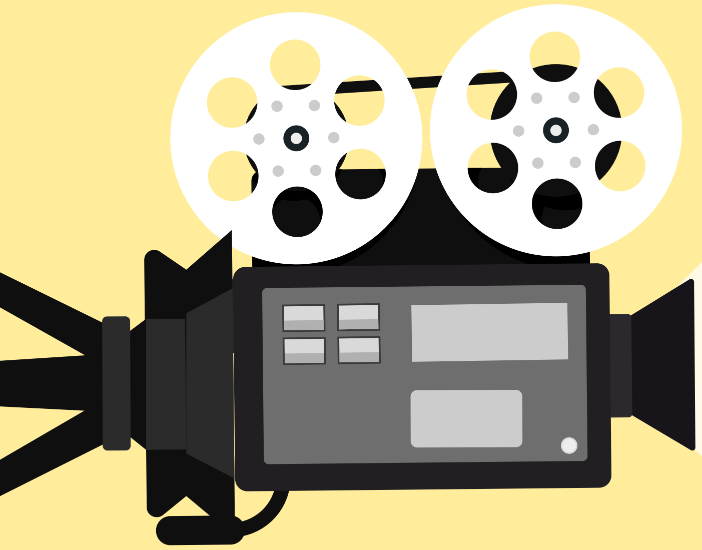
₹ 2,208 Lakhs
Net F&B Collections

35
Cinemas

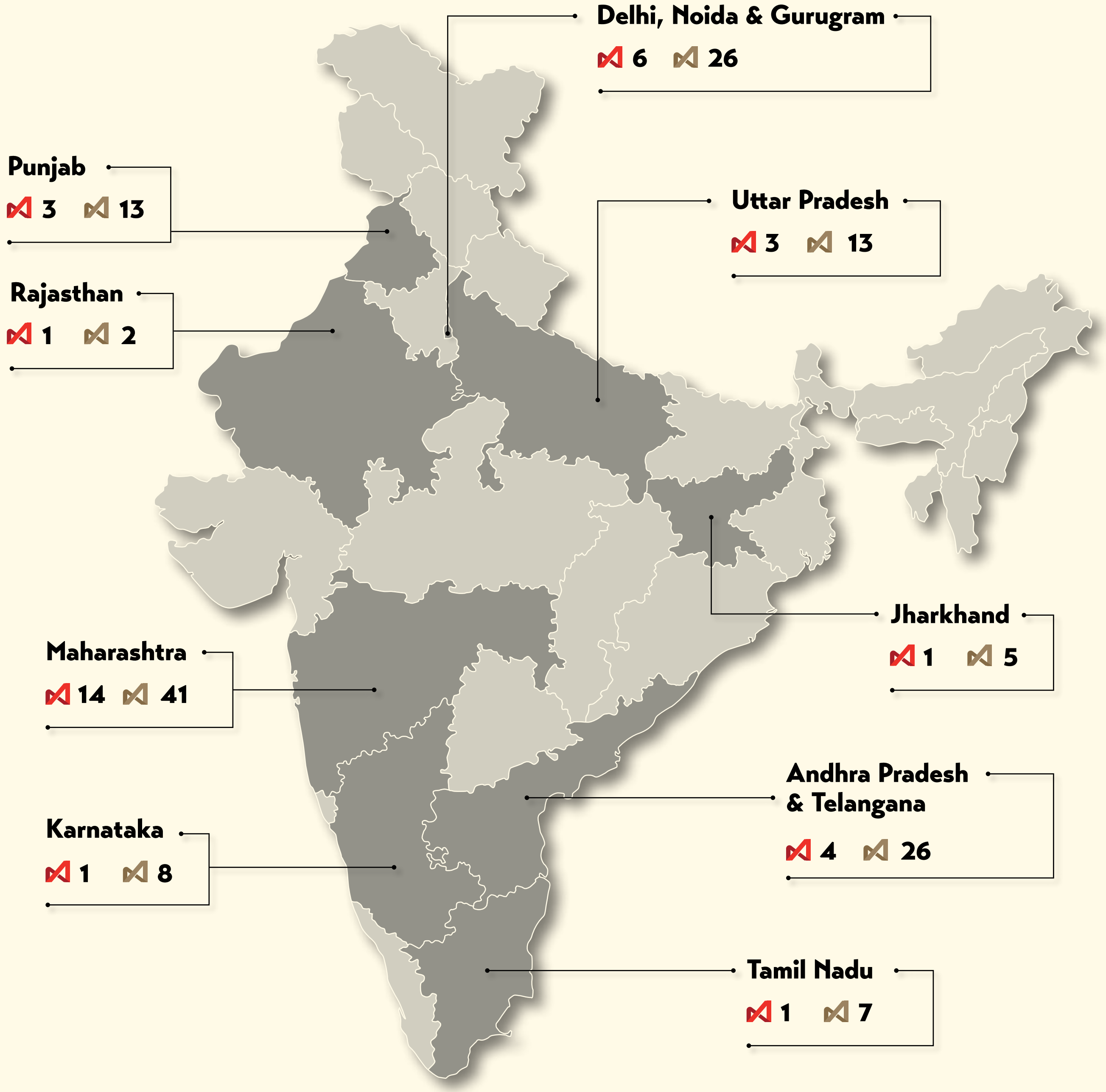
23
Cities

146
Total tied-up screens

33,000+
Seats



LIGHTS, CAMERA, COVERAGE...



No. of Cinemas

No. of Screens

HYATT CENTRIC, CANDOLIM GOA

A PEEK INTO OUR HOSPITALITY BUSINESS

Nestled in the heart of lively Candolim, Hyatt Centric, Candolim Goa is a modern lifestyle hotel that offers guests a vibrant Goan experience. Situated just steps from the beach, this 168-room hotel features stylish, spacious accommodations with amenities for both leisure and business travellers.

With over 6,095 square feet of versatile event space spread across three venues, Hyatt Centric, Candolim Goa is well-equipped for conferences, meetings, weddings, and other celebrations. It offers ample dining options, with four outlets collectively offering around 230 covers, tempting guests with global flavours as well as local Goan cuisine.

Hyatt Centric, Candolim Goa's leisure facilities include a spa, fitness centre, and outdoor swimming pool set amidst 2.2 acres of lush freehold grounds. The G+4 structure rises amid swaying palms overlooking the shores of Candolim Beach. Here, guests can immerse themselves in yoga, meditation, cooking classes, live music, pool parties, and more.

From rejuvenating spa treatments to family-friendly activities at the kids' club, Hyatt Centric Candolim, Goa promises experiences that capture the essence of Goa's rich culture. Its prime beachfront location allows for both relaxation and exploration of the surrounding boutiques, restaurants, and nightlife.

78%
Occupancy Rate

₹ 9,292
Average Room Tariff

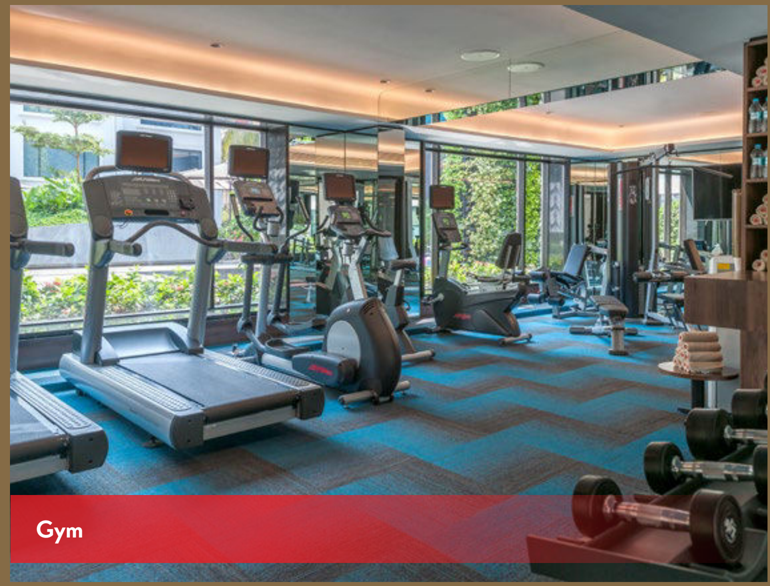
₹ 5,521 Lakhs
Total Revenue

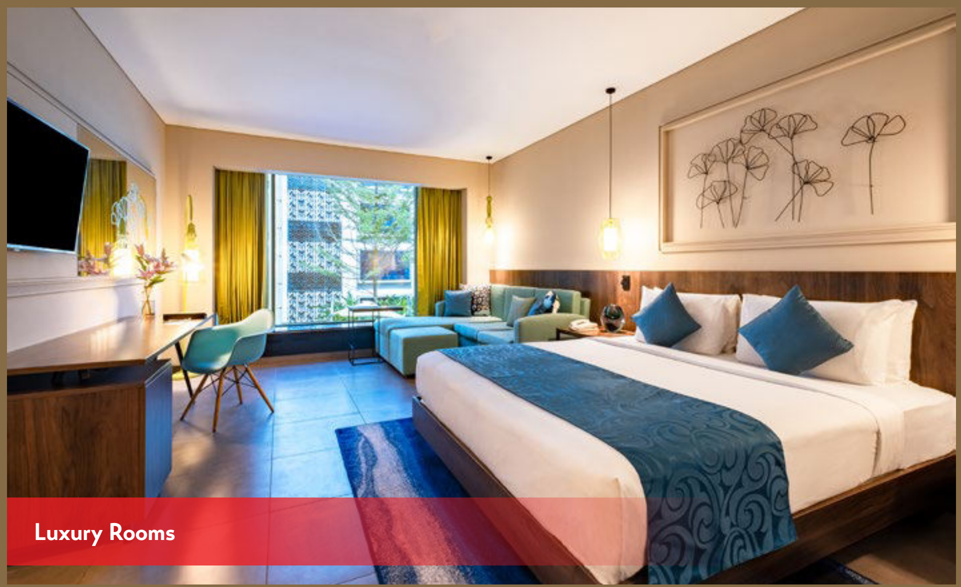
₹ 1,909 Lakhs
EBITDA

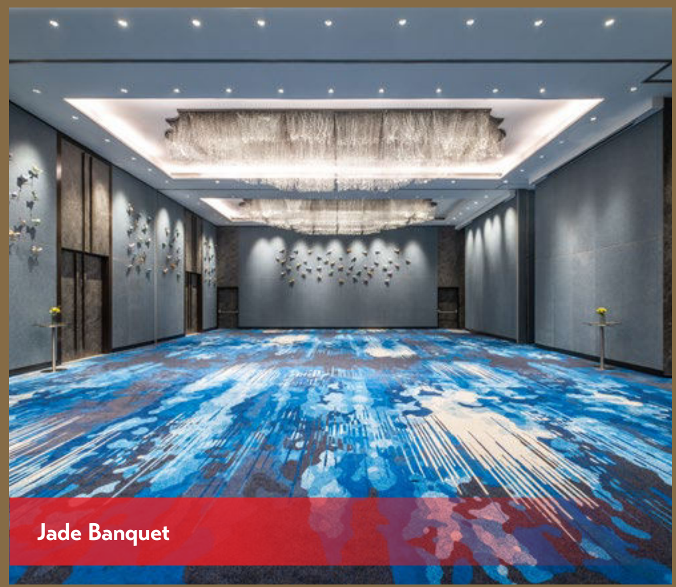
35%
EBITDA Margin


Lobby Area

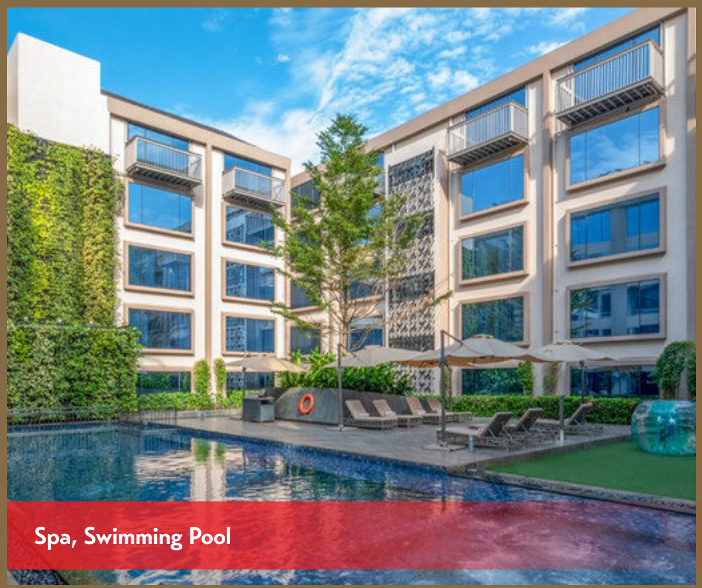
Entertainment Area


Gym


Luxury Rooms


Jade Banquet

Destination


Spa, Swimming Pool


Spacious Drawing Rooms


GROK - Restaurant

LETTER TO OUR VALUED STAKEHOLDERS

> With the untiring dedication of our employees and the loyalty of our patrons, I am confident Cineline will continue on its upward growth trajectory in the years ahead.

Dear Shareholders,

It is my privilege to present the Annual Report for the FY 2022-23 – a year characterised by ongoing recovery and a resurgence of optimism for Cineline as we made a comeback in the movie exhibition business through our brand MovieMAX.

In the face of the enduring impacts of the Covid-19 pandemic, Cineline has demonstrated remarkable resilience and adaptability in responding to the changing environment. Driven by our commitment to making cinema entertainment accessible across India, we continued our measured growth trajectory.

Macro View on the Economy

The film exhibition industry is steadily recovering from the setbacks of the Covid-19 pandemic, with cautious optimism about growth prospects. India continues to be severely under-penetrated in terms of screen density compared to global counterparts like China and the US. This provides significant headroom for growth and expansion even as the PVR-INOX merger creates a formidable entity.

Cineline is well-positioned to establish itself as the preferred brand in the film exhibition space. By targeting the budget cinema segment and smaller towns and cities, we plan to tap into the vast untapped demand from Tier-1, Tier-2 markets and create a pan-India footprint. This strategy has helped us to emerge as the fourth-largest cinema chain in India.

Financial Overview During the Year

On the consolidated front, our revenue for FY 2022-23 stood at ₹ 14,405.07 Lakhs as compared to ₹ 5,013.69 Lakhs in FY 2021-22, representing a robust growth of 187%. Profit after tax was recorded at ₹ 165.59 Lakhs in FY 2022-23 as compared to a loss of ₹ 3,546.41 Lakhs in FY 2021-22. This tremendous growth can be attributed to our focus on expanding in Tier-1, and Tier-2 cities while tapping under-penetrated markets. This is further supported by the strategy to expand under a low capital expenditure model and increase average ticket price and spending per head. By expanding in a cost-effective manner and securing a long-term advertisement commitments, we have been able to significantly grow the top and bottom lines. Our performance this year demonstrates the success of our strategic initiatives to boost revenues and profitability.

In continuation of our vision to become an asset-light and debt-light company, we monetised our asset – Eternity Mall owned by us in Nashik for a whopping value of Rs. 60 crores as well as certain commercial units held by the company at a premium valuation. To further strengthen our base, the Board has decided to monetise our hospitality business in the future at a premium valuation. While we plan to monetise, it is worth noting that our hospitality business is back on track and has witnessed robust growth this year. The occupancy rate and average room rate have neared pre-covid levels.

During the year the hospitality business generated a revenue of ₹ 5,521 Lakhs in FY 2022-23, up from 3,418 Lakhs in the previous year. EBITDA totalled ₹ 1,909 Lakhs, while EBITDA margin reached 35%. The occupancy rate was 78% for the year and the average room tariff stood at ₹ 9,292. The upcoming Mumbai-Goa expressway is further anticipated to increase passenger traffic in Goa, resulting in improved occupancy and average room rate.

New Developments

I am delighted to announce the launch of a new brand 'MovieMAX' for our cinema exhibition operations. We have already tied up with 146 screens pan-India with over 30,000+ seats. We see a clear opportunity and space for an organised national player who can provide a quality experience to consumers while winning developers' confidence. To further support this optimism, during the year we infused funds of ₹ 20.25 crores by an issuance of 27 lakh warrants to the members of promoter group. The funds will be utilised for expansion and addition of new screens. Over the next few months, we will continue acquiring additional screens pan-India and build a strong consumer oriented brand in this segment.

FY 2022-23 saw Cineline actively expand its screen count by 61 additional operational screens across India. We also added 17 new properties to our portfolio to cater to the vast demand. This included our new flagship property in Hyderabad. Our expansion strategy is well-framed and adopts a low capex plan. We aim to acquire developers' fully fitted, plug-and-play screens which will help us reduce capital expenditure substantially. In addition to opening up new screens, we are also renovating and upgrading existing screens to give a better consumer experience which again shall contribute to better margins.

Since opening its first multiplex in October 2022, MovieMAX has already expanded across multiple cities. In its first year of operations, MovieMAX has achieved an impressive feat highlighting the brand's early success in tapping the value-conscious entertainment segment. MovieMAX aims to expand its footprint pan-India in the coming years.

The early success of MovieMAX combined with the steady performance of our existing Cineline multiplexes, places us in a strong position to deliver on our commitment of providing exceptional cinema experiences to entertainment-seekers across urban and semi-urban India.

The Bigger Picture

The pandemic has fundamentally altered audience preferences to look out for more content-rich movies. With this change in preference, customers are also looking at movie outings as an experience rather than just a 3-hour outing. To focus and tap on the opportunities we are now entering malls and other lifestyle experience centres where we are introducing new screen formats to enhance the overall experience. The experience will be further underpinned by Food and Beverages being an integral part of the new movie experience. To explore and gain market share, we also aim to exhibit regional films which are now gaining widespread acceptance and opening up new content opportunities. As the quantity and variety of movies grow, more screens will be needed to showcase small and independent films. Cineline aims to be at the forefront of this expansion and plans to launch several screens pan-India.

146 Screens
Pan-India

33,000+
Seats

Closing Note

Despite the challenges, Cineline has persevered and pursued prudent expansion. With the unwavering support of our investors, partners, and moviegoers, I am confident we will continue on this trajectory of responsible growth in the years ahead. I am proud of how we have navigated challenges and uncertainties as an organisation. Today, Cineline stands well-poised to tap into the vast potential of this underserved industry.

With the untiring dedication of our employees and the loyalty of our patrons, I am confident Cineline will continue on its upward growth trajectory in the years ahead.

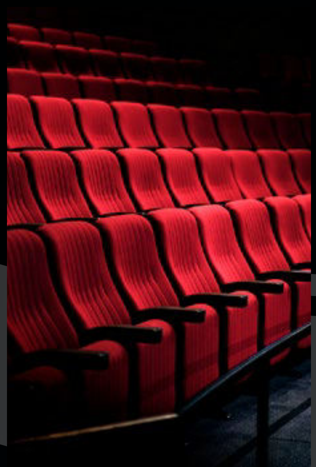
I thank you for your continued faith and support. I look forward to updating you on Cineline's progress in my message next year.

Regards,

Mr. Rasesh B. Kanakia
Chairman
Cineline India Limited

OUR JOURNEY

1997-2013

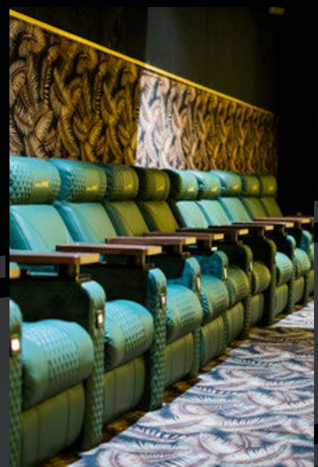


Inception of Movie Exibition Business

The first Cinemax opened in India at Mumbai, with a vision to provide unparalleled entertainment experience to movie-lovers

The Pioneers of Multiplexes

Leading the Multiplex revolution in India by opening the first multi-screen cinema in Mumbai



Extra Comfort for Max Entertainment

One of India's first cinema chains to replace traditional chairs with revolutionary Bucket Seats to provide a comfortable cinema experience

Eternal Moments of Stardom

A few glimpses of the industry's favourite hotspot for all movie premier and events

Setting The Precedence for Luxury Cinema Experience

Launched RED Lounge, Mumbai's first-ever cinema with all recliner seats at our theaters

From People's Hearts to Public Listing

Cineline became one of the most sought-after brands to invest in the stock market after the launch of its IPO

Distributing Blockbusters that Made Records

Major distributor behind blockbusters like Singh is King, Kismat Konnection and many more

Iconic Locations, Unprecedented Movie Experiences

Established some of the most iconic cinema halls in the country located at Inorbit Mall (Hyderabad), Infinity Mall Andheri (Mumbai), Pacific Mall (Delhi) and more

2022-

The Launch of MovieMAX

Launched MovieMAX to offer a world-class cinema experience for movie lovers

Launched the Blockbuster Max Entertainment

Launched 23 screens together across India

Max Loved by Every Employee

Went from just 1 to 500 workforce in a short span of 11 months

Achieved Max Growth in the Number of Screens

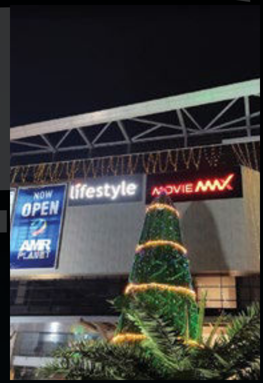
Added more than 50 screens nationwide in just 9 months, successfully registering its growth swiftly

Organised First Star-Studded Screening with A Superstar

Hosted movie premieres and exclusive screenings with the stars

Launched 4-Screen Cinema in The Gateway Mall of Uttar Pradesh

For a Max and wholesome movie-watching experience for Cinephiles of Ghaziabad



Provided a Luxurious Cinematic Experience in The City of Pearls

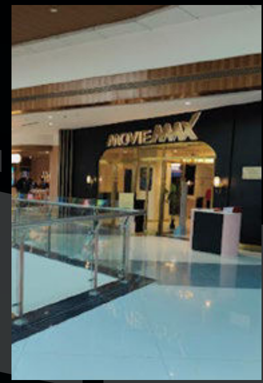
With 7 screens having luxe recliners, a live kitchen, and a magnificent lobby, we are elated to host the movie-lovers of Hyderabad

Recognised for Rising Steadily at Max Speed

Honoured to be awarded as the 'New Emerging Cinema' at India Big Cine Expo

Launched 6-Screens Cinema in Noida

Offering a wholesome movie-going experience in Noida, Uttar Pradesh with lavish interiors, multiple food options, advanced laser technology and comfortable seating



Provided a Luxurious Cinema Experience in The City of Nawabs

A 6-Screen larger-than-life experience for the movie-buffs of Lucknow offering Max Entertainment

OUR DISTINGUISHED BOARD AT A GLANCE

M M M M

Mr. Rasesh B. Kanakia

Chairman

Mr. Rasesh Kanakia is the Chairman since incorporation and has a career spanning around 37 years. He began his career as a real estate consultant in the year 1984 and subsequently, ventured into real estate development in the year 1986. He has been a pioneer in getting the Company into movie exhibition business. As the Chairman of the Company, he looks after critical functions of the management viz., finance, strategic management and public relations.

M M

Mr. Himanshu B. Kanakia

Managing Director

Mr. Himanshu B. Kanakia, Managing Director, is the member of the Board since incorporation and has a career spanning around 35 years. He forms an integral part of the Company and is the energy behind the day-to-day management. He has contributed largely to the success of the Company with his keen focus on the Company's management, operations and administration. Under his guidance, the Kanakia Group has developed and successfully delivered 14 million sq. ft. of commercial, residential, entertainment, education and industrial spaces.

Mrs. Hiral Kanakia

Director

Mrs. Hiral Kanakia has a career spanning around 28 years. She has been associated with the Company since 1998 and is closely involved in the operation and administration of the Company. She is the head of Employee Relations & Improvement Management in Kanakia Group of Companies.

Mr. Ashish Kanakia

Chief Executive Officer

Mr. Ashish completed his Bachelor's degree in business administration and joined the family business with an intention to learn and grow. For close to 7 years, he has been working closely with core teams. He is constantly looking at adding substantial value to customers through innovation in product and services. He strives to differentiate the offerings from competition and provides an edge to the organisation.

C C C C M

Mr. Anand Bathiya

Independent Director

Mr. Anand Bathiya has been predominantly involved in helping companies in identifying, negotiating, structuring, reviewing and executing complex, domestic and international Mergers & Acquisitions (M&A). He is also Assisting Indian Corporates in raising equity resources through listing on the Indian and international capital markets; private equity, structured finance, FCCBs, etc. Involved in many Initial Public Offer (IPO) advisory and private equity fund-raising exercises having worked closely with leading Indian and International Investment Banks over the years. He is also an active member of Young Leaders' Forum of the Indian Merchants Chamber and TIE Mumbai. Regular speaker at various gatherings for Ministry of Corporate Affairs, ICAI, ICSI, WIRC, BCAS and other bodies of professional interests on a wide range of topics.

M M M

Mr. Naushad Panjwani

Independent Director

Mr. Naushad Panjwani is a Chartered Accountant and a commerce graduate having work experience of over 32 years. He has a vast experience in the areas of finance, tax, strategy, retail, investment banking, cross border merger and acquisitions and real estate transactions being his forte. He has been associated with Mandarus Partners ,Knight Frank India Pvt. Ltd., Gawande & Panjwani, etc. He has served as member of Managing Committee and Co-Chairman OF Urban Development, Smart Cities, Real Estate & Infrastructure committee of IMC Chamber of Commerce & Industry FY 2017-18 & 2018-19. He has also served as Vice President of Western India Region of Indo American Chamber of Commerce for FY 2017-18 and 2018-19.

M M C

Mr. Shantilal Haria

Independent Director

Mr. Shantilal Haria is a Chartered Accountant and a Company Secretary, with in depth knowledge and professional experience of more than 30 years in the field of Fund Raising, Business Advisory, Income Tax, Company Law, Allied Laws and Realty Sector. He is also involved in few private equity deals. He is the promoter of Pankti Group. He is an independent director on the board of G.M. Breweries Ltd.

- Audit Committee (red)
- Nomination and Remuneration Committee (brown)
- Stakeholders Relationship Committee (grey)
- Corporate Social Responsibility Committee (orange)
- Securities Allotment Committee (blue)
- C Chairman
- M Member

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rasesh B. Kanakia
Chairman

Mr. Himanshu B. Kanakia
Managing Director

Mrs. Hiral Kanakia
Director

Mr. Anand Bathiya
Independent Director

Mr. Naushad Panjwani
Independent Director

Mr. Shantilal Haria
Independent Director

SENIOR MANAGEMENT

Mr. Ashish Kanakia
Chief Executive Officer

Mr. Vipul Parekh
Chief Financial Officer

Mrs. Rashmi Shah
Company Secretary &
Compliance Officer

STATUTORY AUDITORS

KKC & Associates LLP
Chartered Accountants
Sunshine Tower, Level 19,
Senapati Bapat Marg, Elphinstone (W),
Mumbai-400 013

INTERNAL AUDITORS

Deloitte Haskins & Sells
29th Floor, Indiabulls Finance Centre, Tower 3,
Elphinstone Mill Compound,
Senapati Bapat Marg, Elphinstone (W),
Mumbai-400 013

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (W),
Mumbai-400 083

REGISTERED OFFICE

2nd Floor, A & B wing, Vilco Centre, Subhash Road,
Opp Garware, Vile Parle (E), Mumbai-400 057 (India)
Tel No: 91-22-35023666/35023777
Website: www.moviemax.co.in

FINANCIAL INSTITUTION

Aditya Birla Finance Ltd:
R-Tech Park, Floor-10, Nirlon Compound,
Near Hub Mall, Off Western Express Highway
Goregaon (E), Mumbai-400 063

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMICS REVIEW

Global Economy

The global economy showed resilience in navigating multiple challenges in FY 2022-23. Despite ongoing supply chain disruptions from the Covid-19 pandemic and energy price shocks from the war in Ukraine, the world economy continued to grow. Advanced economies adapted policies to curb inflationary pressures while emerging markets displayed economic dynamism. According to the IMF, the global GDP experienced growth at 3.6% in the calendar year 2022 and is projected to expand by 3.2% in the calendar year 2023. While slower than the post-Covid-19 pandemic rebound of 6.1% in the calendar year 2021, this growth outpaced previous expectations. With coordinated policy supporting demand and technological innovation boosting productivity, the global economy has proven its ability to manage shocks.

Advanced economies saw steady consumer spending and business investment counteract inflationary headwinds. Growth remained positive in the US and Europe buoyed by job gains and rising wages. Meanwhile, emerging markets showed their economic vibrancy with Asian economies leading the expansion. With inflation cresting and geopolitical tensions easing, global trade and investment are primed to accelerate, even though risks persist; the durability of global economic expansion has been proven.

The global economy is poised for steady growth of 3.0% in the calendar year 2024 after navigating significant shocks. Inflationary pressures are projected to gradually ease as commodity prices normalise. Meanwhile, job markets remain robust in many countries, supporting consumer demand. Businesses worldwide are likely to increase capital spending as supply chains stabilise. While growth may settle at a rate below the exceptional rebound of 5.7% in the calendar year 2021, the global economic expansion remains intact. With proactive policy support and resilient economic fundamentals across regions, the world economy is positioned for sustained expansion.

Indian Economy

The Indian economy has emerged as one of the fastest-growing economies in the world. It registered a GDP growth rate of 7.2% in FY 2022-23 according to provisional national income data released by the National Statistical Office (NSO) despite global headwinds like the Russia-Ukraine conflict and inflationary pressure. This strong performance was powered by strong domestic demand as private consumption grew 7.1% and investments rose 10.6%. Moreover, exports did well, rising 13.2% aided by the global economic rebound.

Going forward, India is projected to achieve a robust growth of 6.1% in FY 2023-24 as per IMF. Key growth drivers would be higher infrastructure spending, urban consumption demand, rising digital penetration, and policy reforms. However, risks remain from external volatility, oil prices, and inflationary pressures. To sustain high growth, India has boosted its manufacturing competitiveness, created more jobs, and improved human capital and productivity. With appropriate fiscal and monetary policies, India can leverage its demography, domestic demand base, and skilled workforce to emerge as one of the leading economies worldwide.

INDUSTRY OVERVIEW

Indian Multiplex Industry

Indian multiplexes are poised for robust growth aided by the low base effect of last year and increased footfalls as people return to theatres post-Covid-19 pandemic. The multiplex industry's revenue is estimated to triple to an all-time high of over ₹ 6,000 crores for FY 2022-23, a 13-15% increase compared to the pre-Covid-19 pandemic level in FY 2019-20.

The sharp recovery is driven by a confluence of factors – higher occupancy rates back to pre-Covid-19 pandemic levels, increased average ticket prices, elevated spending per head on food & beverages (F&B), and the addition of new screens. While OTT platforms remain a formidable challenge, multiplexes reported record quarterly revenue and operating profit in Q1 FY 2022-23 with occupancies recovering to ~32%. Headwinds like social media outrage and boycott calls may persist in the near-term, but the outlook remains positive for the festive season and beyond aided by a strong content pipeline. The industry is projected to clock ~30% occupancy this fiscal, a significant improvement over 16% last fiscal.

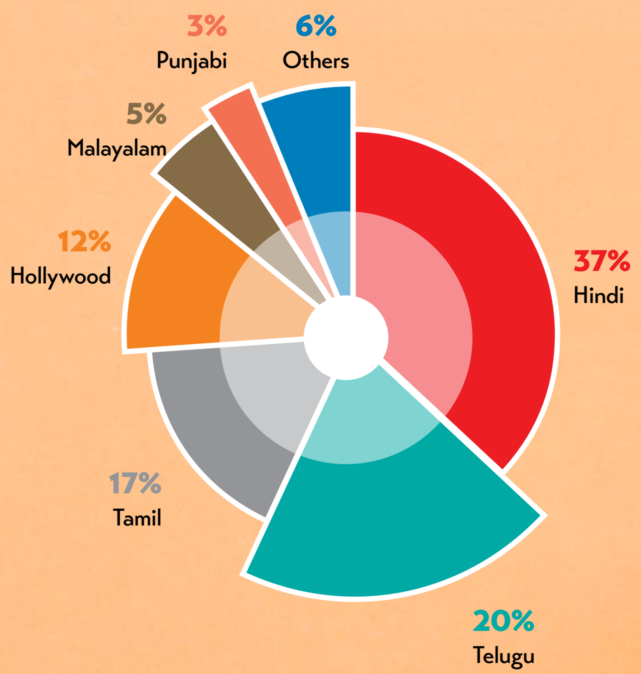
[Source: https://www.crisilratings.com/en/home/newsroom/press-releases/2022/09/multiplex-revenue-to-triple-on-low-base-cross-pre-pandemic-levels.html]

₹ 4,868 crores
India box office collection for January-June 2023

₹ 9,736 crores
Projected box office collection for the calendar year 2023

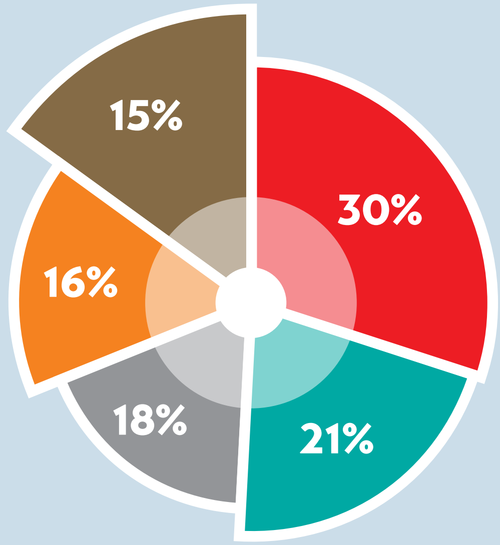
Language Share of Gross Domestic Box Office

(January to June 2023)



[Source: https://www.ormaxmedia.com/insights/stories/the-india-box-office-report-jan-jun-2023.html]

AUDIENCE SEGMENTATION



Rare

Rarely at the Theaters

Older-skewed irregular audiences who visit theatres only for big-ticket/event films, watch only 3.2 Hindi films per year in a theatre as a result

30%

ATC

Addicted to Cinema

The youngest segment, comprising heavy viewers who frequent theatres on the opening day and the opening weekend, watches 8.9 films per year

21%

STO

The Story Seekers

A predominantly male cohort that has the highest exposure to OTT content, and prefers stories that are unique or franchise-led, leading them to also watch Hollywood and dubbed South films

18%

STM

Small Town Masses

A small-town and single-screen skewed segment of the older audience that has a higher propensity to watch films in mass or family-inclusive genres

16%

MXE

The Multiplex Elite

A gender-balanced, metro-skewed segment of the audience watches films in premium multiplexes

15%

[Source: https://www.ormaxmedia.com/insights/stories/cine-sense-five-types-of-hindi-film-goers-in-india.html]

Growth Drivers in Multiplex Industry

With the rise of regional cinema, Indian cinema is becoming increasingly regionalised with more films being made in local languages. This is creating new opportunities for multiplexes as they can now cater to a wider range of audiences.

1 The growth of the digital cinema market:

The Indian digital cinema market is growing rapidly, and this is providing multiplexes with new ways to reach audiences. Multiplexes can now offer a variety of digital content such as 3D movies, virtual reality experiences, and live streaming events.

2 The increasing popularity of multiplexes as a social space:

Multiplexes are not just about watching movies anymore. They are also becoming popular social spaces, where people can go to meet friends, have a meal, or catch a movie. This is driving demand for multiplexes, multiplexes, especially, in urban areas.

3 Changing consumer preferences:

Indian consumers are becoming more demanding, and they are looking for a more immersive and personalised entertainment experience. Multiplexes are responding to this demand by offering a variety of amenities, such as recliner seats, multiple food & beverage options, and gaming arcades.

4 Increased competition:

The Indian multiplex industry is becoming increasingly competitive with new players entering the market all the time, leading to innovation and better value for consumers.

5 Improved infrastructure:

The Indian government is investing heavily in infrastructure development, including roads, railways, and airports. This change is not only improving the convenience of travelling to multiplexes but also facilitating the expansion of multiplexes into new markets.

INDIAN HOSPITALITY INDUSTRY

The Indian hotel industry saw a strong recovery in FY 2022-23, bouncing back to pre-Covid-19 pandemic levels. Occupancy rates and average daily rates (ADRs) across the country reached pre-Covid-19 pandemic numbers according to data from HVS Anarock. Occupancy rates are expected to further improve to 66% in the calendar year 2023, up from 59-61% in the calendar year 2022. ADRs are also projected to increase by 7-9% next year compared to the calendar year 2022. The growth is also reflected in the robust hotel development pipeline with 166 new hotels and 14,885 rooms currently under development across India. This marks a significant increase from the 100 new hotels and 9,000 rooms in the previous calendar year.

Several factors are driving the resurgence, including rebounding domestic travel, which saw over 1.5 billion domestic trips in the calendar year 2022, and is expected to grow further in the calendar year 2023 as disposable incomes rise. Additionally, international arrivals crossed 8 million in the calendar year 2022, up from just 2 million in the calendar year 2021, and eased travel restrictions is projected to boost the influx of foreign tourist. Moreover, MICE (Meetings, Incentives, Conferences and Exhibitions) bookings are on the rise indicating improving business travel demand. The World Travel and Tourism Council anticipates India's travel and tourism sector will expand by 8.9% in the calendar year 2023 and 7.8% annually over the next decade. Major events like the G20 summit and the ICC Cricket World Cup 2023 should also support hotel industry growth.

The outlook is positive with operating metrics coming back to pre-Covid-19 pandemic levels. However, Revenue Per Available Room (RevPAR) is expected to remain 20-25% below its calendar year 2008 peak next to the calendar year 2023. Supply is projected to register a 3–5-year CAGR of 3.5-4% with lag in demand over the medium term. ICRA anticipates Indian hotel revenues to grow 13-15% in FY 2023-24 with, with pan-India premium hotel occupancy potentially hitting 70-72% and ADRs at ₹ 6,000-6,200.

Particulars		Change Over (Pre-Covid-19)	Change Over (Post-Covid-19)
ADR	₹ 7,100 - ₹ 7,300	▲ 23-25%	▲ 19-21%
Occupancy	62 - 64%	▼ 1-3 pp	—
RevPAR	₹ 4,402 - ₹ 4,672	▲ 20-22%	▲ 18-20%

▲ Increase ▼ Decrease — Stable

GROWTH DRIVERS FOR INDIAN HOTEL INDUSTRY

Increased inbound tourism:
India is becoming a popular tourist destination for both domestic and international travellers. In the calendar year 2022, India welcomed over 80 million international tourists, and this number is expected to grow in the coming years.

Growing MICE sector:
The MICE sector is growing rapidly in India as the country is becoming a popular destination for business events. In the calendar year 2022, the MICE sector generated over USD 10 billion in revenue, and this figure is anticipated to increase to USD 20 billion by the calendar year 2028.

Development of new tourist destinations:
The Indian government is investing in the development of new tourist destinations such as the Andaman and Nicobar Islands, Ladakh, and Gujarat. These new destinations are projected to attract more tourists to India in the upcoming years.

Adoption of new technologies:
The hotel industry is adopting new technologies such as artificial intelligence, big data, and virtual reality to improve the guest experience and increase operational efficiency. These technologies are expected to drive growth in the Indian hotel industry in the coming years.

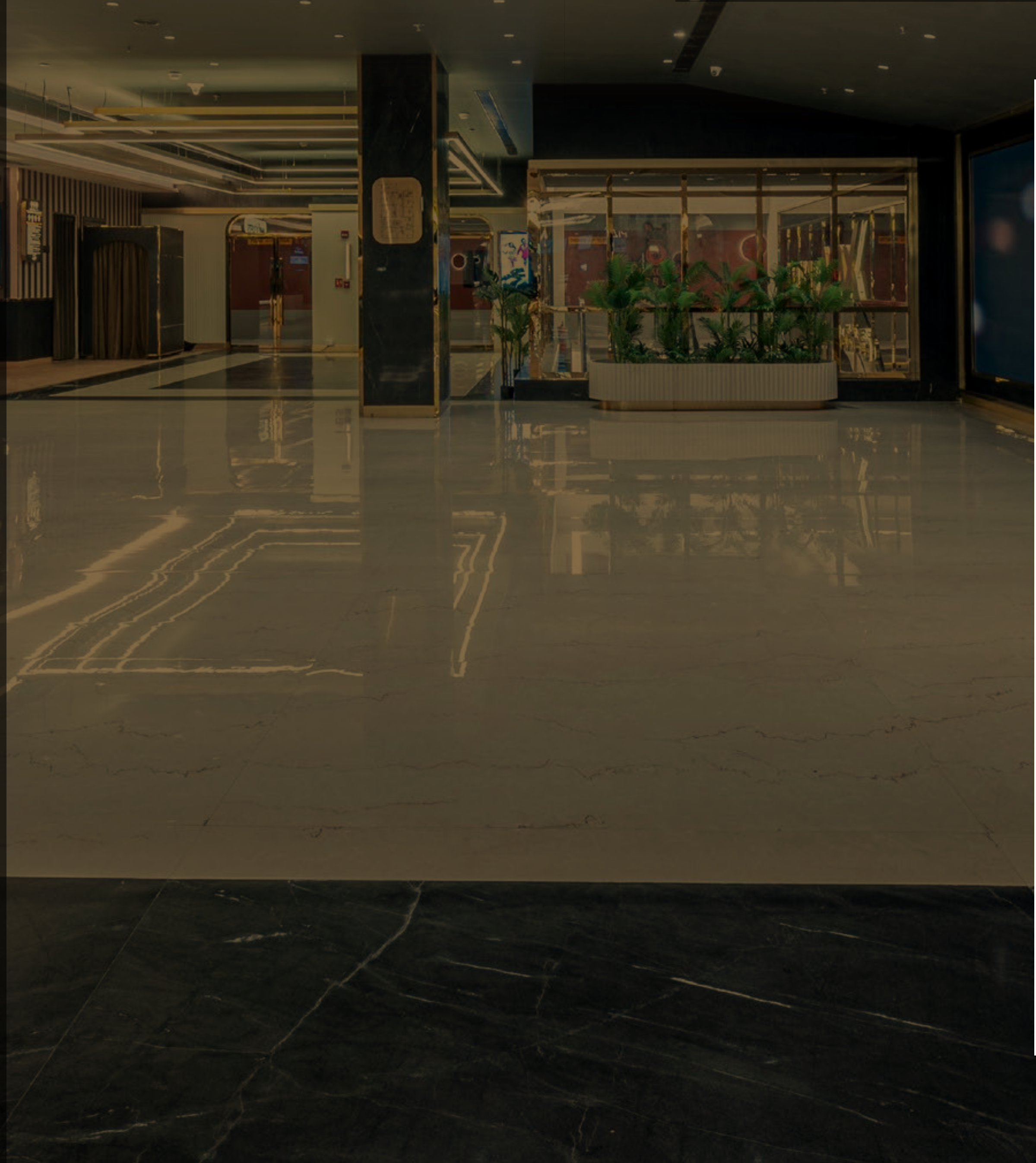
The growth of the wellness tourism sector:
The Indian wellness tourism sector is expanding at a fast pace. This is due to the increasing awareness of the benefits of wellness tourism and the availability of a variety of wellness tourism products and services in India.

The rise of experiential tourism:
Experiential tourism is a type of tourism that focusses on providing tourists with unique and memorable experiences. This type of tourism is growing rapidly in India as tourists are looking for more than just a standard hotel stay.

COMPANY OVERVIEW

Cineline India Limited (referred to as 'Cineline' or 'The Company') operates a rapidly expanding chain of cinemas across the country. As part of the esteemed Kanakia Group, Cineline takes immense pride in catering to the diverse tastes of movie goers by offering a vast selection of films in Indian languages as well as Hollywood and world cinema. In addition to its core cinema business, the Company has a presence in renewable energy. It owns and operates a 0.6 MW windmill facility in Gujarat and a 1.6 MW windmill in Maharashtra.

Operating under the brand name MovieMAX, Cineline is committed to providing an extraordinary viewing experience by maximising comfort and utilising state-of-the-art technology. Every MovieMAX cinema aims to create a welcoming environment with exceptional service to make each visit memorable. To complement the movie experience, the snack bars offer a delicious menu of freshly made food & beverages, including popcorn and drinks. With a vision to establish more cinemas so customers always have one nearby, Cineline's dedication to prioritising patrons knows no bounds as it continues to expand.



FINANCIAL OVERVIEW

In FY 2022-23,the Company recorded a revenue of ₹ 9,541.22 Lakhs, indicating a increase of 285.10% as compared to ₹ 2,477.60 Lakhs achieved in FY 2021-22. Similarly, the EBITDA for FY 2022-23 was ₹ 1,520.72 Lakhs, compared to ₹ 1,567.93 Lakhs in FY 2021-22.

Key Financial Ratios

Year	FY 2022-23	FY 2021-22
Current Ratio	0.78	11.60
Debt-Equity Ratio	0.67	1.36
Debt Service Coverage Ratio	0.42	0.67
Return on Equity	6.68%	(5.46)%
Inventory Turnover Ratio	3.36	-
Trade Receivables Turnover Ratio	35.98	5.90
Trade Payables Turnover Ratio	8.58	3.19
Net Capital Turnover Ratio	(5.12)	0.08
Net Profit Ratio	12.46%	(59.78)%
Return on Capital Employed	8.06%	2.51%

1 OPPORTUNITIES & OUTLOOK

Cineline plans to renovate existing screens with the intent of enhancing the consumer experience and improve key performance indicators. The Company maintains its focus on expansion, aiming to grow its presence under a low capital expenditure model. It has extended its advertising revenue tie-up through March 2025 to secure future income streams. In FY 2022-23, Cineline opened 61 new screens to expand its national footprint. The Company launched new marketing initiatives to build brand awareness and attract larger audiences. Going forward, it will continue leveraging opportunities to revamp its cinemas, expand to new locations, monetise advertising, and promote its brand. Cineline is well-positioned for growth as it strives to serve more customers with an exceptional entertainment experience.

2 RISK MANAGEMENT

The real estate sector's significant capital requirements present potential challenges to Cineline's business continuity and expose it to various risks. Market demand fluctuations may arise due to an economic slowdown, geopolitical tensions, rising interest rates, inflation, and other adverse developments. The Covid-19 pandemic crisis further impacted the Company with project delays, operational restrictions, and a scarcity of labour and materials. Despite these obstacles, Cineline remains optimistic about achieving incremental revenues and business growth by recovering economic activities and diversifying its operations. The Company emphasises making strategic investments in appropriate assets and locations, leveraging its core capabilities, and relying on a highly experienced team.

3 HUMAN RESOURCES

Cineline values its employees as its most crucial asset. The Company's HR policy centres on creating a positive work environment and attracting top talent from the industry. The Company prioritises continuous learning through comprehensive development programmes for its employees. Moreover, it places importance on the health and safety of its workforce by adhering to prescribed safety protocols and standards. Additionally, Cineline implements a well-structured appraisal system that aligns individual contributions with its long-term strategic growth objectives. As of 31 March 2023, the Company employed a total of 269 individuals.

4 INTERNAL CONTROL SYSTEM

Cineline has implemented internal control systems that are suitable for its size and business operations. The Company has well-documented policies and procedures in place to monitor business and operational performance, safeguard assets, and ensure accurate financial reporting. The internal audit team conducts regular audits to assess the effectiveness and sufficiency of these control systems, and the management takes necessary actions based on their findings.

5 CAUTIONARY STATEMENT

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

DIRECTOR'S REPORT

To,
The Members of
Cineline India Limited

Your Directors have pleasure in presenting their 21st Annual Report together with the Audited Accounts and Auditors Report of the Company for the Year ended 31 March 2023.

1. FINANCIAL RESULTS:

Particulars	Standalone (₹ In Lakhs)		Consolidated (₹ In Lakhs)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Gross Income	9,541.22	2,477.60	14,405.07	5,013.69
Profit before Interest, Depreciation and tax	**1,520.72**	**1,567.93**	**2,771.21**	**1,648.66**
Interest & Financial Charges	2,243.32	2,020.45	3,394.43	3,498.60
Depreciation/ Amortisation	1,013.16	627.67	2,183.97	1,924.30
Profit/(loss) before tax	**(1,735.76)**	**(1,080.19)**	**(2,807.19)**	**(3,774.24)**
Provision for Tax (including Deferred)	(471.17)	(342.53)	(641.99)	(227.83)
Profit/(loss) from continuing operations	**(1,264.59)**	**(737.66)**	**(2,165.20)**	**(3,546.41)**
Profit/(loss) from discontinued operations	2,330.79	-	2,330.79	-
Profit/(loss) for the period	**1,066.20**	**(737.66)**	**165.59**	**(3,546.41)**
Less: Profit/(Loss) attributable to Non-Controlling Interest	-	-	-	-
Add: Surplus brought forward from previous year	7,219.59	7,957.47	3,966.61	7,594.94
Amount available for Appropriation	**8,285.79**	**7,219.81**	**4,132.24**	**4,048.55**
Appropriation:				
Other comprehensive income / (loss)*	4.76	(0.23)	18.67	3.76
Transfer to Furniture & Fixtures Reserve	-	-	86.61	(85.68)
Surplus Carried to Balance Sheet	**8,290.55**	**7,219.59**	**4,237.48**	**3,966.61**

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

OPERATIONAL REVIEW:

Gross revenues of the Company for the Financial Year 2022-23 stood at ₹ 9,541.22 Lakhs. Profit before interest, depreciation and taxation stood at ₹ 1,520.72 Lakhs. After providing for interest, depreciation and taxation of ₹ 2,243.32 Lakhs, ₹ 1,013.16 Lakhs and ₹ (471.17) respectively, the net Profit of the Company for the year were placed at ₹ 1066.20 Lakhs as against ₹ (737.66) Lakhs in the previous year.

2. DIVIDEND:

With a view to conserve the resources for future operations, your Directors have thought it prudent not to recommend dividend on equity shares for the financial year 2022-23.

3. TRANSFER TO RESERVES:

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

4. SHARE CAPITAL:

The paid up equity share capital as on 31 March 2023 was ₹ 15,78,32,170/-.

During the year, the Company has allotted 14,68,532 (Fourteen Lakhs Sixty-Eight Thousand Five Hundred and Thirty-Two Only) Equity shares of face value of ₹ 5/- (Rupees Five Only) each, fully paid up pursuant to exercise of the option attached to the Warrants by the Warrant holders.

During the year the Company has neither issued shares with differential voting rights nor granted stock options nor sweat equity.

5. FINANCE:

Cash and cash equivalents as at 31 March 2023 were ₹ 2,429.03 Lakhs. The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

DIRECTOR'S REPORT (Contd.)

There is no audit qualification in the financial statements by the statutory auditors for the year.

6. ANNUAL RETURN:

The Annual Return of the Company is available on the website of the Company at www.moviemax.co.in

7. SUBSIDIARIES, ASSOCIATES & JOINT VENTURES:

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

"R&H Spaces Private Limited" became wholly owned subsidiary of the Company with effect from 10 November 2022.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiary in Form AOC-1 forms part of this report as **Annexure 1**.

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

8. CONSOLIDATED FINANCIAL STATEMENTS:

In compliance with the Companies Act 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), consolidated financial statements of the Company and all of its subsidiaries have been prepared for the year under report. The audited consolidated financial statements along with the auditors' report thereon forms part of this Annual report. The consolidated financial statements presented by the company include the financial results of all its subsidiaries. The audited standalone financial statements of these entities have been reviewed by the Audit Committee and the Board.

9. PREFERENTIAL ISSUE:

WARRANT ISSUE 1 :

14,68,532 Warrants issued and allotted to the members of the Promoter Group vide Board approval dated 23 September 2021 were converted into 14,68,532 fully paid up Equity Shares and the same were allotted to the Allottees vide Approval of the Allotment Committee of the Board of Directors dated 09 May 2022.

Listing Approvals for the above Equity shares were received from BSE Limited on 26 May 2022 and National Stock Exchange of India Limited on 23 May 2022 and Trading approvals were received from both the exchanges on 06 June 2022.

WARRANT ISSUE 2:

The Board of Directors at its meeting held on 07 June 2022 approved preferential issue of upto 27,00,000 warrants ("Warrants") each convertible into, or exchangeable for, one equity share within the period of 18 months at a price of ₹130/- (Indian Rupees One Hundred and Thirty Only) each ("Warrant Issue Price") aggregating upto ₹35,10,00,000/- (Indian Rupees Thirty Five Crores Ten Lakhs Only) ("Total Warrant Issue Size") to certain members of the promoter group of the Company ("Warrant Holder(s)") in accordance with the provisions of Section 42 and Section 62(1)(c) of the Act read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Listing Regulations and such other acts / rules / regulations as may be applicable. The said preferential issue was also approved by the shareholders of the Company at their Extra-Ordinary General Meeting held on 04 July 2022, and in-principle approvals were received from the BSE Limited vide its letter No. LOD/PREF/MJ/FIP/2371/2022-23 dated 28 June 2022 and National Stock Exchange of India Limited vide its letter No. NSE/LIST/31385 dated 28 June 2022. The details of the issue are as under:

Issue size	Preferential Issue of upto 27,00,000 warrants at an Issue price of ₹ 130/- each aggregating to ₹ 35,10,00,000/-
Conversion	Each warrant convertible into one fully paid up equity share of ₹ 5 each
Payment terms	57.69% (₹ 75/- per warrant) to be called upfront; and balance 42.31% (₹ 55/- per warrant) on exercising the conversion option within 18 months from the date of allotment.

The said Warrants were Allotted to the Warrant Holders as listed below by the Board of Directors in their meeting held on 19 July 2022.

Sr. No.	Name of the Warrant Allottees	Number of Warrants allotted
1.	Ashish Rasesh Kanakia	6,75,000
2.	Niyati Rasesh Kanakia	6,75,000
3.	Vrutant Himanshu Kanakia	6,75,000
4.	Vrusti Benefit Trust	6,75,000
Total		**27,00,000**

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

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

11. PUBLIC DEPOSIT:

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

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

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

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

13.1 Directors:

Your Company has Six (6) Directors consisting of Whole Time Director, Managing Director, Executive Director and Three (3) Independent Directors as on 31 March 2023.

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

During the financial year 2022-23, there is no change in the Board of Directors of the Company.

13.2 Key Managerial Personnel:

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

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

14. DECLARATION GIVEN BY INDEPENDENT DIRECTOR:

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

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on 07 February 2023 inter alia, to

a) review the performance of the Non-Independent Directors and the Board of Directors as a whole;

b) review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors

c) assess the quality, content and timeliness of the flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

15. MEETINGS:

During the year, the Board met 7 (Seven) times. The details of which are given in the Corporate Governance Report which forms part of Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

16. COMPLIANCE WITH SECRETARIAL STANDARDS:

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

17. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

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

a) In the preparation of the annual accounts for the year ended 31 March 2023, the applicable accounting standards have been followed.

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year.

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.

e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

18. COMMITTEES OF THE BOARD:

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

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Securities Allotment Committee

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

19. AUDIT COMMITTEE:

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

20. PERFORMANCE EVALUATION OF THE BOARD:

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

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

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

21. FAMILIARIZATION PROGRAMME:

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

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

22. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company has an Internal Control system, commensurate with the size, scale and complexity of its operations. The Internal and operational audit is entrusted to M/s Deloitte Haskins & Sells, a reputed firm of Chartered Accountants. Internal controls were reviewed by designated firm and based on their evaluation, it was concluded that the Company's internal controls are adequate and were operating effectively as of 31 March 2023. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

DIRECTOR'S REPORT (Contd.)

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee of the Board of Directors, Statutory Auditors and the Senior Management are periodically apprised of the internal audit findings and corrective actions taken. Audit provides a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

23. STOCK OPTIONS:

Your Company does not have any stock options scheme.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

25. RELATED PARTY TRANSACTIONS:

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

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

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. During the year, the Company had not entered into any new contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on a materiality of related party transactions. Thus, disclosure in form AOC-2 is not required.

26. POLICY ON DIRECTOR APPOINTMENT AND REMUNERATION:

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

27. WHISTLE BLOWER POLICY:

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

28. RISK MANAGEMENT:

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

29. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

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

DIRECTOR'S REPORT (Contd.)

30. MANAGEMENT DISCUSSION AND ANALYSIS:

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

31. CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of the Corporate Governance. The detailed report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part as **Annexure -B** to this report. A Certificate from the Practising Company Secretary confirming compliance of the conditions of Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure-C** to this report.

32. AUDITORS:

32.1 Statutory Auditors

Statutory Auditors of your Company, **M/s KKC & Associates LLP, Chartered Accountants (Firm Registration No. 105146W)**, retire at the ensuing Annual General Meeting and complete their term of 5 consecutive years as provided under Section 139 of the Companies Act, 2013. The Board of Directors evaluated various Audit firms and recommends re-appointment of **M/s. KKC & Associates LLP, Chartered Accountants (Firm Registration No. 105146W)** as Statutory Auditors to audit the accounts of the company for the second consecutive term of five consecutive years, commencing from the conclusion of this 21st Annual General Meeting till the conclusion of the 26th Annual General Meeting to be held in the year 2028. Company has received a certificate to the effect that their appointment, if made, would be within limits prescribed under the provisions of Companies Act 2013. The approval of the Members is being sought for appointment of M/s. KKC & Associates LLP, Chartered Accountants as Statutory Auditors of the Company for a period of 5 years commencing from conclusion of ensuing 21st Annual General Meeting until the conclusion of 26th Annual General Meeting to be held in the year 2028.

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

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

32.2 Secretarial Audit

Pursuant to Section 204 of the Companies Act 2013, your Company had appointed Mr. Dharmesh Zaveri, a Company Secretary in Whole-time Practice having Certificate of Practice No. 4363 and Membership No. 5418 as its Secretarial Auditor to conduct the secretarial audit of the Company for the Financial Year 2022-23. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Secretarial Audit Report is included as **Annexure 4** and forms an integral part of this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

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

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

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors on the Financial Statements of the Company, in their report for the financial year ended 31 March 2023.

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

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

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

35. SEXUAL HARASSMENT DISCLOSURE:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints

Committee has been set up to redress complaints received regarding sexual harassment. During the year no complaints of sexual harassment were received by the Company and hence there are no Complaints pending as on 31 March 2023.

36. HUMAN CAPITAL AND PARTICULARS OF EMPLOYEES:

Your Company had 269 (including Directors) employees as of 31 March 2023. The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read along with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as no employees were in receipt of remuneration above the limits specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure 5** and forms part of this Report.

37. CODE OF CONDUCT:

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

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

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

38. PREVENTION OF INSIDER TRADING:

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

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

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

39. APPLICABILTIY OF COST RECORDS:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the activity of your Company falls under Non-regulated sectors and hence, maintenance of cost record is not applicable to the Company for the Financial Year 2022-23.

40. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. During the year there was no need for transfer of any shares and dividends to IEPF by the Company. Year-wise amounts of unpaid / unclaimed dividends lying in the unpaid account upto the year and the corresponding shares, which are liable to be transferred are available on our website, at www. moviemax.co.in. The Company intimates concerned shareholders and issues public notice in respect of shares to be transferred to IEPF in the newspaper, on timely basis.

41. OTHER INFORMATION / DISCLOSURES:

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

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

In accordance with section 134(3)(a) and section 92(3) of the Act, an annual return as at 31 March 2023 in Form MGT-7 is posted in section of investors, corporate governance on the Company's website or link www.moviemax.co.in.

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

42. APPRECIATION:

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

43. ACKNOWLEDGEMENTS:

Your Board takes this opportunity to thank our, clients, business partners, shareholders and bankers for the faith reposed in the Company and also thank the Government of India, various regulatory authorities and agencies for their support and looks forward to their continued encouragement. Your Directors are deeply touched by the efforts, sincerity and loyalty displayed by the employees without whom the growth was unattainable. Your Directors wish to thank the investors and shareholders for placing immense faith in them and the plans designed for growth of your Company. Your Directors seek and look forward to the same support in future and hope that they can continue to satisfy you in the years to come.

For and on behalf of the Board of Directors

Date : 09 August 2023
Place : Mumbai

Rasesh Kanakia
Chairman

ANNEXURE 1 to Board's Report

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiary

Sr. No.	Particulars	Amount ₹ in lakhs	Amount ₹ in lakhs	Amount ₹ in lakhs	Amount ₹ in lakhs
1	Name of the subsidiary	Transquare Realty Private Limited	R&H Spaces Private Limited	Cineline Realty Private Limited	Cineline Industries Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period same as Holding Company	Reporting period same as Holding Company	Reporting period same as Holding Company	Reporting period same as Holding Company
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4	Share capital	1.00	2.46	1.00	1.00
5	Reserves & surplus	(3.91)	2,376.32	(0.83)	(1.23)
6	Total assets	1.41	16,506.39	0.85	0.13
7	Total Liabilities	4.32	14,127.61	0.68	0.36
8	Investments	-	-	-	-
9	Turnover	-	5,521.22	-	-
10	Profit before taxation	(20.50)	(701.21)	(0.51)	(0.73)
11	Provision for taxation	-	(170.82)	-	-
12	Profit after taxation	(20.50)	(530.39)	(0.51)	(0.73)
13	Proposed Dividend	-	-	-	-
14	% of shareholding	100%	100%	100%	100%

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

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

For and on behalf of the Board of Directors

Date : 09 August 2023
Place : Mumbai

Rasesh Kanakia
Chairman

ANNEXURE 2 to Board's Report

POLICY ON DIRECTORS NOMINATION AND REMUNERATION

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

I. PREAMBLE:

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

II. OBJECTIVE:

The objective of the Policy is to ensure that:

(i) To lay down criteria and terms and conditions with regards to the identification of persons who are qualified to become Directors (executive, non-executive and independent) including their qualifications, positive attributes and independence and who may be appointed as the Senior Management of the Company.

(ii) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.

(iii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iv) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

III. COMPLIANCE WITH APPLICABLE LAWS:

The procedure and limits for payment of remuneration under this policy shall be in accordance with provisions of (a) the Companies Act, 2013 read with Rules framed thereunder, (b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges, (c) Articles of Association of the Company and (d) any other applicable law or regulations. In the absence of any of the above provisions, the procedure and limits shall be governed by the prevailing HR Policy of the Company.

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

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

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

I. QUALIFICATIONS:

(a) He/ She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

(b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed there under and the Listing Agreement with Stock Exchanges.

II. POSITIVE ATTRIBUTES:

(a) He/ She should be a person of integrity, with high ethical standard.

(b) He/ She should be able to commit to his/her responsibilities and devote sufficient time and attention to his/her professional obligation as a director.

(c) He/ She should be having courtesy, humility and positive thinking.

(d) He/ She should be knowledgeable and diligent in updating his/her knowledge.

(e) He/ She should have skills, experience and expertise by which the Company can benefit.

(f) In respect of Executive/Whole time Director/ Managing Director, in addition to I (a) & (b) and II (a) to (e) above, he/she should have strong

ANNEXURE 2 to Board's Report (Contd.)

quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organisation even in adverse conditions, innovative thinking, result oriented and ability to enhance reputation of the organisation.

III. INDEPENDENCE:

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

IV. REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

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

a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) **Remuneration to Non- Executive / Independent Directors:**

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

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

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

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

3) **Remuneration to Key Managerial Personnel and Senior Management:**

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.

c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

4) **Premium on Insurance Policy:**

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

ANNEXURE 2 to Board's Report (Contd.)

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

VI. POLICY IMPLEMENTATION

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

VII. REVIEW OF THE POLICY

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

For and on behalf of the Board of Directors

Date : 09 August 2023
Place : Mumbai

Rasesh Kanakia
Chairman

ANNEXURE 3 to Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
For The Financial Year Ended on 31 March 2023
(Pursuant to section 135 of the Companies Act, 2013 and Rule No. 9 of the Companies (Accounts) Rules, 2014)

1. Brief outline on CSR Policy of the Company:

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

2. The Composition of the CSR Committee

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

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

- Composition of CSR Committee : https://www.moviemax.co.in/corporate-governance-and-policies
- CSR Policy: https://www.moviemax.co.in/corporate-governance-and-policies
- CSR projects approved by the board: https://www.moviemax.co.in/corporate-governance-and-policies

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: N.A

5. (a) Average net profit of the company as per section 135(5) : ₹ 377.84/- Lakhs

(b) Two percent of average net profit of the company as per section 135(5) : ₹ 7.56/- Lakhs.

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: N.A

(d) Amount required to be set off for the financial year, if any: ₹ 5.41/- Lakhs.

(e) Total CSR obligation for the financial year (5b+5c-5d) : ₹ 2.15/- Lakhs.

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Spent- ₹ 12.50/- Lakhs

- Details of CSR amount spent against ongoing projects for the financial year: Nil
- Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sr No.	Name of the Project	Item from the list of activities in Schedule VII	Local area (Yes/ No)	Location of the project		Amount spent for the project	Mode of Implementation- Through Implementing Agency		
				State	District		Mode of Implementation - Direct (Yes/No)	Name	CSR Registration number
1	Promoting Education	Promoting Education	Yes	Maharastra	Mumbai	₹ 12.50 Lakhs	No.	Yuvak Prerna Foundation	135347
						₹ 12.50 Lakhs			

(b) Amount spent in Administrative Overheads - NIL

(c) Amount spent on Impact Assessment, if applicable - N. A.

(d) Total amount spent for the Financial Year - ₹ 12.50 Lakhs

ANNEXURE 3 to Board's Report (Contd.)

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
12.50	-	-	-	-	-

(f) Excess amount for set-off, if any

Sr. No.	Particulars	(₹ in Lakhs)
i.	Two percent of average net profit of the company as per Section 135(5)	7.56
ii.	Total CSR obligation for the FY 2022-23	*2.15
iii.	Total amount spent for the FY 2022-23	12.50
iv.	Excess amount spent for the financial year [(iii)-(ii)]	10.35
v.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
vi.	Amount available for set-off in succeeding financial years [(iv)-(v)]	10.35

*This excludes an aggregate amount of ₹ 5.41 Lakhs being the amount set off in FY 2022-23 from the excess spends of FY 2021-22.

7. Details of Unspent CSR amount for the preceding three financial years: N. A

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year - Yes ☐ No ■ .

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N. A

Anand Bathiya
Chairman- CSR Committee
(DIN: 0001643)

Rasesh Kanakia
Member- CSR Committee
(DIN: 00015857)

Date: 09 August 2023
Place: Mumbai

ANNEXURE 4 to Board's Report

Secretarial Audit Report

Form No. MR-3

For the Financial year ended 31 March 2023

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

To,
The Members,
Cineline India Limited

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

Based on my verification of the Cineline India Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31 March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings as may be applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('The SEBI'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not relevant / applicable during the year under review)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not relevant / applicable, since there is no delisting of equity shares during the year under review)**

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not relevant / applicable, since there is no buyback of securities during the year under review)**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Since the Company is in service industry there are no laws that are specifically applicable to the Company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

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

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

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

ANNEXURE 4 to Board's Report (Contd.)

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

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

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

I further report that during the period under review:

1. Pursuant to special resolutions passed at the Extra-Ordinary General Meeting held on 04 July 2022, the consent of the members of the Company was obtained for the following;

   i) Issue of upto 27,00,000 (Twenty Seven Lakhs) warrants each convertible into, or exchangeable for, one equity share of the Company within the period of 18 (eighteen) months.

   ii) Approval for sale of property of the Company viz. Eternity Mall located at Nagpur.

2. Securities Allotment Committee in its meeting held on 9 May 2022 allotted 14,68,532 (Fourteen lakhs Sixty-Eight Thousand Five Hundred and Thirty-Two Only) Equity shares of face value of Re. 5/- (Rupees Five Only) each, fully paid up pursuant to exercise of the option attached to the Warrants by the Warrant holders and upon receipt of the notice for exercise along with the balance 75% of the issue price i.e. ₹ 53.62/- (Rupees Fifty Three and Sixty Two Paise Only) per Warrant aggregating to ₹ 7,87,42,685.84/- (Rupees Seven Crores Eighty-Seven Lakhs Forty-Two Thousand Six Hundred and Eighty-Five Only) on preferential issue basis and said shares shall rank pari-pasu with the existing Equity Shares of the Company in all respects. The NSE vide its letter dated 23 May 2022 and BSE vide its letter dated 26 May 2022 granted listing permission for the aforesaid equity shares and NSE/ BSE has further granted trading approval on 6 June 2022.

3. The Board of Directors of the Company in their meeting held on 10 November 2022, inter-alia approved following:

   i) Conversion of 8960 fully Paid-up Compulsory Convertible Debentures ("CCD") of face value of ₹ 1,00,000 each issued by the wholly-owned subsidiary Company i.e. Transquare Realty Private Limited in terms of Compulsory Convertible Debentures Subscription Agreement dated 12 January 2021 into 8960 fully Paid-up, Optionally Convertible Debentures ("OCD") to be issued by Transquare Realty Private Limited.

   ii) Acquisition of 100% equity shares of R&H Spaces Private Limited, a step down material unlisted subsidiary of the Company from Transquare Realty Private Limited, a wholly-owned subsidiary of the Company for total consideration up to ₹ 89,25,00,000/- (Rupees Eighty-Nine Crores Twenty-Five Lakhs Only).

   iii) Conversion of Inter Corporate Deposit ("ICD") amounting to 1,30,21,57,500/- (Indian Rupees One Hundred Thirty Crores Twenty One Lakhs Fifty Seven Thousand Five Hundred Only) granted by R&H Spaces Private Limited, a step down material unlisted subsidiary of the Company into 14,590 equity shares of face value of Rs.10/- each, fully paid up at a premium of ₹ 89,240/- per equity share to be issued by R&H Spaces Private Limited to the Company.

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

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

Place: Mumbai
Date: 9 August 2023

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

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

Annexure A

To,
The Members,
Cineline India Limited

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

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

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

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

Place: Mumbai
Date: 9 August 2023

ANNEXURE 5

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

1. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31 March, 2023:

Sr. No.	Director	Remuneration (₹ In Lakhs)	Median Remuneration (₹ In lacs)	Ratio
1	Mr. Rasesh Kanakia, Chairman	13.60	8.09	1.68
2	Mr. Himanshu Kanakia, Managing Director	13.60	8.09	1.68
3	Mrs. Hiral Kanakia, Whole-time Director	12.76	8.09	1.58
4	Mr. Shantilal Haria, Independent Director	Nil	Nil	Nil
5	Mr. Naushad Panjwani, Independent Director	Nil	Nil	Nil
6	Mr. Anand Bathiya, Independent Director	Nil	Nil	Nil

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

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

Sr. No.	Director	% increase
1	*Mr. Rasesh Kanakia	44.84%
2	*Mr. Himanshu Kanakia	44.84%
3	*Mrs. Hiral Kanakia	44.84%
4	Mr. Anand Bathiya	NA
5	Mr. Naushad Panjwani	NA
6	Mr. Shantilal Haria	NA

*There is no increase in salary but restoration to pre-covid levels. Directors were taking only 70% salary in FY 2022.

Sr. No.	Company Secretary & CFO	% increase
1	Mrs. Rashmi Shah, Company Secretary	0%
2	Mr. Vipul Parekh, CFO	1.03%

3. Percentage increase in median remuneration of employees in the financial year: 69.33 %
4. The number of permanent employees on the rolls of the company as on 31 March, 2023: 269 (including directors)
5. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

   Average percentage increase made in the salaries of employees other than managerial personnel in the last financial year i.e. 2022-23 was 6.01% whereas there is 44.84% change in the remuneration of executive directors and 50.00% change in the managerial remuneration of one KMP for the same financial year.
6. The key parameters for any variable component of remuneration availed by the directors:

   Please refer to the remuneration policy given as Annexure 2 to the Directors' Report.
7. It is affirmed that the remuneration paid is as per the remuneration policy of the company.

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31 March 2023, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Regulations and Disclosure Requirements), 2015 ("Listing Regulation").

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

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

Our corporate governance philosophy is based on the following principles:

1. Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
2. Be transparent and maintain a high degree of disclosure levels.
3. Communicate externally, in a truthful manner, about how the Company is run internally.
4. Have a simple and transparent corporate structure driven solely by business needs.

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

II. BOARD OF DIRECTORS

Composition and category of Directors as on 31 March 2023:

The Board of Directors of your Company comprises of Six (6) Directors as on 31 March 2023 representing the optimum combination of professionalism, knowledge and experience. Out of these six members, three of them are non-independent executive Directors out of which one is a woman director and are forming part of the promoter group of the Company and other three are independent non-executive directors.

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

CORPORATE GOVERNANCE (Contd.)

Directorship / Committee Membership as on 31 March 2023 (including CINELINE):

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

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

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

Matrix of expertise and skill of Directors

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

Sr. No.	Name of Director	Designation	Qualification	Skills/expertise/competence/experience
1	Mr. Rasesh Kanakia	Executive Chairman	Owner President Management Programme from Harvard University	Management & Strategy, Global Business Leadership, Finance, Investment & Treasury, Regulatory and Government matters and CSR matters.
2	Mr. Himanshu Kanakia	Executive Managing Director	Engineer	Management & Strategy, Global Business Leadership, Engineering, Operations Finance, Investment & Treasury, Regulatory and Government matters and CSR matters.
3	Mrs. Hiral Kanakia	Executive, Whole-time Director	Bachelor in Arts	Human Resource and Administration.
4	Mr. Anand Bathiya	Independent Director	Bachelor of Commerce, Company Secretary and Chartered Accountant	Management & Strategy, Finance & Taxation, Banking & Treasury, Financial Services, Audit & Risk Management, Business Advisory, Company Law, Regulatory matters, Corporate Governance and Ethics.
5	Mr. Naushad Panjwani	Independent Director	Bachelor of Commerce and Chartered Accountant	Management & Strategy, Finance & Taxation, Banking & Treasury, Financial Services, Audit & Risk Management, Business Advisory, Regulatory matters and Ethics.
6	Mr. Shantilal Haria	Independent Director	Bachelor of Commerce, Company Secretary and Chartered Accountant	Management & Strategy, Finance & Taxation, Banking & Treasury, Financial Services, Audit & Risk Management, Business Advisory, Company Law, Regulatory matters, Corporate Governance and Ethics.

CORPORATE GOVERNANCE (Contd.)

Independent Directors:

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

Personal Shareholding of Non- Executive Directors, in the Company as on 31 March 2023 is as follows:

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

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

Board Meetings

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

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

In the financial year 2022-23, the Board met Seven times. The meetings were held on 27 May 2022, 07 June 2022, 19 July 2022, 20 July 2022, 10 August 2022, 10 November 2022, and 07 February 2023. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulation.

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

Sr. No.	Name of Director	No. of Board meetings held	No. of Board meetings attended	Attendance at AGM held on 22 September 2022
1	Mr. Rasesh Kanakia	7	7	Present
2	Mr. Himanshu Kanakia	7	7	Present
3	Mrs. Hiral Kanakia	7	7	Present
4	Mr. Anand Bathiya	7	7	Present
5	Mr. Naushad Panjwani	7	7	Present
6	Mr. Shantilal Haria	7	6	Absent

Information given to the Board:

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

Post Meeting Mechanism:

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

Board Support:

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

Familiarization Program for Directors:

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

CORPORATE GOVERNANCE (Contd.)

Disclosure of relationship between Directors inter-se:

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

III. COMMITTEES OF THE BOARD

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and need a closer review. The Board Committees are formed with approval of the Board and functions under their respective Charters. These Board Committees play an important role in overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals, takes necessary steps to perform its duties entrusted by the Board. To ensure good governance, the Minutes of the Committee Meetings are placed before the Board for their noting.

The Board has currently the following Committees:

(A) AUDIT COMMITTEE

Composition:

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

The Audit Committee as on 31 March 2023 comprised of four (4) members namely, Mr. Anand Bathiya - Chairman, Mr. Naushad Panjwani, Mr. Shantilal Haria and Mr. Rasesh Kanakia of which first three are independent directors. The Managing Director, the Chief Financial Officer, Statutory Auditors and Internal Auditors are invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary of the Audit Committee.

Objective:

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

Meetings and Attendance:

The Audit Committee met Four (4) times during the Financial Year 2022-23. The maximum gap between two meetings was not more than 120 days. The Committee met on 27 May 2022, 10 August 2022, 10 November 2022 and 07 February 2023. The necessary quorum was present for all meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company. The table below provides the attendance of the Audit Committee:

Attendance of each Member at the Audit Committee Meetings:

Name of Committee Member	Designation	No. of Meeting Held	No. of Meeting Attended
Mr. Anand Bathiya	Chairman, Independent Director	4	4
Mr. Rasesh Kanakia	Member, Executive Director	4	4
Mr. Naushad Panjwani	Member, Independent Director	4	4
Mr. Shantilal Haria	Member, Independent Director	4	3

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

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

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

CORPORATE GOVERNANCE (Contd.)

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the auditors and the fixation of the audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   a) Matters required being included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
   b) Changes, if any, in accounting policies and practices and reasons for the same.
   c) Major accounting entries involving estimates based on the exercise of judgment by management.
   d) Significant adjustments made in the financial statements arising out of audit findings.
   e) Compliance with listing and other legal requirements relating to financial statements.
   f) Disclosure of any related party transactions.
   g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors on any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
20. Reviewing the utilization of loans/ advances/ investment in the subsidiary > Rs. 100 Crore / 10% of the asset size of the subsidiary;
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders and
22. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

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

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

(B) NOMINATION AND REMUNERATION COMMITTEE

Composition:

The Nomination and Remuneration Committee as on 31 March 2023 comprised of three (3) Directors. Mr. Anand Bathiya, Non-Executive, Independent Director, is the Chairman of the Committee. The other member of the Nomination and Remuneration Committee includes Mr. Naushad Panjwani and Mr. Shantilal Haria. The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulation.

Meeting and Attendance:

The Nomination and Remuneration Committee met One (1) time during the Financial Year 2022-23. The Committee met on 07 February 2023.

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

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

Terms of Reference:

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

a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

b) formulation of criteria for evaluation of performance of independent directors and the board of directors;

CORPORATE GOVERNANCE (Contd.)

c) devising a policy on diversity of board of directors;

d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.

e) whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors.

Performance evaluation criteria for Independent Directors:

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

The Non-Executive Directors of the Company comprises of Independent Directors and are paid sitting fees for the time devoted to the Company.

Apart from the sitting fees, there is no other material pecuniary relationship or transactions by the Company with the Directors. The performance criteria for payment of remuneration are stated in the Remuneration Policy as specified in **Annexure 2** to the Director's Report.

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

(C) REMUNERATION OF DIRECTORS

In accordance with the provision of section 178(3) of the Act, the Nomination and Remuneration Committee recommended the remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees which was approved and adopted by the Board and the same is annexed as **Annexure 2** to the Director's Report.

Criteria of making payments to non-executive directors are disclosed in **Annexure 2** to the Director's Report and also available on the web link www.moviemax.co.in

Details of Remuneration to Directors during the financial year 2022-23:

Name of the Director	Sitting Fees for Board & Committees Meeting (Amount in ₹)	Salary & Perquisites (including PF, etc.) \ (Amount in ₹)
Mr. Rasesh Kanakia	N.A.	13,60,000
Mr. Himanshu Kanakia	N.A.	13,60,000
Mrs. Hiral Kanakia	N.A.	12,76,000
Non-Executive Director		
Mr. Anand Bathiya, Independent Director	1,80,000	N.A.
Mr. Naushad Panjwani, Independent Director	1,55,000	N.A.
Mr. Shantilal Haria, Independent Director	1,35,000	N.A.

The Non-Executive Directors are paid remuneration in accordance with the prevalent practice in the industry and commensurate with their experience, time devoted to the Company and also taking into account profits of the Company and is specified in detail in **Annexure 5** to the Director's Report.

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

(D) STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulation, as on 31 March 2023 the Stakeholder Relationship Committee comprised of three Directors. Mr. Anand Bathiya, Non-Executive, Independent Director is the Chairman of this Committee. The other members of the stakeholders Relationship Committee includes Mr. Rasesh Kanakia and Mr. Himanshu Kanakia.

Meeting and Attendance:

The Stakeholders' Relationship Committee met two (2) times during the Financial Year 2022-23. The Committee met on 27 May 2022 and 10 November 2022.

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

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

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

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

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

a) transfer/transmission of shares as may be issued by the Company from time to time;

b) issue of duplicate share certificates for shares and other securities reported lost, defaced or destroyed, as per the laid down procedure;

c) monitoring expeditious redressal of investors / stakeholders grievances;

d) to oversee the performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services;

e) to issue and allot debentures, bonds and other securities subject to such approvals as may be required;

f) to monitor dematerialisation / rematerialisation of shares and all matters incidental or related thereto;

g) to authorise the Company Secretary and Head Compliance / other Officers of the Share Department to attend the matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;

h) to perform any other function, duty as stipulated by the Companies Act, Securities & Exchange Board of India, Stock Exchanges and any other regulatory authority or under any applicable laws, as amended from time to time.

Mrs. Rashmi Shah, Company Secretary of the Company is the Compliance Officer of the Company and also acts as Secretary to the Committee. The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Link Intime India Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. Their addresses of correspondences are specified on the website of the Company at the weblink https://www.moviemax.co.in/investor-assistance.

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

Details of Shareholder's Complaints:

The total numbers of complaints received and replied to the shareholders during the year ended 31 March 2023 was nil, as per details given below. There were no complaints outstanding as on 31 March 2023.

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

(E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee as on 31 March 2023 comprised of three (3) Directors.

CORPORATE GOVERNANCE (Contd.)

Mr. Anand Bathiya, Non-Executive, Independent Director is the Chairman of the Committee. The other members of the CSR Committee include Mr. Rasesh Kanakia and Mr. Himanshu Kanakia. The Company has formulated CSR Policy which is uploaded on the website of the Company.

Terms of Reference:

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

a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;

c. To monitor the CSR policy of the Company from time to time;

d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The CSR Committee meeting was held on 27 May 2022 during the Financial Year 2022-23. All members of the Committee were present at the meeting.

(F) INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on 07 February 2023 inter alia, to discuss;

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

The necessary quorum was present at the meeting.

(G) SECURITIES ALLOTMENT COMMITTEE:

Pursuant to the members' approval in the Extra-Ordinary General Meeting held on 04 July, 2022 a Securities Allotment Committee of the Board of Directors was constituted on 19 July, 2022 for issue and allotment of equal equity shares against 27,00,000 warrants issued to the warrant holders.

The Securities Allotment Committee consists of 4 members:

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

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

III. GENERAL BODY MEETING:

ANNUAL GENERAL MEETING

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

Year	Venue/Location	Day, Date and Time	Special resolutions passed
2022	Video Conferencing	Thursday, 22 September 2022	1. To approve the extension of the tenure of the loan given to the related party under Section 185 of Companies Act, 2013. 2. To approve material related party transaction
2021	Video Conferencing	Friday, 03 September 2021 at 11:00 A.M.	1. Issue of upto 14,68,532 (Fourteen Lakhs Sixty Eight Thousand Five Hundred and Thirty Two) warrants each convertible into or exchangeable for, one equity share of the Company within the period of 18 (Eighteen months) in accordance with the applicable law to the members of the promoter group of the Company on preferential basis. 2. Issue of upto 20,97,902 (Twenty Lakhs Ninety Seven Thousand Nine Hundred and Two) Equity Shares of the Company to an entity on preferential basis.
2020	Video Conferencing	Tuesday, 22 December 2020 at 11:45 A.M.	1. Re-appointment of Mr. Rasesh Kanakia (DIN: 00015857) as Executive Chairman of the Company 2. Re-appointment of Mr. Himanshu Kanakia (DIN: 00015908) as Executive Managing Director of the Company. 3. To give loan, guarantees, provide securities and make investments in Wholly Owned Subsidiary. 4. Approval of loans, guarantee or security under section 185 of Companies act, 2013

Postal Ballot:

For the year ended 31 March 2023 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

IV. AFFIRMATIONS AND DISCLOSURES

1. Compliances with Governance Framework:

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

2. Related Party Transactions:

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

As required under Regulation 23(1) of the Listing Regulation and amendment thereon the Board approved and adopted revised Related Party Transaction Policy as per the Companies (Meetings of Board and its Power) Rules, 2014 and Securities Exchange Board of India (LODR) Regulations, 2015 as amended by SEBI (LODR) (Amendment)Regulations, 2018 with effect from 01 April 2019. The Policy is available on the website of the Company viz., https://www.moviemax.co.in/corporate-governance-and-policies.

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

3. Material Subsidiary Company :

During the year under review, the Company had a material subsidiary viz. R & H Spaces Private Limited, as per the Listing Regulations. The Board of Directors of the Company has approved a policy for determining material subsidiaries of the Company and the same is disclosed on the website of the Company under the web link: https://www.moviemax.co.in/corporate-governance-and-policies.

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

Further, R&H Spaces Private Limited was incorporated in Mumbai on 24 April 2008. M/s KKC & Associates LLP was appointed as the statutory auditor of the Company in the Annual General Meeting of the Company held on 12 July 2021.

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

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

5. Whistle Blower Policy/ Vigil Mechanism Policy:

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

6. Disclosure of Accounting Treatment:

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

7. **Mandatory/ Non-Mandatory requirements:**

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

8. **Code of Conduct:**

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

The Board of Directors and members of Senior Management team have affirmed compliance to the Code as on 31 March 2023. A declaration to this effect signed by the Chairman and Managing Director of the Company and is annexed separately to this report.

9. **Conflict of Interest:**

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

10. **Insider Trading Code:**

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

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

The Board has approved and adopted revised Code of Conduct for prohibition of Insider Trading and Code for fair Disclosure pursuant to the requirements of SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 with effect from 01 April 2019.

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

The MD and CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of the financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the financial year ended 31 March 2023.

12. **Details of Penalties:**

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

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

The Company had allotted 14,68,532 warrants each convertible or exchangeable for 1 fully paid-up equity share of the Company having face value ₹ 5/- each at a price of ₹ 71.50, out of the balance of ₹ 53.62/- which was received upon conversion to equity shares was the warrant exercise price aggregating to ₹ 7,87,42,686 raised by the Company, have been utilized in accordance with the objects for which funds have been raised. As of 31 March 2023, the funds have been fully utilized against this preferential allotment.

The Company had allotted 27,00,000 warrants each convertible or exchangeable for 1 fully paid-up equity share of the Company having face value ₹ 5/- each at a price of ₹ 130, out of which ₹ 75 was received upfront as warrant subscription price aggretating to ₹ 20,25,00,000 and the balance of ₹ 55/- will be received upon conversion to equity shares as the warrant exercise price aggregating to ₹ 14,85,00,000. The entire amount received as Warrant Subscription Price have been utilised in accordance with the objects for which funds have been raised.

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

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

Name of the entity	Particulars	Amount
Kanakia Spaces Realty Private Limited	Entities under common control	6,69,62,341/-
R&H Spaces Private Limited	Subsidiary Company	9,74,30,726/-
Transquare Realty Private Limited	Subsidiary Company	4,13,309/-
Cineline Industries Private Limited	Subsidiary Company	10,000/-
Cineline Realty Private Limited	Subsidiary Company	37,000/-

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

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

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

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

The details of total fees for all services paid by the Company and its wholly owned subsidiary, on a consolidated basis, to the Statutory Auditor for the FY 2022-23 given below. Neither Company nor its wholly owned subsidiary company has paid fees to network firm / network entity of the statutory auditor:-

Type of Services	Fees (in Rs)
Fees for Audit	₹ 11,00,000/-
Other professional fees	₹ 40,000/-

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

1. Number of complaints filed during the financial year 2022-23: Nil
2. Number of complaints disposed of during the financial year 2022-23: N.A.
3. Number of complaints pending as on end of the financial year 2022-23: N.A.

I. MEANS OF COMMUNICATION TO SHAREHOLDERS:

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

II. GENERAL SHAREHOLDERS INFORMATION

1. **Annual General Meeting for the Financial Year 2022-23:** 27 September 2023

CORPORATE GOVERNANCE (Contd.)

2. Tentative Calendar for Financial Year 2023-24:-

Sr. No.	The Financial year of the Company ends on every 31 March.	Tentative date
i)	Un-audited results for the quarter ended 30 June 2023	Second Week of August, 2023
ii)	Un-audited results for the quarter/half year ending 30 September 2023	Second Week of November 2023
iii)	Un-audited results for the quarter/nine months ending 31 December 2023	Second Week of February 2024
iv)	Audited results for the year ending 31 March 2024	Last week of May 2024

3. Listing in Stock Exchanges and stock codes:

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

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

The Company has paid Annual Listing Fees for all the above Stock Exchanges for the financial year 2022-23.

4. Depositories Information:

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

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

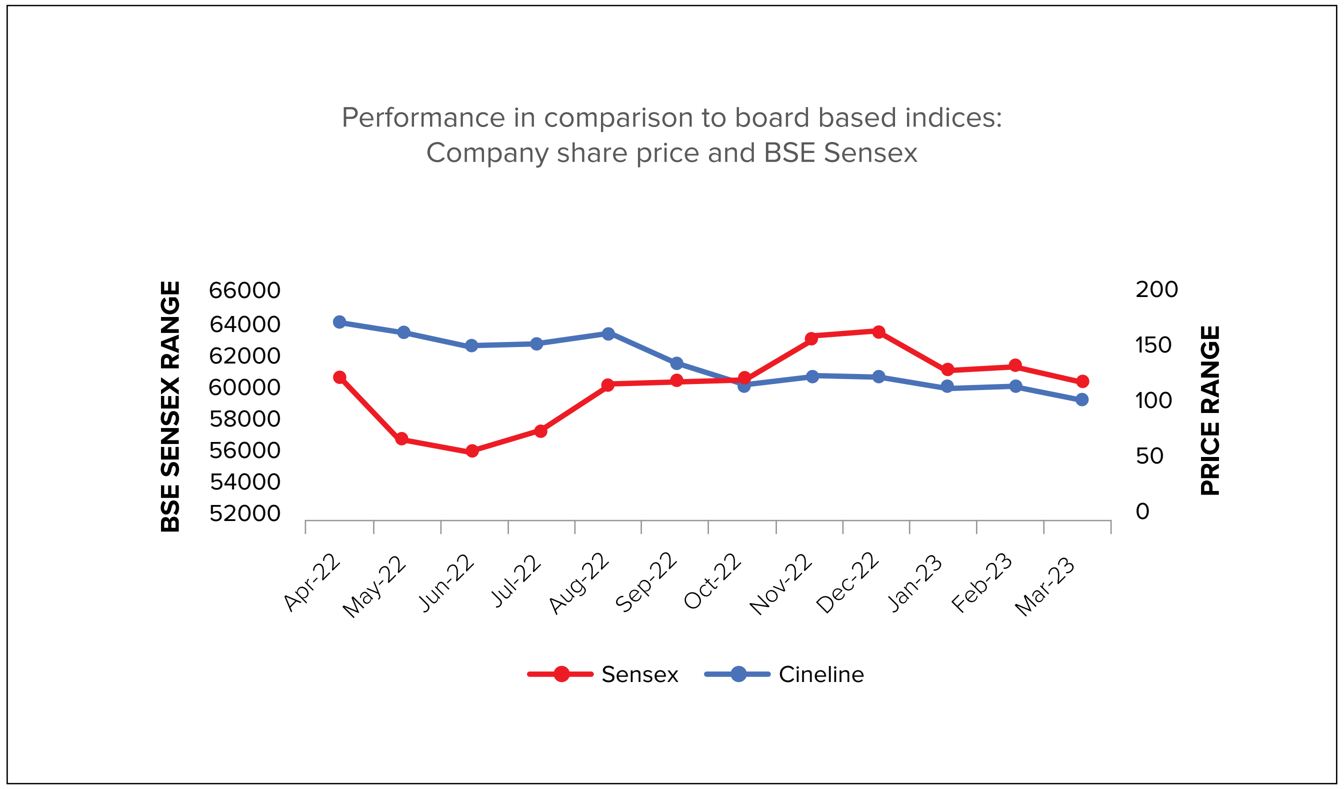
The Company has depository connectivity with NSDL and CDSL and has paid Annual Custody Fees for the financial year 2022-23.

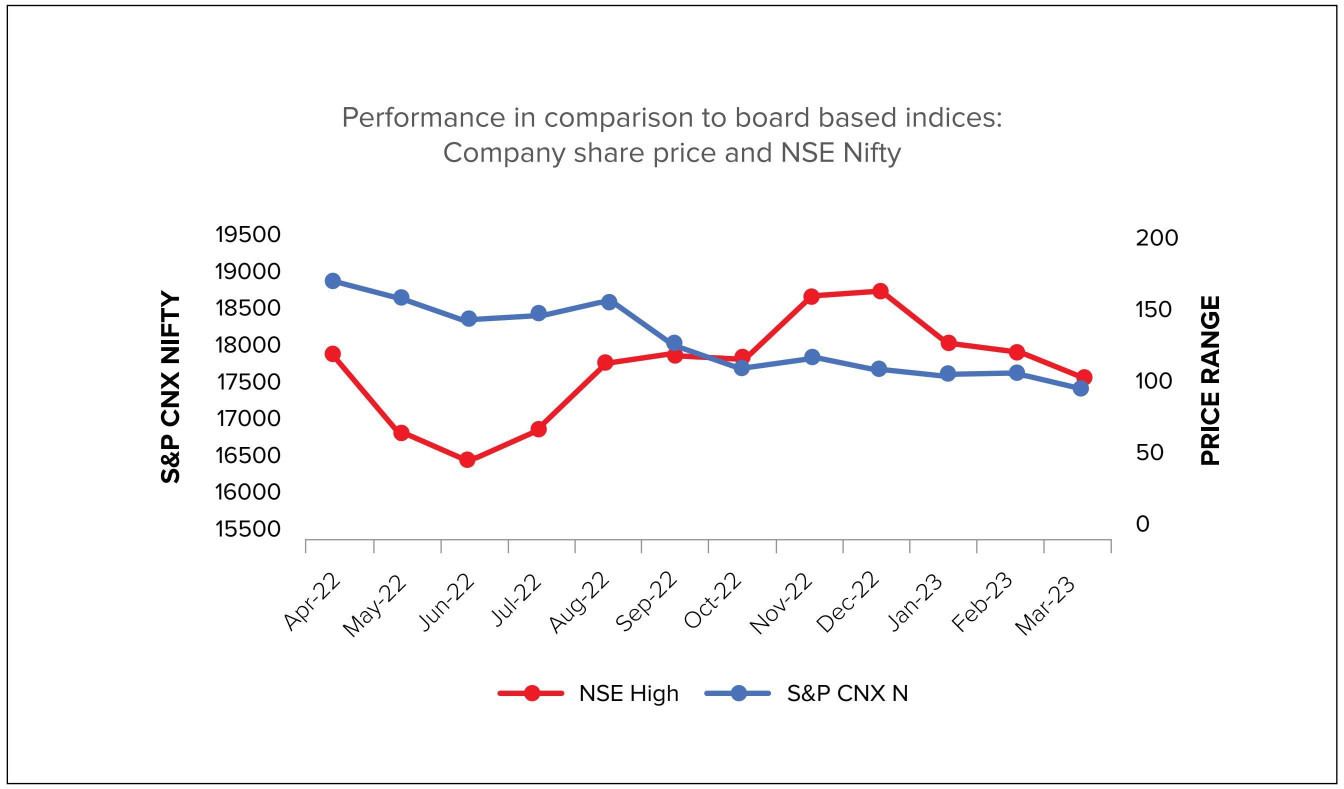
5. Share Price & Volume (Tables / Graphs):

Month	BSE				NSE			
	Month's high (in ₹)	Month's low (In ₹)	Total Turnover (₹ In Lakhs)	Sensex	Month's high (in ₹)	Month's low (In ₹)	Total Turnover (₹ In Lakhs)	Nifty
Apr-22	174.75	101.65	480.66	60,845.1	175	101.3	5,042.26	18,114.65
May-22	165.1	110.1	168.24	57,184.21	165.1	110.4	998.14	17,132.85
Jun-22	152.5	126.8	147.10	56,432.65	151.3	126.6	819.76	16,793.85
Jul-22	156	129	516.50	57,619.27	155	130	2,874.58	17,172.8
Aug-22	164.5	122.1	329.79	60,411.2	164	119.55	3,004.71	17,992.2
Sep-22	138	109.05	103.65	60,676.12	136.8	112.45	1111.51	18,096.15
Oct-22	120	100.5	45.91	60,786.7	121	100.2	570.5	18,022.8
Nov-22	127.9	100	111.76	63,303.01	128	101	1,765.75	18,816.05
Dec-22	126.9	102	140.40	63,583.07	119.9	101.25	1,886.83	18,887.6
Jan-23	117.8	102	60.72	61,343.96	117.5	104.2	915.15	18,251.95
Feb-23	117.9	101.1	60.94	61,682.25	118	101.25	943.09	18,134.75
Mar-23	106.95	91	90.30	60,498.48	108	91.1	881	17,799.95
		Total	**2,255.99**			**Total**	**20,813.28**	

CORPORATE GOVERNANCE (Contd.)

6. Stock Performance vis-à-vis Index (NSE & BSE) as on 31 March 2023





CORPORATE GOVERNANCE (Contd.)

7. **Shareholding Pattern as on 31 March 2023:**

Sr. No.	Category	Holders	%	No. of Shares	%
1	Corporate Bodies (Promoter Co)	2	0.01	280	0.0009
2	Clearing Members	12	0.07	5,718	0.0181
3	Other Bodies Corporate	102	0.57	33,07,284	10.4772
4	Hindu Undivided Family	649	3.63	4,44,991	1.4097
5	Non Resident Indians	129	0.72	1,18,693	0.376
6	Non Resident (Non Repatriable)	120	0.67	76,112	0.2411
7	Public	16,830	94.16	62,89,524	19.9247
8	Promoters	14	0.08	85,06,835	26.9489
9	Trusts	1	0.00	2,286	0.0072
10	Promoter- Trust	5	0.02	12,642,333	40.0499
11	Body Corporate - Ltd Liability Partnership	12	0.07	1,45,833	0.462
12	Foreign Portfolio Investors (Corporate)	1	0.00	7,056	0.0224
13	Investor Education And Protection Fund	1	0.00	19,489	0.0617
	Total :	**17,878**	**100**	**3,15,66,434**	**100**

8. **Distribution Schedule as of 31 March 2023:**

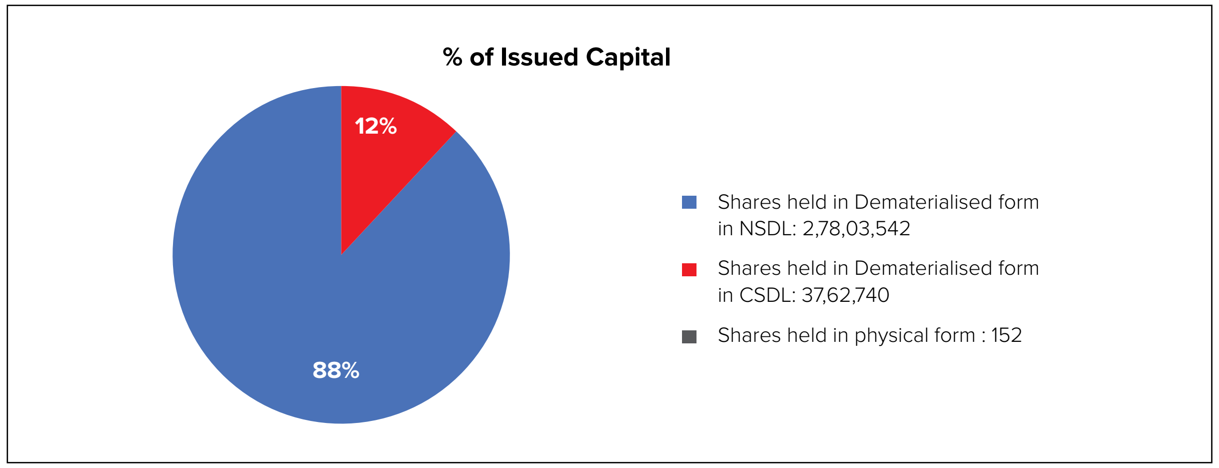
Distribution	No. of Shareholders	No of Shares	% of Shareholding
1 to 500	16,327	13,47,050	4.2673
501 to 1000	661	5,40,877	1.7135
1001 to 2000	354	5,41,488	1.7154
2001 to 3000	154	4,03,434	1.278
3001 to 4000	68	2,49,694	0.791
4001 to 5000	71	3,33,755	1.0573
5001 to 10000	101	7,88,297	2.4973
10001 to 99999999999	142	2,73,61,839	86.6802
Total	**17,878**	**3,15,66,434**	**100.00**

9. **Share Transfer System:**

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of 30 days from the date of receipt thereof provided all documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the System of transfer and a certificate to that effect is issued. On 31 March 2023, there were no unprocessed transfers pending.

10. **Dematerialisation of Shares and liquidity:**

99.99% of the Company's paid up Equity Share Capital is in dematerialised form as on 31 March 2023. The Company has entered into agreements with NSDL/CDSL whereby shareholders have an option to dematerialise their shares with either of the Depositories



CORPORATE GOVERNANCE (Contd.)

11. **Reconciliation of Share Capital Audit Report:**

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

12. **ECS Mandate:**

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

13. **Address of correspondence:**

Correspondence with the Company	Compliance Officer	Link Intime India Private Limited Registrar & Transfer Agent
Cineline India Limited 2nd floor, A & B Wing, VILCO Centre, Subhash Road, Opp Garware, Vile Parle (E), Mumbai-400057, India Phones: 91-22-35023666 / 35023777 Email: investor@cineline.co.in Website: www.moviemax.co.in	Mrs. Rashmi Shah Company Secretary Phones: 91-22-35023666 / 35023777 Email: investor@cineline.co.in	(Unit – Cineline India Limited) C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai-400 083 Ph : 022 – 4918 6000 Fax: 022 – 4918 6060 Email: mumbai@linkintime.co.in Website: www.linkintime.co.in

For and on behalf of the Board of Directors

Rasesh Kanakia
Chairman
(DIN: 00015857)

Place: Mumbai
Date: 09 August 2023

DECLARATION

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

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for the year ended 31 March 2023.

For and on behalf of the Board of Directors

Rasesh Kanakia
Chairman
(DIN: 00015857)

Himanshu Kanakia
Managing Director
(DIN: 00015908)

Place: Mumbai
Date: 09 August 2023

ANNEXURE 1 TO CORPORATE GOVERNANCE REPORT

MD- CFO CERTIFICATE

To,
The Board of Directors
Cineline India Limited

Subject: Certificate on financial statements for the financial year ended 31 March 2023 pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

We, Himanshu B. Kanakia, MD and Vipul Parekh, CFO, have reviewed the financial statements and the cash flow statement of the Company for the financial year ended 31 March 2023 and that to the best of our knowledge and belief, we hereby certify that:

(a) 1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies.

(d) We have indicated to the Auditors and Audit Committee that:

1. There are no significant changes in internal control over financial reporting during the year;
2. There are no significant changes in accounting policies during the year; and
3. There are no instances of significant fraud of which we are aware and which involve management or any employees, having significant role in the Company's internal control system over financial reporting.

Yours faithfully,

For Cineline India Limited

Himanshu B. Kanakia
MD

Vipul Parekh
CFO

Place: Mumbai
Date: 09 August 2023

ANNEXURE 2 TO CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of,

Cineline India Limited
2nd Floor, A & B wing, Vilco Centre,
Subhash Road Opp Garware, Vile Parle (E),
Mumbai - 400057

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Cineline India Limited** having CIN L92142MH2002PLC135964 and having registered office at 2nd Floor, A & B wing, Vilco Centre, Subhash Road Opp Garware, Vile Parle (E), Mumbai - 400057 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

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

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

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

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

Place: Mumbai
Date: 9 August 2023

ICSI UDIN: F005418E000730296

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
CINELINE INDIA LIMITED

I have examined the compliance of conditions of Corporate Governance by Cineline India Limited ('the Company'), for the Financial Year ended 31 March 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the year ended 31 March 2023.

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

Restriction on Use

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

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

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

Place: Mumbai
Date: 9 August 2023

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

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Cineline India Limited

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone Ind AS financial statements of Cineline India Limited ('the Company'), which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ('the Standalone Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matter

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

Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
6. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit and 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') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

11. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
    - 12.1. Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - 12.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
    - 12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
    - 12.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
    - 12.5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. As required by Section 143(3) of the Act, we report that:
    - 17.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    - 17.2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    - 17.3. The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account.
    - 17.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
    - 17.5. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
    - 17.6. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
    - 17.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
18. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - 18.1. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its Standalone Financial Statements – Refer Note 44 to the Standalone Financial Statements.
    - 18.2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - 18.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - 18.4. The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - 18.5. The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - 18.6. Based on such audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under para 18.4 and 18.5 contain any material misstatement.

18.7. In our opinion and according to the information and explanations given to us, the Company has not declared or paid dividend during the year. Hence, compliance with section 123 of the Act by the Company does not arise.

18.8. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), provides for the feature of recording of audit trail (edit log) facility in the accounting software used by the Company for maintenance of books of account, which is applicable to the Company from financial year beginning 01 April 2023. The reporting under clause (g) of Rule 11 of Companies (Audit and Auditors) Rules, 2014 would be done from financial year 2023-24 onwards.

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

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 23033494BGWSST1425

Place: Mumbai
Date: 30 May 2023

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Cineline India Limited for the year ended 31 March 2023

(Referred to in paragraph '15' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE") and Intangible assets; it is in process of updating certain quantitative and other records pertaining to PPE and Intangible assets.

The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner over a period of 3 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, PPE were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, the reconciliation of physical assets with register of assets is under process.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) In our opinion and according to the information and explanations given to us, the physical verification of inventories has been conducted at reasonable intervals by the management. As informed, no material discrepancies noticed on physical verification.

(b) In our opinion and according to the information and explanations given to us, the Company has not been sanctioned any working capital limits at any point of time during the year, from banks or financial institutions. Accordingly, paragraph 3(ii) (b) of the Order is not applicable to the Company.

iii. (a) In our opinion and according to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. During the year under report, the Company has granted unsecured loans or granted advances in nature of loans and the details are mentioned in the following table:

(in ₹ Lakhs)

Particulars	Loans
Aggregate amount granted / provided during the year	
Subsidiaries	1,433.47
Others	573.00
Balance outstanding as at balance sheet date in respect of above cases	
Subsidiaries	978.91
Others	669.62

(b) In our opinion and according to the information and explanations given to us, the Company has not made any investments or provided any guarantees or securities and in respect of loans or advances in nature of loans granted, the terms and conditions are not prejudicial to the Company's interest.

(c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular during the year.

(d) In our opinion and according to the information and explanations given to us, no amount is overdue in respect of loans and advances in the nature of loans.

(e) In our opinion and according to the information and explanations given to us, neither loans or advances in nature of loans have been renewed or extended nor any fresh loans have been granted to settle the overdue of existing loans.

(f) In our opinion and according to the information and explanations given to us, the Company has granted loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment.

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	₹ 2,006.74 Lakhs	-	₹ 2,006.74 Lakhs
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	₹ 2,006.74 Lakhs	-	₹ 2,006.74 Lakhs
Percentage of loans/ advances in nature of loans to the total loans	100%		100%

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act wherever applicable with respect to the loans given, investments made, guarantees given and security provided.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The Maintenance of Cost records has not been specified by the central government under sub-section (1) of section 148 of the companies act 2013. Paragraph 3(vi) of the order is not applicable to the Company.

vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been generally regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable except as given below:

Name of the Statute	Nature of the Dues	Amount (₹)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
Employees state insurance	Employees state insurance	₹ 1,438/-	April, July to September 2022	Various dates	29 May 2023	Paid subsequently

(b) We confirm that there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute.

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilised the money obtained by way of term loans outstanding at the beginning of the year for the purposes for which they were obtained.

(d) The Company has not raised any loans on short term basis and hence, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 42 and 62 of the Act in connection with the funds raised through preferential allotment of shares and the same have been utilised for the purposes for which they were raised. The Company has not issued / fully/partially/optionally convertible debentures during the year.

xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

(b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a CIC as defined in the regulations made by Reserve Bank of India.

(d) The Group has no CIC as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable.

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

xx. (a) According to information and explanations given to us and based on our examination of the records of the Company, the Company is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of section 135 of the Act.

(b) There are no ongoing projects towards Corporate Social Responsibility during the year. Accordingly, paragraph 3(xx)(b) of the Order is not applicable to the Company.

xxi. Reporting under paragraph 3(xxi) of the Order is not applicable at the standalone level of reporting.

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

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 23033494BGWSST1425

Place: Mumbai
Date: 30 May 2023

Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of Cineline India Limited for the year ended 31 March 2023

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

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

Opinion

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of Cineline India Limited ('the Company') as at 31 March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial control with reference to financial Statements. Based on selective verification of processes and policies, made available to us after the end of financial year under report, in our opinion and considering the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note, the operating effectiveness of such process controls and appropriate documentation thereof needs to be strengthened to make the same commensurate with the size of the Company and nature of its business.

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

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

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

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

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

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

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

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 23033494BGWSST1425

Place: Mumbai
Date: 30 May 2023

STANDALONE BALANCE SHEET

as at 31 March 2023

(in ₹ Lakhs)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4	8,149.35	8.96
(b) Capital work in progress	5	444.57	329.24
(c) Investment property	6	-	6,178.27
(d) Right to Use assets	4	11,305.71	101.28
(e) Intangible assets	7	97.97	-
(f) Financial assets			
(i) Investments	8	21,971.94	8,963.00
(ii) Loans		-	-
(ii) Other non-current financial assets	9	426.65	753.45
(g) Other non-current assets	10	82.94	74.01
(h) Non-current tax assets (net)	11	287.70	466.40
(i) Deferred tax assets (net)	12	214.77	-
Total non-current assets		**42,981.60**	**16,874.61**
Current assets			
(a) Inventories	13	184.16	-
(b) Financial Assets			
(i) Trade receivables	14	335.47	140.23
(ii) Cash and bank balances	15	2,429.03	2,520.01
(iii) Bank balance other than (ii) above	16	0.93	0.93
(iv) Loans	17	1,648.53	14,000.62
(v) Other current financial assets	9	571.25	309.39
(c) Other current assets	10	735.21	344.71
Total current assets		**5,904.58**	**17,315.89**
Assets held for sale	18	**-**	**82.50**
Total assets		**48,886.18**	**34,273.00**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	19	1,578.32	1,504.90
(b) Other Equity	20	16,323.25	12,513.27
Total equity		**17,901.57**	**14,018.17**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	11,478.07	18,295.45
(ii) Trade payables		-	-
(iii) Lease liabilities		9,893.28	86.53
(iv) Other non current financial liabilities	22	1,852.44	89.66
(b) Provisions	23	167.08	25.61
(c) Deferred tax liabilities (net)	24	-	229.62
(d) Other non-current liabilities	25	18.73	34.89
Total non-current liabilities		**23,409.60**	**18,761.76**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings			
- Current maturities on long Term borrowings	21	586.11	782.92
(ii) Lease liabilities		1,298.41	20.99
(iii) Trade payables	26		
- Total outstanding dues of Micro Enterprise & Small Enterprise		5.56	3.30
- Total outstanding dues of Other Creditors		1,450.17	145.31
(iv) Other current financial liabilities	22	3,870.89	473.27
(b) Other current liabilities	25	315.94	59.24
(c) Provisions	23	47.94	8.04
Total current liabilities		**7,575.02**	**1,493.07**
Total equity and liabilities		**48,886.18**	**34,273.00**

As per our audit report of even date

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

Hasmukh B Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 30 May 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2023

(in ₹ lakhs, except per share data)

Sr. No.	Particulars	Notes	Year ended 31 March 2023	Year ended 31 March 2022
	Revenue			
I	Revenue from operations	27	8,557.13	1,234.01
II	Other income	28	984.09	1,243.59
III	**Total Revenue (I+II)**		**9,541.22**	**2,477.60**
IV	**Expenses**			
	Movie exhibition cost		2,502.45	-
	Consumption of food and beverages		618.98	-
	Power and fuel		940.80	29.07
	Employee benefits expense	29	1,136.33	168.61
	Finance costs	30	2,243.32	2,020.45
	Depreciation & impairment expenses	31	1,013.16	627.67
	Other expenses	32	2,821.94	711.99
	Total Expenses (IV)		**11,276.98**	**3,557.79**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(1,735.76)**	**(1,080.19)**
VI	**Exceptional Items**		**-**	**-**
VII	**Profit/(Loss) before tax (V-VI)**		**(1,735.76)**	**(1,080.19)**
VIII	**Tax expense / (credit)**			
	Current tax		-	-
	Deferred tax charge / (credit)	33	(471.17)	(378.29)
	Prior year's tax adjustments		-	35.76
			(471.17)	**(342.53)**
IX	**Profit/(Loss) for the period continuing operation (VII-VIII)**		**(1,264.59)**	**(737.66)**
X	**Profit/(Loss) from discontinued operation**		2,491.00	-
XI	**Tax on discontinued operation**	33	(160.21)	-
XII	**Profit/(Loss) from discontinued operation (after tax) (X-XI)**		**2,330.79**	**-**
XIII	**Profit/(Loss) for the period (IX+XII)**		**1,066.20**	**(737.66)**
XIV	**Other comprehensive income for the period**			
	Items that will not be reclassified to statement of profit or loss			
	Remeasurement of post employment benefit obligations		6.72	(0.32)
	Income tax effect on above		(1.96)	0.09
			4.76	**(0.23)**
XV	**Total comprehensive income for period (XIII+XIV)**		**1,070.96**	**(737.89)**
	Earnings per equity share (Face value of ₹ 5 each)	34		
	Basic and Diluted earnings per share (Continuing operation)		(4.03)	(2.54)
	Basic and Diluted earnings per share (Discontinued operation)		7.43	-
	Basic and Diluted earnings per share (Continuing operation and Discontinued operation)		3.40	(2.54)
	Notes 1 to 51 form an intergral part of these financial statements			

As per our audit report of even date

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

Hasmukh B Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 30 May 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

A. Equity share capital

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

As at 31 March 2023 (in ₹ Lakhs)

Particulars	Balance at the beginning of year	Changes in equity due to prior period errors	Restated balance at the beginning of year	Changes in equity capital during the year	Balance at the end of year
No. of shares	3,00,97,902	-	-	14,68,532	**3,15,66,434**
Amount	**1,504.90**	**-**	**-**	**73.42**	**1,578.32**

As at 31 March 2022 (in ₹ Lakhs)

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

B Other equity

As at 31 March 2023 (in ₹ Lakhs)

Particulars	Reserves and surplus					
	Securities premium reserve	General reserve	Capital redemption reserve	Retained earnings	Money received against share warrants	Total
Balance as at 31 March 2022	**4,959.10**	**55.00**	**17.02**	**7,219.59**	**262.57**	**12,513.27**
Profit for the year	-	-	-	1,066.20	-	**1,066.20**
Issued during the year	976.58	-	-	-	1,762.43	**2,739.01**
Other comprehensive income	-	-	-	4.76	-	**4.76**
Balance as at 31 March 2023	**5,935.68**	**55.00**	**17.02**	**8,290.55**	**2,025.00**	**16,323.25**

As at 31 March 2022 (in ₹ Lakhs)

Particulars	Reserves and surplus					
	Securities premium reserve	General reserve	Capital redemption reserve	Retained earnings	Money received against share warrants	Total
Balance as at 31 March 2021	**3,564.00**	**55.00**	**17.02**	**7,957.47**	**-**	**11,593.49**
Profit for the year	-	-	-	(737.66)	-	**(737.66)**
Issued during the year	1,395.10	-	-	-	262.57	**1,657.67**
Other comprehensive income	-	-	-	(0.23)	-	**(0.23)**
Balance as at 31 March 2022	**4,959.10**	**55.00**	**17.02**	**7,219.59**	**262.57**	**12,513.27**

As per our audit report of even date

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

Hasmukh B Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 30 May 2023

STANDALONE CASH FLOW STATEMENT

for the year ended 31 March 2023

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities		
Profit before tax		
Profit/(Loss) from Continuing Operations	(1,729.04)	(1,080.51)
Profit/(Loss) from Discontinuing Operations	2,491.00	-
Profit/(Loss) before tax	**761.96**	**(1,080.51)**
Adjustments for:		
Depreciation expense	1,054.96	627.67
Impairment of assets	-	-
(Profit)/Loss on sale of assets	(2,794.73)	-
Provision for doubtful debts	0.99	32.86
Provisions and balances no longer required written back	(0.02)	(0.94)
Finance costs	2,212.86	2,011.93
Interest income	(820.89)	(1,114.70)
(Gain) / Loss on sale of short term investments	(70.23)	(43.22)
(Gain) / Loss due to modification of lease liability	-	(8.10)
Operating profit before working capital changes	**344.90**	**425.00**
Changes in working capital		
(Increase)/Decrease in Trade receivables	(196.23)	104.83
(Increase) in Inventories	(184.16)	-
(Increase)/Decrease in Other assets	(399.43)	292.44
(Increase) in Financial assets	(142.90)	(738.52)
Increase/(Decrease) in Trade payables	1,307.13	(15.19)
Increase in Provisions	181.37	5.73
Increase/(Decrease) in Other liabilities	240.54	(56.70)
Increase/(Decrease) in Financial liabilities	4,747.78	(196.25)
Cash generated from operations	**5,899.00**	**(178.66)**
Income taxes (paid) / refunds (net)	43.33	61.27
Net cash generated from operating activities	**5,942.33**	**(117.39)**
Cash flow from investing activities:		
Sale/(Purchase) of property, plant and equipment & investment property (net)	300.74	698.47
Interest received	1,098.97	965.60
Loan given to subsidiary company	(1,078.17)	(500.17)
Loan given received back from related party	421.32	258.79
Net cash generated from / (used) in investing activities	**742.86**	**1,422.70**
Cash flow from financing activities:		
Interest paid	(1,499.24)	(1,993.38)
Interest paid on lease liability	(735.23)	(12.72)
Increase in principal towards lease liability	(339.93)	11.66
Proceeds from issue of equity shares	787.43	1,500.00
Proceeds from issue of warrants	2,025.00	262.57
Net proceeds / (repayments) of long term borrowings	(7,014.20)	483.78
Net cash used in financing activities	**(6,776.17)**	**251.90**
Net Increase/(Decrease) in cash and cash equivalents	(90.98)	1,557.21
Cash and cash equivalents as at the beginning of the year	2,520.01	962.80
Cash and cash equivalents as at the end of the year	**2,429.03**	**2,520.01**

(in ₹ Lakhs)

Notes to cash flow statement	Year ended 31 March 2023	Year ended 31 March 2022
Cash on hand	25.87	2.53
Balances with banks - in current accounts	130.17	519.11
Investment in liquid funds	2,261.49	1,868.04
Deposits	11.50	130.34
	2,429.03	**2,520.01**

As per our audit report of even date

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

Hasmukh B Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 30 May 2023

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023

1. Corporate information

Cineline India Limited (the 'Company') is a company domiciled in India, incorporated under the Companies Act, 1956 on 22 May 2002. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is engaged in business of movie exhibition in India. The Company earns revenue from sale of movie tickets, in-cinema advertisements/ product displays and sale of food and beverages.

2. Significant accounting policies

a. Statement of Compliance:

The Company has prepared the financial statements which comprise the balance sheet as at 31 March 2023, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the year ended 31 March 2023, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "financial statements").

These financial statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act''), read together with Rule 3 of Companies (Accounting Standard) Rules, 2015, other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

b. Basis of preparation

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

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

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

Functional and presentation currency

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

Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

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

c. Critical estimates and judgements

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

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

financial statements and the reported amounts of income and expenses during the year.

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

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

- **Useful lives of property, plant and equipment and investment property -** Property, plant and equipment and investment property represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management, based on those prescribed under Schedule II to the Act, at the time the asset is acquired and reviewed periodically, including at each financial year end.
- **Defined benefit obligation -** The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty. The assumptions used are disclosed in the notes to these financial statements.
- **Fair value measurements -** Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.
- **Impairment of assets -** In assessing impairment, management estimates the recoverable amounts of each asset (in case of non-financial assets) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate.
- **Income tax -** Significant judgments are involved in determining the provision for income tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.
- **Provisions -** Provisions are recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligation and compensated expenses) are not discounted to its present value and are determined based on the best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- **Right to Use assets and liabilities -** Determination of lease term for computation of lease liabilities and right of use assets and discount rate used for discounting the lease payments to compute the present value of lease liabilities.

d. Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Revenue is recognised only when it can be reliably measured and it is probable that the economic benefits will flow to the Company. Amount disclosed as revenue are reported net of applicable taxes, which are collected on behalf of the government or on behalf of third parties. The following specific recognition criteria must also be met before revenue is recognised:

i. Income from sale of movie tickets (Box office revenue)

Revenue from sale of movie tickets is recognised as and when the film is exhibited.

ii. Sale of food and beverages

Revenue from sale of food and beverages is recognised upon passage of title to customers, which coincides with their delivery to the customer.

iii. Advertisement revenue

Advertisement revenue is recognised as and when advertisement are displayed at the cinema halls and in accordance with the term of the agreement.

iv. Convenience fee

Convenience fee is recognised as and when the movie tickets are sold on digital platforms. Further, in case of fixed contracts with digital ticketing partners, revenue is recognised on accrual basis in accordance with the terms of the agreement.

v. Virtual print fees income

Revenue is recognised on an accrual basis in accordance with the terms of the relevant agreements.

vi. Revenue from gift vouchers

Non-refundable Gift cards and vouchers are sold to customers, that give customers the right to receive goods or services in the future. The prepayment amount received from the customer is recognised as unearned revenue liability. If a customer does not exercise their right, this amount is recognised as revenue in proportion to the pattern of rights exercised by the customer as there is an expectation that the Company will be entitled to revenue and that it is considered highly probable and a significant reversal will not occur in the future.

vii. Rental Income

Revenue from rent and common area maintenance is recognised based upon the agreement, for the period the property has been let out and when no significant uncertainty exists regarding the amount of consideration that will be derived. Ind AS 116 mandates straight lining of lease rental income, only if the escalation rate is not in line with the general inflation rate.

viii. Gaming income

Revenue from gaming is recognised as and when the games are played by customers.

e. Other income

a) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

b) Interest income is recognised using the effective interest method.

c) Dividend income is accounted for when the right to receive the income is established.

f. Leases

i. The Company as Lessee

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

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

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

ii. The Company as Lessor

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

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

Income taxes

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

Current tax

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

Deferred tax

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in the OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in the OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off such amounts.

Minimum alternate tax

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

g. Financial instruments

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

i. Recognition, initial measurement and derecognition

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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

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

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

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

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

A financial guarantee contract is initially recognised at fair value. If the guarantee is taken from an unrelated party on a commercial basis, the initial fair value is likely to equal the premium paid. If no premium is paid, the fair value is determined using a method that quantifies the economic benefit of the guarantee to the holder.

ii. Subsequent Measurement

Non-Derivative Financial Instruments

Financial assets carried at amortised cost

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

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

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

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

A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit or loss. At the end of each subsequent reporting period, financial guarantees are measured at the amount initially recognised less cumulative amortisation, where appropriate.

Financial liabilities

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

iii. Impairment of financial assets

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

h. Equity shares

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

i. Cash and cash equivalents and cash flows

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

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

j. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes inward freight and expenses incidental to acquisition and installation, net of tax credits up to the point the asset is ready for its intended use. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss when incurred.

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

k. Capital work-in-progress

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

l. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

m. Intangible assets under development

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

n. Subsequent expenditure

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

o. Depreciation

Depreciation is provided on property, plant and equipment on pro rata basis for the period of use, on the straight line method (SLM) as per the useful life of the assets prescribed under Schedule II to the Companies Act, 2013, except in the following cases, where the management based on technical and internal assessment considers life to be different than prescribed under Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Particulars	Useful life as per Schedule II (In Years)	Management estimate of Useful life (in Years)
Plant & Machinery	13-15	5-13
Other furniture, fixtures and office equipments	5-10	8-10

The Company has estimated the residual value @ 5% of original cost for all assets except for sound and projections equipment's.

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

Leasehold improvements are amortised on a straight-line basis over the estimated period of lease including renewals or unexpired period of lease, whichever is shorter.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

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

p. Amortisation

Amortisation is provided on intangible assets on pro rata basis for the period of use, on the straight line method (SLM) as per the useful life of the assets estimated by the management. Cost relating to purchased software and software licenses are capitalised and amortised on a straight-line basis over their estimated useful lives or 10 years whichever is lower.

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

q. Investment property

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

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

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

r. Investment in subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss

s. Inventories

Inventories are valued as follows:

(a) Food and beverages

Lower of cost and net realisable value. Cost is determined on weighted average basis.

(b) Stores and spares

Lower of cost and net realisable value. Cost is determined on First In First Out (FIFO) basis.

t. Impairment of non-financial assets

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

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

u. Fair value measurement

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

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

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

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

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

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

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

v. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

(w) Foreign currency transaction and translations

Transactions in foreign currencies are initially recorded in functional currency's spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies remaining unsettled are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Standalone Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

x. Employee benefits

- *Defined contribution plans*

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

- *Defined benefit plans*

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

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

- *Other long-term employee benefits*

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

- *Short-term employee benefits*

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

y. Provisions, contingent liabilities and contingent assets

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

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

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

z. Earnings per share

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

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

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

aa. Operating segments

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

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

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

3.1. Report on Other Legal and Regulatory Requirements:

Provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 01 April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

3.2. Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2023 as below:

a) IND AS 1 – Presentation of Financial Statements – This amendment requires the Company to disclose its material accounting policies rather than their significant accounting policies.

b) IND AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.

c) IND AS 12 – Income Taxes - This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences.

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

4. Property, plant and equipment

(in ₹ Lakhs)

Particulars	Freehold lands	Theatre and mall buildings	Leasehold improvements	Plant and equipment	Other furniture, fixtures and office equipments	Computers	Vehicles	Right to use Asset	Wind energy generator	Total
Gross block										
Balance as at 31 March 2021	**-**	**-**	**-**	**1.00**	**52.15**	**1.14**	**7.29**	**121.70**	**942.76**	**1,126.04**
Additions	-	-	-	-	-	1.85	-	126.60	-	**128.45**
Sale / Reversal during year	-	-	-	-	-	-	-	(121.70)	(942.76)	**(1,064.46)**
Balance as at 31 March 2022	**-**	**-**	**-**	**1.00**	**52.15**	**2.99**	**7.29**	**126.60**	**-**	**190.03**
Additions	244.08	182.04	2,502.78	2,168.92	1,956.56	150.08	-	11,858.32	-	**19,062.78**
Transferred from Investment Property (refer note: 6)	1,971.68	5,765.92	-	-	-	-	-	-	-	**7,737.60**
Sale during year	(1,828.59)	(2,556.59)	-	(6.79)	(20.46)	(0.73)	-	-	-	**(4,413.16)**
Balance as at 31 March 2023	**387.17**	**3,391.37**	**2,502.78**	**2,163.13**	**1,988.25**	**152.34**	**7.29**	**11,984.92**	**-**	**22,577.25**

(in ₹ Lakhs)

Particulars	Freehold lands	Theatre and mall buildings	Leasehold improvements	Plant and equipment	Other furniture, fixtures and office equipments	Computers	Vehicles	Right to use Asset	Wind energy generator	Total
Accumulated depreciation										
Balance as at 31 March 2021	**-**	**-**	**-**	**1.00**	**42.84**	**1.13**	**6.67**	**30.43**	**329.64**	**411.70**
Depreciation charge for the year	-	-	-	-	2.59	0.10	0.14	25.32	28.33	**56.49**
Reversal on disposals	-	-	-	-	-	-	-	(30.43)	(357.97)	**(388.40)**
Balance as at 31 March 2022	**-**	**-**	**-**	**1.00**	**45.43**	**1.23**	**6.81**	**25.32**	**-**	**79.79**
Depreciation transferred from Investment Property (refer note: 6)	-	3,220.60	-	-	-	-	-	-	-	**3,220.60**
Depreciation charge for the year	-	130.56	56.78	106.21	60.18	19.11	-	653.90	-	**1,026.72**
Reversal on disposals	-	(1,189.33)	-	(0.50)	(14.37)	(0.72)	-	-	-	**(1,204.92)**
Balance as at 31 March 2023	**-**	**2,161.83**	**56.78**	**106.71**	**91.24**	**19.62**	**6.81**	**679.20**	**-**	**3,122.19**

(in ₹ Lakhs)

Particulars	Freehold lands	Theatre and mall buildings	Leasehold improvements	Plant and equipment	Other furniture, fixtures and office equipments	Computers	Vehicles	Right to use Asset	Wind energy generator	Total
Net block										
Balance as at 31 March 2023	**387.17**	**1,229.55**	**2,446.00**	**2,056.42**	**1,897.01**	**132.72**	**0.48**	**11,305.71**	**-**	**19,455.06**
Balance as at 31 March 2022	**-**	**-**	**-**	**-**	**6.72**	**1.76**	**0.48**	**101.28**	**-**	**110.24**

Windmills have been lien marked towards loan facility availed from Aditya Birla Finance Limited upto the date of sale (also refer note 21)

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or investment property during the current or previous year.

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

5. Capital work in progress

5.1. Tangible assets under development

(in ₹ Lakhs)

Sr. No.	Description of the block of asset	As at 31 March 2022	Additions during the year	Capitalised during the year	As at 31 March 2023
1	Leasehold improvements	321.75	2,601.31	2,497.92	**425.15**
2	Other furniture, fixtures and office equipments	-	1,716.72	1,716.72	**0.00**
3	Plant & Machinery	-	1,501.67	1,501.67	**-**
4	Computers	-	76.35	76.35	**-**
Total		**321.75**	**5,896.05**	**5,792.66**	**425.15**

5.2 Intangible assets under development

(in ₹ Lakhs)

Sr. No.	Description of the block of asset	As at 31 March 2022	Additions during the year	Capitalised during the year	As at 31 March 2023
1	Brand development	7.49	-	7.49	**-**
2	Software	-	24.99	5.57	**19.42**
Total		**7.49**	**24.99**	**13.06**	**19.42**

Capital work in progress and intangible assets under development ageing schedule

(in ₹ Lakhs)

Balance as on 31 March 2023	Amount in CWIP for a period of				Total*
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in Progress*	444.57	-	-	-	444.57
Projects temporarily suspended	-	-	-	-	-

(in ₹ Lakhs)

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

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

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

6. Investment property

(in ₹ Lakhs)

Description of the block of asset	Freehold lands	Theatre and mall buildings	Other buildings	Total
Balance as at 31 March 2021	**1,971.68**	**2,736.54**	**2,598.93**	**7,307.15**
Additions	-	-	-	**-**
Sales during the year	-	-	(854.08)	**(854.08)**
Transferred to asset held for sale	-	-	-	**-**
Depreciation charge for the year	-	(191.21)	(83.59)	**(274.80)**
Balance as at 31 March 2022	**1,971.68**	**2,545.33**	**1,661.26**	**6,178.27**
Additions			-	**-**
Sales during the year	-	-	(1,641.34)	**(1,641.34)**
Transferred to asset held for sale	-	-	-	**-**
Transferred to Property,plant and equipment(refer note 47)	(1,971.68)	(2,545.33)	-	**(4,517.01)**
Depreciation charge for the year	-	-	(19.92)	**(19.92)**
Balance as at 31 March 2023	**-**	**-**	**-**	**-**

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

Notes:

(a) Fair value of investment property

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Freehold lands	-	36,310.66
Theatre and mall buildings		
Other buildings	-	3,450.58

The fair value of investment properties has been determined by an independent valuer. The value is determined based on the rate prescribed by government authorities for commercial property. The resultant fair value estimates for investment property is included in level 3.

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

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

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

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Income from investment property	-	1,234.01
Direct operating expenses arising from investment property that generated income during the period	-	321.43
Direct operating expenses arising from investment property that did not generate income during the period	-	16.05

(b) Investment properties have been lien marked towards loan facility availed from Aditya Birla Finance Limited (also refer note 21)

(c) The Company does not have any proceedings initiated or are pending against it, for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

7. Intangible assets

(in ₹ Lakhs)

Particulars	Software	Brand	Total
Gross block			
Balance as at 31 March 2021	**-**	**-**	**-**
Additions	-	-	-
Sale / Reversal during year	-	-	-
Balance as at 31 March 2022	**-**	**-**	**-**
Additions	98.79	7.49	106.28
Sale / Reversal during year	-	-	-
Balance as at 31 March 2023	**98.79**	**7.49**	**106.28**

(in ₹ Lakhs)

Particulars	Software	Brand	Total
Accumulated depreciation			
Balance as at 31 March 2021	**-**	**-**	**-**
Depreciation charge for the year	-	-	-
Reversal on disposals	-	-	-
Balance as at 31 March 2022	**-**	**-**	**-**
Depreciation charge for the year	8.31	-	8.31
Reversal on disposals	-	-	-
Balance as at 31 March 2023	**8.31**	**-**	**8.31**

(in ₹ Lakhs)

Particulars	Software	Brand	Total
Net block			
Balance as at 31 March 2023	90.48	7.49	97.97
Balance as at 31 March 2022	-	-	-

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

8. Investments

(in ₹ Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
(Unquoted)				
Investment in equity shares of subsidiary company				
Transquare Realty Private Limited (10,000 equity shares of ₹ 10/- each, previous year 10,000 equity shares of ₹ 10/- each)	1.00	-	1.00	-
Cineline Realty Private Limited (10,000 equity shares of ₹ 10/- each, previous year 10,000 equity shares of ₹ 10/- each)	1.00	-	1.00	-
Cineline Industries Private Limited (10,000 equity shares of ₹ 10/- each, previous year 10,000 equity shares of ₹ 10/- each)	1.00	-	1.00	-
R & H Spaces Private Limited(24,590 equity shares of ₹ 10/- each)	21,947.94	-	-	-
Investment in compulsory convertible debentures (CCD) of subsidiary company				
Transquare Realty Private Limited (Current year NIL, Previous year 8,960 CCD's of ₹ 1,00,000/- each)	-	-	8,960.00	-
Investment in optionally convertible debentures (OCD) of subsidiary company				
Transquare Realty Private Limited (Current year 21 OCD's of ₹ 1,00,000/- each, previous year NIL)	21.00	-	-	-
Total	**21,971.94**	**-**	**8,963.00**	**-**
Aggregate value of unquoted investments	**21,971.94**	**-**	**8,963.00**	**-**

During the year, the Company's investment in 8960 compulsory convertible debentures of Transquare Realty Private Limited (TRPL) a wholly owned subsidiary of ₹ 1 lakh each have been converted into 8960 optionally convertible debentures (OCD). Out of 8960 OCD's TRPL has redeemed 8939 OCDs and repaid the amount.

9. Other financial assets

(in ₹ Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Security deposits	426.65	475.44	753.45	-
(Unsecured, considered good)				
Interest receivable	-	37.61	-	245.45
Other assets	-	58.20	-	63.94
Total	**426.65**	**571.25**	**753.45**	**309.39**

10. Other assets

(in ₹ Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Prepaid expenses	19.58	54.71	-	21.82
Deferred rent expense	-	176.10	-	5.01
Unamortised processing fees for loan	63.36	6.78	74.01	7.94
Lease equalisation reserve	-	0.50	-	191.21
Advance to suppliers	-	10.66	-	8.73
Balances with government authorities	-	461.96	-	-
Other assets	-	24.50	-	110.00
Total	**82.94**	**735.21**	**74.01**	**344.71**

11. Non-current tax assets

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance tax (net of provision for tax of ₹ 180.85 Lakhs (PY ₹ 244.20 Lakhs))	287.70	466.40
Total	**287.70**	**466.40**

12. Deferred tax assets (net)

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets		
Provision for:		
Doubtful debts	24.81	-
Gratuity	11.71	-
Compensated absences	0.54	-
Bonus	-	-
Net lease expense on right of use asset	111.77	-
43B disallowance	154.95	-
Business loss	-	-
MAT credit entitlement ₹ 170.66 Lakhs upto March 2029 ₹ 1.58 Lakhs upto March 2030	172.24	-
	476.02	**-**

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liability		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	243.60	-
Amortisation of Processing fees for term loan	17.53	-
Lease equalisation reserve	0.12	-
	261.25	**-**
Deferred tax Assets (net)	**214.77**	**-**
Refer note 24 for previous year Deffered tax liability		

13. Inventories (Valued at lower of cost or net realisable Value)

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Food and Beverages	139.10	-
Stores and Spares	45.06	-
	184.16	**-**

14. Trade receivables

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables considered good –Secured	-	-
Trade receivables considered good –Unsecured	335.47	140.23
Trade receivables which has significant increase in credit risk	-	-
Trade receivables – credit impaired	98.25	97.29
Less: Provision for doubtful debts	(98.25)	(97.29)
Total	**335.47**	**140.23**

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

Ageing as at 31 March 2023

(in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed i) Trade Receivables - considered good	154.29	82.91	33.84	-	64.43	335.47
Undisputed ii) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed iii) Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed iv) Trade Receivables - considered good	-	-	-	-	-	-
Disputed v) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed vi) Trade Receivables - credit impaired	-	-	33.82	-	64.43	98.25
Total	**154.29**	**82.91**	**67.66**	**-**	**128.86**	**433.72**
Less: Provisions for doubtful debts	-	-	(33.82)	-	(64.43)	(98.25)
Total	**154.29**	**82.91**	**33.84**	**-**	**64.43**	**335.47**

Ageing as at 31 March 2022

(in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed i) Trade Receivables - considered good	59.61	63.72	16.90	-	-	140.23
Undisputed ii) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed iii) Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed iv) Trade Receivables - considered good	-	-	-	-	-	-
Disputed v) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed vi) Trade Receivables - credit impaired	32.86	-	-	64.43	-	97.29
Total	**92.47**	**63.72**	**16.90**	**64.43**	**-**	**237.52**
Less: Provisions for doubtful debts	(32.86)	-	-	(64.43)	-	(97.29)
Total	**59.61**	**63.72**	**16.90**	**-**	**-**	**140.23**

15. Cash and cash equivalents

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks - in current accounts	130.17	519.11
Cash on hand	25.87	2.53
Investment in mutual funds #	2,261.49	1,868.04
Deposit accounts (maturity upto 3 months)	11.50	130.34
Total	**2,429.03**	**2,520.01**

87132.270 units of Baroda BNP Paribas Liquid Fund direct growth plan @ ₹ 2595.4687 each, previous year 15,093.51 units of Baroda BNP Paribas Overnight Fund regular growth plan @ ₹ 1,114.51 each

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

16. Other bank balances

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Unclaimed dividend account	0.93	0.93
Total	**0.93**	**0.93**

17. Loans

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Loan to related party		
Loans receivable considered good –Unsecured	1,648.53	14,000.62
Total	**1,648.53**	**14,000.62**

18. Assets held for sale

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Assets held for sale	-	82.50
Total	**-**	**82.50**

19. Equity share capital

(in ₹ Lakhs)

Particulars	Number of shares	Amount
a) Authorised share capital		
Equity shares of ₹ 5 each		
Total authorised equity share capital as at 31 March 2021	**8,00,00,000**	**4,000.00**
Change during the year	-	-
Total authorised equity share capital as at 31 March 2022	**8,00,00,000**	**4,000.00**
Change during the year	-	-
Total authorised equity share capital as at 31 March 2023	**8,00,00,000**	**4,000.00**
Preference shares of ₹ 10 each		
Total authorised preference share capital as at 31 March 2021	**2,50,000**	**25.00**
Change during the year	-	-
Total authorised preference share capital as at 31 March 2022	**2,50,000**	**25.00**
Change during the year	-	-
Total authorised preference share capital as at 31 March 2023	**2,50,000**	**25.00**

Issued, subscribed and paid-up equity share capital:

(in ₹ Lakhs)

Particulars	Number of shares	Amount
Equity shares of ₹ 5 each		
Balance as at 31 March 2021	**2,80,00,000**	**1,400.00**
Change during the year	20,97,902	104.90
Balance as at 31 March 2022	**3,00,97,902**	**1,504.90**
Change during the year	14,68,532	73.42
Shares issued and fully paid as at 31 March 2023	**3,15,66,434**	**1,578.32**

b) Terms and rights attached to equity shares

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

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

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

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

Name of shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 5 each				
Hiral Kanakia Trust (beneficiary Himanshu B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%
Vrutant Benefit Trust (beneficiary Himanshu B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%
Rupal Kanakia Trust (beneficiary Rasesh B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%
Ashish Benefit Trust (beneficiary Rasesh B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%
Rupal R. Kanakia	24,28,844	7.69%	24,28,844	8.07%
Hiral H. Kanakia	24,28,844	7.69%	24,28,844	8.07%
One Up Financial Consultants Private Limited	16,03,500	5.08%	20,97,902	6.97%
	1,87,36,388	**59.36%**	**1,92,30,790**	**63.89%**

d) Details of shares held by the promoters

Name of promoter	As at 31 March 2023		As at 31 March 2022		% of change during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of ₹ 5 each					
Himanshu B. Kanakia	12,73,824	4.04%	12,73,824	4.23%	-0.20%
Hiral Kanakia Trust (beneficiary Himanshu B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%	-0.47%
Vrutant Benefit Trust (beneficiary Himanshu B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%	
Rasesh B. Kanankia	12,73,924	4.04%	12,73,924	4.23%	-0.20%
Rupal Kanakia Trust (beneficiary Rasesh B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%	-0.47%
Ashish Benefit Trust (beneficiary Rasesh B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%	-0.47%
Rupal R. Kanakia	24,28,844	7.69%	24,28,844	8.07%	-0.38%
Hiral H. Kanakia	24,28,844	7.69%	24,28,844	8.07%	-0.38%
Ashish Rasesh Kanakia	3,67,133	1.16%	-	-	1.16%
Niyati Rasesh Kanakia	3,67,133	1.16%	-	-	1.16%
Vrutant Himanshu Kanakia	3,67,133	1.16%	-	-	1.16%
Vrusti Benefit Trust (beneficiary Himanshu B. Kanakia)	3,67,133	1.16%	-	-	1.16%
Kanakia Gruhnirman Private Limited	140	0.00%	140	0.00%	0.00%
Kanakia Finance and Investments Private Limited	140	0.00%	140	0.00%	0.00%
	2,11,49,448	**67.00%**	**1,96,80,916**	**65.39%**	

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

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

20. Other equity

(in ₹ Lakhs)

Particulars	Sub-note	As at 31 March 2023	As at 31 March 2022
Securities premium reserve	(i)	5,935.68	4,959.10
Capital redemption reserve	(ii)	17.02	17.02
General reserve	(iii)	55.00	55.00
Retained earnings	(iv)	8,290.55	7,219.58
Warrants	(v)	2,025.00	262.57
Total		**16,323.25**	**12,513.27**

(i) Securities premium reserve

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	**4,959.10**	**3,564.00**
Change during the year	976.58	1,395.10
Balance at the end of the year	**5,935.68**	**4,959.10**

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

(ii) Capital redemption reserve

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	**17.02**	**17.02**
Change during the year	-	-
Balance at the end of the year	**17.02**	**17.02**

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

(iii) General reserve

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	**55.00**	**55.00**
Change during the year	-	-
Balance at the end of the year	**55.00**	**55.00**

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

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

(iv) Retained earnings

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	**7,219.58**	**7,957.47**
Add : Profit/(Loss) for the year	1,066.20	(737.66)
Less: Dividend distributed on equity shares	-	-
Less: Tax on dividend distributed on equity shares	-	-
Items of other comprehensive income / (loss) recognised directly in retained earnings		
- Remeasurement of net defined benefit liability	4.76	(0.23)
Balance at the end of the year	**8,290.55**	**7,219.58**

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

(v) Money received against share warrants

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Warrants issued	**2,025.00**	**262.57**

(vi) Pursuant to the approval of share holders of the Company at the Company's Nineteenth Annual General Meeting held on 03 Sepember 2021

a) 14,68,532 warrants of the Company were allotted to 4 allottees on preferential basis at issue price of ₹ 71.50 each warrant (25% of issue price i.e, ₹ 17.88 towards "warrant subscription price" and balance ₹ 53.62 as "warrant exercise price") on 23 September 2021, each warrant being convertible into, or exchangable for, one equity share of face value of ₹ 5 each. Post receipt of total value of issue price warrants were exercised and converted into equal number of equity shares on 09 May 2022.

b) 20,97,902 fully paid up equity shares of the Company with face value of ₹ 5 each share were allotted to One Up Financial Consultants Private Limited on preferential basis at premium of ₹ 66.50 per share on 23 September 2021.

(vii) Pursuant to the approval of share holders of the Company at the Company's Extra Ordinary General Meeting held on 04 July 2022, 27,00,000 warrants of the Company were allotted to 4 allottees on preferential basis at issue price of ₹ 130 each warrant (57.69% of issue price i.e, ₹ 75 towards "warrant subscription price" and balance ₹ 55 "warrant exercise price") on 19 July 2022 each warrant being convertible into, or exchangable for, one equity share of face value of ₹ 5 each.

21. Non-current financial liabilities - borrowings

(in ₹ Lakhs)

Particulars	Interest rate	Maturity date	As at 31 March 2023	As at 31 March 2022	Remarks
Secured					
Term loan from financial institution	12.15%	January 2032	7,632.79	12,806.25	Refer note (a) below
Line of credit from financial institution	13.08%	January 2034	4,431.39	4,508.12	Refer note (a) below
Emergency credit line guarantee scheme (ECLGS)	11.00%	July 2022	-	882.00	Refer note (b) below
Emergency credit line guarantee scheme (ECLGS)	11.00%	July 2022	-	882.00	Refer note (b) below
Total borrowings			**12,064.18**	**19,078.37**	
Less: Current maturities of term loan			(586.11)	(782.92)	
Total			**11,478.07**	**18,295.45**	

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

i) First and exclusive charge / hypothecation of:

1) All Busines operations of following properties:

a) Theatre buildings

ii) First and exclusive charge on movable tangible and intangible assets including all stocks, work-in-progress, receivables, inventories, goodwill, patents, trade licenses, permits and all other intellectual property rights and all plant, machinery and equipment employed and over all the contracts and insurance policies/proceeds under the insurance contract in relation to the above properties

iii) First and exclusive charge by way of hypothecation of the escrow account with all monies credited / deposited therein and all investments in respect thereof (in whatever form the same may be)

iv) Personal / corporate guarantee of Rasesh B. Kanakia and Himanshu B. Kanakia.

v) First and exclusive charge by way of registered mortgage on the above detailed properties together with all the buildings and structures thereon, both present and future.

(b) Company is not required to file any quarterly return or statement with lender.

(c) Term Loans were used fully for the purpose for which the same were obtained.

Net debt reconciliation

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current borrowings (including current maturities)	12,064.18	19,078.37
Cash and cash equivalents	(2,429.03)	(2,520.01)
Net debt	**9,635.15**	**16,558.36**

(in ₹ Lakhs)

Particulars	Cash and cash equivalents	Non-current borrowings
Balance as at 31 March 2022	**(2,520.01)**	**19,078.37**
Cash flows (net)	90.98	(7,014.19)
Balance as at 31 March 2023	**(2,429.03)**	**12,064.18**

22. Other financial liabilities

(in ₹ Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Interest accrued but not due on borrowings	-	62.79	-	84.40
Unclaimed dividends	-	0.93	-	0.93
Earnest money deposit	-	-	-	4.50
Other payables	-	15.86	-	19.27
Salary and reimbursements	-	119.01	-	36.95
Security deposits	1,852.44	1,127.99	89.66	25.42
Capital creditors	-	2,543.02	-	14.75
Deposits refundable	-	1.29	-	287.05
Total	**1,852.44**	**3,870.89**	**89.66**	**473.27**

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

23. Provisions

(in ₹ Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Provision for employee benefits obligations (refer note 35)	167.08	47.94	25.61	8.04
Total	**167.08**	**47.94**	**25.61**	**8.04**

24. Deferred tax liabilities (net)

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liability		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	-	610.78
Amortisation of Processing fees for term loan	-	19.23
Lease equalisation reserve	-	47.80
	-	**677.81**
Deferred tax assets		
Provision for:		
Doubtful debts	-	24.32
Gratuity	-	7.09
Compensated absences	-	0.85
Bonus	-	0.02
Net lease expense on right of use asset	-	1.56
43B disallowance	-	169.26
Business loss	-	26.42
MAT credit entitlement ₹ 32.36 Lakhs upto March 2024 ₹ 184.72 Lakhs upto March 2028 ₹ 1.58 Lakhs upto March 2029	-	218.67
	-	**448.19**
Deferred tax liability (net)	**-**	**229.62**

25. Other liabilities

(in ₹ Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Deferred income	0.51	-	34.89	-
Revenue received in Advance	-	220.76	-	28.62
Other liabilities	18.22	20.48	-	-
Statutory dues payable	-	74.70	-	30.62
Total	**18.73**	**315.94**	**34.89**	**59.24**

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

26. Trade payables

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Dues to Micro enterprises & small enterprises	5.56	3.30
Dues to creditors other than Micro enterprises & small enterprises	1,450.17	145.31
Total	**1,455.73**	**148.61**

The disclosures relating to Micro and Small Enterprises (MSME) has been furnished to the extent such parties have been identified on the basis of intimation received from supliers regarding their status under the Micro and Small Enterprises Act, 2006.

Disclosure U/s 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

(in ₹ Lakhs)

Particulars	31 March 2023	31 March 2022
a) the principal amount and the interest due thereon remaining unpaid	5.40	3.30
b) the amount of interest paid , along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
c) the amount of interest due and payable for the period of delay in making payment without interest	-	-
d) the amount of interest accrued and remaining unpaid at the end of financial year	0.16	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Ageing as at 31 March 2023

(in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
MSME	5.56	-	-	-	5.56
Others	1,368.55	81.62	-	-	1,450.17
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	**1,374.11**	**81.62**	**-**	**-**	**1,455.73**

Ageing as at 31 March 2022

(in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
MSME	3.30	-	-	-	3.30
Others	132.07	13.25	-	-	145.32
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	**135.37**	**13.25**	**-**	**-**	**148.62**

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

27. Revenue from operations

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of services		
Sale of movie tickets	5,682.51	-
Advertisement income	307.16	10.46
Virtual print fees	109.05	-
Convenience fees	163.82	-
Rental income	26.52	1,093.19
	6,289.06	**1,103.65**
Other operating revenue		
Food & beverages sale	2,207.05	-
Gaming revenue	15.77	-
Income from car parking	43.75	52.29
Sale of power	1.50	78.07
	2,268.07	**130.36**
Total	**8,557.13**	**1,234.01**

28. Other income

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income	820.89	1,114.70
Sundry balances written back	0.02	0.94
Provisions no longer required written back	4.39	0.01
Gain / Loss on Short term investments-fair value	9.74	1.67
Gain / Loss on sale of short term investments	60.50	41.55
Gain due to modification of lease liability	1.03	8.10
Financial liabilities measured at amortised cost	-	58.11
Miscellaneous income	87.52	18.51
Total	**984.09**	**1,243.59**

29. Employee benefits expense

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and bonus	1,013.97	148.03
Contribution to provident and other funds (refer note 35)	95.30	9.25
Staff welfare expenses	27.06	11.33
Total	**1,136.33**	**168.61**

30. Finance costs

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense		
on term loan	1,474.28	1,916.07
on others	3.35	83.14
Finance charges	30.46	8.52
Interest on lease liability	735.23	12.72
Total	**2,243.32**	**2,020.45**

31. Depreciation and Impairment expense

31.1. Depreciation and amortisation expense

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on right of use asset	653.89	25.32
Depreciation on property, plant and equipment	350.96	31.16
Depreciation on investment property	-	274.80
Amortisation on intangible assets	8.31	-
Total	**1,013.16**	**331.28**

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

31.1. Impairment expense

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Loss on sale of assets	-	252.84
Impairment on property, plant and equipment	-	43.55
Total	**-**	**296.39**

32. Other expenses

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Rates and taxes	416.76	189.24
Repairs and maintenance	309.28	72.51
Common area maintenance	352.46	26.52
Housekeeping charges	229.45	8.67
Security charges	138.04	8.07
Rent	135.28	1.40
Travelling and conveyance	109.06	2.55
Communication expenses	25.42	0.57
Insurance	16.11	10.91
Legal and professional fees	260.62	89.57
Advertising & marketing	281.26	12.47
Outsourced labour	350.00	-
Printing and stationery	20.57	2.52
Director's sitting fees	4.70	3.10
Profit / Loss on sale of assets	6.01	-
Provision for doubtful debts	0.99	32.86
Payment gateway charges	22.55	-
Contribution towards corporate social responsibility	12.80	29.00
Miscellaneous expenses	117.46	5.96
Modification of lease income straightlining	-	208.07
Reversal of lease income on straightlining	1.37	-
Audit fees	11.75	8.00
Total	**2,821.94**	**711.99**
a) Auditor's remuneration (exclusive of taxes)		
- Statutory audit fees	11.75	8.00
Total	**11.75**	**8.00**

33. Current tax

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

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Tax on Continued Operations		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	35.76
Reversal of MAT credit	-	-
	-	**35.76**
Deferred tax charge / (credit)		
In respect of current year origination and reversal of temporary differences	(471.17)	(378.29)
Total tax expense on continuing operations	**(471.17)**	**(342.53)**
Tax on Discontinued Operations		
Current tax		
Current tax on profits for the year	135.36	-
Reversal of MAT credit	46.43	-
	181.79	**-**
Deferred tax charge / (credit)		
In respect of current year origination and reversal of temporary differences	(21.58)	-
Total tax expense on discontinuing operations	**160.21**	**-**

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

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

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Accounting profit before income-tax	**(1,735.76)**	**(1,080.19)**
Applicable Indian statutory income-tax rate	27.82%	29.12%
Computed tax expense	(482.89)	(314.55)
Tax effect of items deductible in calculating tax income (net)	11.82	(58.91)
Effect of income that is exempt from tax	(0.11)	(4.83)
MAT credit reversal / (creation)	-	-
Adjustment of current tax of prior periods	-	35.76
Income-tax expense reported in the statement of profit and loss	**(471.17)**	**(342.53)**

34. Earnings per share

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
The numerators and denominators used to calculate the basic and diluted earnings per share are as follows:		
Net profit attributable to shareholders for basic/diluted earnings per share		
Continuing operation	(1,264.59)	(737.66)
Discontinued operation	2,330.79	-
Continuing operation and Discontinued operation	1,066.20	(737.66)
Weighted average number of equity shares for basic/diluted earnings per share (in Lakhs)	314.14	290.92
Basic and Diluted earnings per share		
Continuing operation	(4.03)	(2.54)
Discontinued operation	7.43	-
Continuing operation and Discontinued operation	3.40	(2.54)

35. Employee benefits

(in ₹ Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Gratuity	152.59	44.49	23.08	7.16
Compensated absences	14.49	3.45	2.53	0.88
Total	**167.08**	**47.94**	**25.61**	**8.04**

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

(in ₹ Lakhs)

Particulars	Gratuity benefits	
	As at 31 March 2023	As at 31 March 2022
Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	30.24	25.05
Transfer In / (Out)	152.32	-
Interest cost	11.95	1.63
Service Cost	9.58	3.24
Benefits paid	(13.74)	-
Actuarial losses/(gains) on obligation	6.72	0.32
Closing defined benefit obligation	**197.07**	**30.24**
Amount recognised in the balance sheet:		
Liability at the beginning of the year	30.24	25.05
Current year's expense	21.53	4.87
Transferred to OCI	6.72	0.32
Contributions by employer	(13.74)	-
Liability recognised in the Balance Sheet	**44.75**	**30.24**
Expense recognised in the statement of profit and loss:		
Service cost	9.58	3.24
Interest cost	11.95	1.63
	21.53	**4.87**

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Expense/(income) recognised in the other comprehensive income:		
Actuarial loss / (gain) on defined benefit obligations	6.72	0.32
Net expense / (income) recognised in the total comprehensive income	**6.72**	**0.32**
Breakup of actuarial gain/loss		
Actuarial (gain) / loss arising from change in financial assumption	(7.75)	0.16
Actuarial (gain) / loss arising from experience adjustment	14.47	0.16
	6.72	**0.32**

Actuarial assumptions used

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate (per annum)	7.40%	6.80%
Salary growth rate (per annum)		
-for first year	3.00%	3.00%
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%

Demographic assumptions used

Particulars	As at 31 March 2023	As at 31 March 2022
Mortality table	IALM(2012-14)	IALM(2012-14)
Retirement age	60 years	60 years
Average remaining life (years)	7.22	7.00
Withdrawal rates for all ages	12% per annum	12% per annum

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

Sensitivity analysis

The financial results are sensitive to the actuarial assumptions. The changes to the defined benefit obligations for increase & decrease of 1% from assumed salary escalation, withdrawal and discount rates are given below. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2023.

(in ₹ Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
Increase/ (decrease) in the defined benefit liability	185.37	210.33	(1.60)	1.81
Salary escalation rate				
Increase/ (decrease) in the defined benefit liability	208.28	186.91	1.51	(1.37)
Withdrawal rates				
Increase/ (decrease) in the defined benefit liability	195.56	198.78	(0.24)	0.27

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

Compensated absences

The Company has a defined benefit compensated absences plan. Employees are eligible to avail the unutilised accumlated compensated absences subject to the maximum of forty five days. Leaves accumlated are not encashable. The obligation for compensated absences is recognised in the same manner as gratuity and net reversal to the statement of profit and loss for the year is ₹ 0.93 Lakhs (Previous year: net charge to the statement of profit and loss for the year is ₹ 0.53 Lakhs).

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

Actuarial assumptions used

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	7.40%	6.80%
Expected salary escalation rate		
-for first year	3.00%	3.00%
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%
Mortality table	IALM(2012-14)	IALM(2012-14)
Withdrawal rate	12% per annum	12% per annum

36. Related party transactions

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

a) List of related parties

Relationship	Name of the related party
Directors	Rasesh B. Kanakia
	Himanshu B. Kanakia
	Hiral H. Kanakia
Relative of director	Manisha Vora
Key management personnel (KMP)	Vipul Parekh
	Ashish R. Kanakia
	Rashmi Shah
Entities under common control	Kanakia Spaces Realty Private Limited
	Kanakia Residential Private Limited
	Kanakia Hotels & Resorts Private Limited
	RBK Education Solutions Private Limited
	Kanakia Future Realty Private Limited
Subsidiary company	Transquare Realty Private Limited
	R&H Spaces Private Limited
	Cineline Industries Private Limited
	Cineline Realty Private Limited

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

b) Transactions during the year

(in ₹ Lakhs)

Particulars	Nature of relationship	Year ended 31 March 2023	Year ended 31 March 2022
Loan given to			
R&H Spaces Private Limited	Subsidiary company	1,433.47	3,497.16
Transquare Realty Private Limited	Subsidiary company	-	0.20
Cineline Industries Private Limited	Subsidiary company	-	0.05
Cineline Realty Private Limited	Subsidiary company	0.27	0.05
Kanakia Spaces Realty Private Limited	Entity under common control	573.00	2,490.00
Deposit Given			
Kanakia Spaces Realty Private Limited	Entity under common control	-	0.02
Conversion of loan given into investment in equity shares			
R&H Spaces Private Limited	Subsidiary company	13,021.58	-
Purchase of equity shares of subsidiary			
Transquare Realty Private Limited	Subsidiary company	8,925.00	-
Received towards redemption of OCD			
Transquare Realty Private Limited	Subsidiary company	8,939.00	-
Grarantee received			
R&H Spaces Private Limited	Subsidiary company	2,500.00	-
Loan given received back			
R&H Spaces Private Limited	Subsidiary company	342.93	2,997.28
Kanakia Spaces Realty Private Limited	Entity under common control	994.32	2,748.79
Interest received from			
Kanakia Spaces Realty Private Limited	Entity under common control	147.09	185.52
R&H Spaces Private Limited	Subsidiary company	655.47	881.67
Advertisement income received			
Kanakia Future Realty Private Limited	Entity under common control	6.00	-
RBK Education Solutions Private Limited	Entity under common control	2.59	-
Other expenses			
Kanakia Hotels & Resorts Private Limited	Entity under common control	1.63	0.78
Rent expense			
Kanakia Spaces Realty Private Limited	Entity under common control	31.80	31.80
Property tax & CAM expense			
Kanakia Residential Private Limited	Entity under common control	-	9.62
Reimbursement of expenses paid			
Kanakia Spaces Realty Private Limited	Entity under common control	-	4.69
Vipul Parekh	KMP	9.84	4.80
Rashmi Shah	KMP	-	1.07
Professional fees paid			
Vipul Parekh	KMP	-	2.00
Manisha Vora	Relative of director	10.58	10.58
Rashmi Shah	KMP	6.00	4.32
Remuneration paid			
Rasesh B. Kanakia	Director	13.60	11.20
Himanshu B. Kanakia	Director	13.60	11.20
Hiral H. Kanakia	Director	12.75	10.50
Vipul Parekh	KMP	27.93	18.62
Ashish R. Kanakia	KMP	22.08	-
Rashmi Shah	KMP	-	1.86

The Related Party relationships are identified by the management and relied upon by the auditors

There are no other type of remuneration paid to KMP.

c) Balances outstanding at the year end

(in ₹ Lakhs)

Particulars	Nature of relationship	Year ended 31 March 2023	Year ended 31 March 2022
Loan given			
Kanakia Spaces Realty Private Limited	Entities under common control	669.62	1,090.94
R&H Spaces Private Limited	Subsidiary Company	974.31	12,905.35
Transquare Realty Private Limited	Subsidiary Company	4.13	4.13
Cineline Industries Private Limited	Subsidiary Company	0.10	0.10
Cineline Realty Private Limited	Subsidiary Company	0.37	0.10
Investment in equity capital			
Transquare Realty Private Limited	Subsidiary Company	1.00	1.00
Cineline Industries Private Limited	Subsidiary Company	1.00	1.00
Cineline Realty Private Limited	Subsidiary Company	1.00	1.00
R & H Spaces Private Limited	Subsidiary Company	21,947.94	-
Investment in debentures			
Transquare Realty Private Limited	Subsidiary Company	21.00	8,960.00

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

(in ₹ Lakhs)

Particulars	Nature of relationship	Year ended 31 March 2023	Year ended 31 March 2022
Guarantee received			
R & H Spaces Private Limited	Subsidiary Company	2,500.00	-
Interest receivable			
R&H Spaces Private Limited	Subsidiary Company	12.43	201.54
Kanakia Spaces Realty Private Limited	Entities under common control	25.13	43.90
Security deposit given			
Kanakia Spaces Realty Private Limited	Entities under common control	15.90	15.90
Trade receivables			
Kanakia Future Realty Private Limited	Entities under common control	7.08	-
Property tax & CAM payable			
Kanakia Residential Private Limited	Entities under common control	-	8.83
Rent payable			
Kanakia Spaces Realty Private Limited	Entities under common control	-	5.72
Trade payable			
Manisha Vora	Relative of director	0.79	0.79
Vipul Parekh	KMP	0.60	0.60
Rashmi Shah	KMP	0.45	0.45
Other payable			
Rashmi Shah	KMP	0.15	0.15

37. Segment information

Operating segments

Considering the nature of operations and the manner in which the chief operating decision maker of the Company reviews the operating results, the Company is engaged primarily in the business of theatrical exhibition and allied activities under the brand "Movie Max".Accordingly, in the context of Indian Accounting Standard Ind AS 108 "Operating Segments", it is considered to contribute single reportable segment.

38. Discontinued Operations

In the month of July 2022, the Company has entered into an agreement with Ramsons Holdings Private Limited for sale of its undertaking i.e. Eternity Mall at Nagpur at a consideration of ₹ 6,000 Lakhs

The profit/loss of discontinued operations and the resultant profit/loss on disposal has been included in the financial statements as loss from discontinued operations.

Analysis of profit/ loss for the year from discontinued operations:

The results of the discontinued operations included in the profit for the year are as set below. The comparative results and cash flow from discontinued operations have been presented as if these operations were discontinued in the prior year as well

(in ₹ Lakhs)

Particular	Year ended 31 March 2023	Year ended 31 March 2022
Revenue	198.29	-
Expenses	502.01	-
Profit/(loss) before Tax from discontinued operations	(303.72)	-
Profit on disposal of divisions	2,794.72	-
Tax expense of discontinued operations	(160.21)	-
Profit/(loss) after Tax from discontinued operations	2,330.79	-
Profit after Tax from discontinued operations attributable to Owners of the Company	2,330.79	-

Analysis of cash flow from discontinued operations	Year ended 31 March 2023	Year ended 31 March 2022
Net cash (outflow) from operating activities	(72.34)	-
Net cash (outflow) from investing activities	7,215.53	-
Net cash (outflow) from financing activities	(6,575.35)	-

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

Computation of profit on disposal	Year ended 31 March 2023	Year ended 31 March 2022
Cash Consideration received (if any)	7,397.32	-
(-) Carrying value of net asset sold	4,602.59	-
Profit on Disposal	2,794.73	-

39. Expenses Capitalised

The Company has capitalised following expenses through capital work-in-progress (CWIP) which directly or indirectly relates to setting up of cinemas. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company.

(in ₹ Lakhs)

Particular	Year ended 31 March 2023	Year ended 31 March 2022
Legal and professional fees	211.68	81.75
Salaries and bonus	214.02	64.54
Common area maintenance	53.28	-
Travelling and conveyance	75.40	22.27
Security charges & Housekeeping Charges	17.90	0.15
Electricity & Water Charges	13.18	-
Miscellaneous expenses	30.33	6.54
Total Capital work-in-progress	**615.79**	**175.25**
Add Brought forward from Prevous Year	175.25	-
Less Capitalised/Charges during the Year	(453.64)	-
Balance Included in Capital Work-in-Progress	**337.40**	**175.25**

40.1. Financial instruments

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

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

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

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

i) Financial instruments by category

As at 31 March 2023

(in ₹ Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised Cost	Total
Financial assets				
Trade receivables	-	-	335.47	335.47
Investments - Non current	-	-	21,971.94	21,971.94
Loans - Current	-	-	1,648.53	1,648.53
Cash and cash equivalents	2,261.49	-	167.54	2,429.03
Other Bank balances	-	-	0.93	0.93
Other financial assets	-	-	997.90	997.90
Total	**2,261.49**	**-**	**25,122.31**	**27,383.80**

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

(in ₹ Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised Cost	Total
Financial liabilities				
Trade payables	-	-	1,455.73	1,455.73
Lease liabilities	-	-	11,191.69	11,191.69
Borrowings (including current maturity)	-	-	12,064.17	12,064.17
Other financial liabilities - Non current	-	-	1,852.44	1,852.44
Other financial liabilities - Current	-	-	3,870.89	3,870.89
Total	**-**	**-**	**30,434.92**	**30,434.92**

As at 31 March 2022

(in ₹ Lakhs)

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

ii) Financial instruments by category

(in ₹ Lakhs)

Particulars	Fair value measurement using			Total Amount
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at 31 March 2023				
Financial assets				
Fair value through other comprehensive income				
Investment in equity shares - quoted	-	-	-	-
Fair value through profit and loss				
Investment in mutual funds	-	2,261.49	-	2,261.49
Total	**-**	**2,261.49**	**-**	**2,261.49**
As at 31 March 2022				
Financial assets				
Fair value through other comprehensive income				
Investment in equity shares - quoted	-	1,868.04	-	1,868.04
Fair value through profit and loss				
Investment in mutual funds	-	-	-	-
Total	**-**	**1,868.04**	**-**	**1,868.04**

40.2. Risk Management

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

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

A) Credit risk

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

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

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

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

B) Liquidity risk

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

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

Contractual maturities of financial liabilities

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

(in ₹ Lakhs)

31 March 2023	Up to 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	586.11	5,132.05	6,346.01	12,064.17
Lease Liability	1,298.41	9,893.28	-	1,852.44
Trade payables	1,455.73	-	-	1,455.73
Other financial liabilities	3,870.89	1,852.44	-	5,723.33
Total	**7,211.14**	**16,877.77**	**6,346.01**	**21,095.68**

(in ₹ Lakhs)

31 March 2022	Up to 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	782.92	5,023.40	13,272.05	19,078.37
Lease Liability	20.99	89.66	-	110.65
Trade payables	148.62	-	-	148.62
Other financial liabilities	473.27	89.66	-	562.93
Total	**1,425.80**	**5,202.72**	**13,272.05**	**19,900.57**

C) Market risk - foreign exchange

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

D) Market risk - interest rate risk

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

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

Interest rate risk exposure

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

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowing	12,064.17	19,078.37

Interest rate sensitivity

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

Particulars	Gain / (loss) on profit before tax	
	31 March 2023	31 March 2022
Interest rate increases by 50 basis points	(60.32)	(95.39)
Interest rate decreases by 50 basis points	60.32	95.39

41. Capital management

The Company' s capital management objectives are:

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

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

The Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in the economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(in ₹ Lakhs)

Particulars	31 March 2023	31 March 2022
Net debts	9,635.14	16,558.36
Total equity	17,901.57	14,018.17
Gearing ratio	**53.82%**	**118.12%**

42. Leases INDAS

a) As Lessee:

Effective 01 April 2019, the Company adopted Ind AS 116 and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Following is the information pertaining to leases for the year ended:

(in ₹ Lakhs)

Particulars	31 March 2023	31 March 2022
(a) Depreciation charge for Right of Use asset	653.90	25.32
(b) Interest expense on lease liability	735.23	12.72
(c) Expense relating to short term leases accounted in profit & loss	14.26	-
(d) Expense relating to variable lease payments not included in the measurement of lease liabilities	116.76	-
(e) Total cash outflow for leases for the period	944.13	31.80
(f) Additions to Right of Use asset	11,858.32	-
(g) Carrying amount of Right of use Asset at the year end	11,305.71	101.28

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

Table showing contractual maturities of lease liabilities on undiscounted basis:

(in ₹ Lakhs)

Particulars	31 March 2023	31 March 2022
Due not later than one year	1,639.77	31.80
Due later than one year but not later than five years	7,216.06	95.40
Due Later than Five Years	12,376.14	-

b) As Lessor:

The Company has given certain part of its property on operating lease. These lease arrangements are long term and cancellable solely at discretion of the lessees. Rental income from leasing of property of ₹ 57.70 Lakhs (P.Y. ₹ 1,093.19 Lakhs) is recognised in the Statement of Profit and Loss. The initial direct cost (if any) is charged off to expenses in the year in which it is incurred.

The Company has not given any property under non -cancellable operating lease.

43. Corporate social responsibility

The Company has spent ₹ 12.80 Lakhs (previous year ₹ 29.00 Lakhs) towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof.

(in ₹ Lakhs)

Particulars	31 March 2023	31 March 2022
a) Gross amount required to be spent by Company during the year	7.56	23.59
b) Amount spent during the year:		
In cash	12.80	29.00
Yet to be paid in cash	-	-
Total	**12.80**	**29.00**
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-

44.

(i) The Company do not have any material pending litigation which would impact its financial position.

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

(iii) The Company has received corporate gurantee from its wholly owned subidiary R&H Spaces Private Limited for amount of ₹ 2500 Lakhs in current year.

45.

I. The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered such as-

a) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

b) There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

c) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d) The Company has not entered into any scheme of arrangement.

e) No Registration or satisfaction of charges are pending to be filed with ROC.

f) The provision relating to compliance with number of layers of companies prescribed under clause (87) of section 2 of the Companies Act is not applicable to the Company.

II. No dividend is declared & paid during the current financial year.

III. a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

b) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

46. Financial Performance

Ratios	Numerator	Denominator	31 March 2023	31 March 2022	Variance	Reason
a) Current ratio	Current assets	Current liabilities	0.78	11.60	(93.28)%	Company has discontinued its Lease rental business and started Movie Exhibition business from 01 April 2022. Hence ratios are not comparable with previous year.
b) Debt-equity ratio	Total debt	Shareholders' equity	0.67	1.36	(50.48)%	
c) Debt service coverage ratio	Earnings available for debt service (1)	Debt service (2)	0.42	0.67	(37.52)%	
d) Return on equity ratio	Net profits after taxes	Average shareholders' equity	6.68%	(5.46)%	(222.31)%	
e) Inventory turnover ratio	Cost of goods Sold	Closing balance of Inventory	3.36	NA	NA	
f) Trade receivables turnover ratio	Revenue	Average trade receivable	35.98	5.90	509.55%	
g) Trade payables turnover ratio	Operating expenses	Average trade payables	8.58	3.19	169.03%	
h) Net capital turnover ratio	Revenue	Working capital (3)	(5.12)	0.08	(6668.43)%	
i) Net profit ratio	Net profit after tax	Revenue	12.46%	(59.78)%	(120.84)%	
j) Return on capital employed	Earning before interest and taxes	Capital employed (4)	8.06%	2.51%	221.00%	
k) Return on investment	NA	NA	NA	NA	NA	

(1) Net profit after taxes + non cash operating expenses (depreciation) + interest (finance costs) + other adjustments

(2) Instalments made for borrowings and lease liabilities along with interest

(3) Working capital = current assets - current liabilities

(4) Capital employed = average equity + average debt - average deferred tax assets.

47.

The Company has commenced its movie exhibition business under the brand MovieMAX from April 2022 onwards with its owned 9 properties comprising of 23 screens.8 properties with 38 screen added during the year,The Company will grow the exhibition business across pan India.Accordingly Company has reclassified its Investment properties into Theatre buildings under the head Property,plant and equipment.

48.

Details of loans and advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

(a) repayable on demand; or

(b) without specifying any terms or period of repayment

SUMMARY of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2023 (Contd.)

(in ₹ Lakhs)

Type of borrower	Amount of loan / advance in the nature of loan outstanding	Percentage to total loans/advances in the nature of loans
31 March 2023		
Entities under common control	669.62	40.62%
Subsidiary company	978.91	59.38%
Total loan	**1,648.53**	**100.00%**
31 March 2022		
Entities under common control	1,090.94	7.79%
Subsidiary company	12,909.68	92.21%
Total loan	**14,000.62**	**100.00%**

49. The Company has transaction or relation with any company struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

(in ₹ Lakhs)

Name of Struck off Company	Nature of transaction with struck off Company	Relation with Struck off Company, If any to be disclosed	31 March 2023	31 March 2022
Netflow Broadband Private Limited	Internet Operator	Vendor	0.01	-

50. Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification / disclosure.

51. Authorisation of financial statements

These financial statements as at and for the year ended 31 March 2023 (including comparatives) have been approved by the Board of Directors on 30 May 2023.

As per our audit report of even date

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

Hasmukh B Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 30 May 2023

INDEPENDENT AUDITOR'S REPORT

To

The Members of

Cineline India Limited

Report on the audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Ind AS financial statements of Cineline India Limited ('the Holding Company' or 'the Parent' or 'the Company') and its subsidiaries (the parent and its subsidiaries together referred to as 'the Group'), which comprise the consolidated balance sheet as at 31 March 2023 and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ('the Consolidated Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us and the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matter

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

Other Information

5. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the Consolidated Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

6. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

7. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

9. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

11. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

    12.1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    12.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.

    12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

    12.4. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

    12.5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

    12.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT (Contd.)

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
    - 16.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
    - 16.2. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
    - 16.3. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
    - 16.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
    - 16.5. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023, taken on record by the Board of Directors of the Holding Company and its subsidiary companies, incorporated in india, none of directors of the Group companies incorporated in india are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
    - 16.6. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and its subsidiary companies, incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.
    - 16.7. In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary companies incorporated in india to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies, incorporated in India is not in excess of the limit laid down under Section 197 of the Act.
17. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - 17.1. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group – Refer Note 52 to the consolidated financial statements.
    - 17.2. The Group did not have any foreseeable losses on long term contracts including derivative contracts.
    - 17.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.
    - 17.4. The respective managements of the Holding Company and its subsidiaries, have represented to us, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - 17.5. The respective managements of the Holding Company and its subsidiaries, have represented to us, to best of their knowledge and belief, that no funds have been received by the Holding Company or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - 17.6. Based on such audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our notice that has caused us to believe that the representation under para 17.4 and 17.5 contain any material misstatement.
    - 17.7. In our opinion and according to the information and explanations given to us, no dividend declared or paid during the year.
    - 17.8. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), provides for the feature of recording of audit trail (edit log) facility in the accounting software used by the Company for maintenance of books of account, which is applicable to the Company from financial year beginning 01 April 2023. The reporting under clause (g) of Rule 11 of Companies (Audit and Auditors) Rules, 2014 would be done from financial year 2023-24 onwards.
18. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order,2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company, we report that there are no qualifications or adverse remarks in these CARO reports.

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

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 23033494BGWSTE1320

Place: Mumbai
Date: 30 May 2023

Annexure 'A' to the Independent Auditors' report on the Consolidated Financial Statements of Cineline India Limited for the year ended 31 March 2023

(Referred to in paragraph 16.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of Cineline India Limited as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Cineline India Limited ('the Holding Company') and its subsidiary companies, which are companies incorporated in India, as of that date.
2. In our opinion, the Holding Company, and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial control with reference to the Consolidated Financial Statements. Based on selective verification of processes and policies, made available to us after the end of financial year under report, in our opinion and considering the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note, the operating effectiveness of such process controls and appropriate documentation thereof needs to be strengthened to make the same commensurate with the size of the Company and nature of its business.

Management's responsibility for Internal Financial Controls

3. The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Holding Company and its subsidiaries, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

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

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

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

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

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 23033494BGWSTE1320

Place: Mumbai
Date: 30 May 2023

CONSOLIDATED BALANCE SHEET

as at 31 March 2023

(in ₹ Lakhs)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	31,131.38	23,936.28
(b) Capital work in progress	5	460.73	329.24
(c) Right to use Assets	4	11,324.75	101.28
(d) Investment property	6	-	6,178.26
(e) Intangible Assets	7	115.01	13.07
(f) Goodwill on Consolidation	8	5,906.27	5,904.91
(g) Financial assets			
(i) Investments		-	-
(ii) Other non-current financial assets	9	694.11	1,007.37
(h) Other non-current assets	10	238.61	255.35
(i) Non-current tax assets (net)	11	287.70	466.40
(j) Deferred Tax Assets (net)	12	2,344.24	1,964.03
Total non-current assets		**52,502.80**	**40,156.18**
Current assets			
(a) Inventories	13	210.37	24.64
(b) Financial Assets			
(i) Trade receivables	14	532.31	322.22
(ii) Cash and cash equivalents	15	2,465.88	2,649.53
(iii) Bank balances other than (ii) above	16	92.58	142.65
(iv) Loans	17	669.62	1,090.94
(v) Other financial assets	18	565.14	107.85
(c) Other current assets	19	947.62	545.14
Total current assets		**5,483.52**	**4,882.97**
Assets held for sale	20	**-**	**82.50**
Total assets		**57,986.32**	**45,121.65**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	21	1,578.32	1,504.90
(b) Other equity	22	12,316.54	9,393.25
Total equity		**13,894.86**	**10,898.14**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	22,188.57	30,466.23
(ii) Lease liabilities		9,904.44	86.53
(iii) Other financial liabilities	24	1,865.39	89.66
(b) Provisions	25	188.86	51.74
(c) Deferred tax liabilities (net)	26	-	229.62
(d) Other non-current liabilities	27	5.78	34.89
Total non-current liabilities		**34,153.04**	**30,958.67**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings			
- Short Term borrowings		-	-
- Current maturities on long term borrowings	28	2,046.38	1,663.81
(ii) Lease liabilities		1,306.30	20.99
(iii) Trade payables	29		
- Dues to Micro enterprises & small enterprises		53.43	18.48
- Dues to creditors other than Micro enterprises & small enterprises		2,002.10	660.67
(iv) Other financial liabilities	30	4,010.20	634.09
(b) Other current liabilities	31	461.08	249.96
(c) Provisions	32	58.93	16.83
Total current liabilities		**9,938.42**	**3,264.83**
Total liabilities		**44,091.46**	**34,223.50**
Total equity and liabilities		**57,986.32**	**45,121.65**
Notes 1 to 62 form an integral part of these financial statements			

As per our audit report of even date

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

Hasmukh B Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 30 May 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2023

(in ₹ lakhs, except per share data)

Sr. No.	Particulars	Notes	Year ended 31 March 2023	Year ended 31 March 2022
	Revenue			
I	Revenue from operations	33	14,057.40	4,500.74
II	Other income	34	347.67	512.95
III	**Total Revenue (I+II)**		**14,405.07**	**5,013.69**
IV	**Expenses**			
	Movie exhibition cost		2,502.45	-
	Consumption of food and beverages		1,037.92	251.59
	Power and fuel		1,275.47	257.90
	Employee benefits expense	35	2,003.32	817.68
	Finance costs	36	3,394.43	3,498.60
	Depreciation and amortisation expense	37	2,183.97	1,924.30
	Other expenses	38	4,814.70	2,037.88
	Total Expenses (IV)		**17,212.26**	**8,787.93**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(2,807.19)**	**(3,774.24)**
VI	**Exceptional Items**		**-**	**-**
VII	**Profit/(Loss) before tax (V-VI)**		**(2,807.19)**	**(3,774.24)**
VIII	**Tax expense / (credit)**			
	Current tax	39	-	-
	MAT credit reversal		-	-
	Deferred tax charge / (credit)	39	(641.99)	(263.59)
	Prior year's tax adjustments		-	35.76
			(641.99)	**(227.83)**
IX	**Profit/(Loss) for the period continuing operation (VII-VIII)**		**(2,165.20)**	**(3,546.41)**
X	**Profit/(Loss) from discontinued operation**		2,491.00	-
XI	**Tax on discontinued operation**		(160.21)	-
XII	**Profit/(Loss) from discontinued operation (after tax) (X-XI)**		**2,330.79**	**-**
XIII	**Profit/(Loss) for the period (IX+XII)**		**165.59**	**(3,546.41)**
XIV	**Other comprehensive income for the period**			
	Items that will not be reclassified to statement of profit or loss			
	Remeasurement of post employment benefit obligations		26.00	5.20
	Income tax effect on above		(7.32)	(1.44)
			18.67	**3.76**
XV	**Total comprehensive income for period (XIII+XIV)**		**184.27**	**(3,542.65)**
	Earnings per equity share (Face value of ₹ 5 each)	40		
	Basic and Diluted earnings per share (Continuing operation)		(6.89)	(12.19)
	Basic and Diluted earnings per share (Discontinued operation)		7.43	-
	Basic and Diluted earnings per share (Continuing operation and Discontinued operation)		0.54	(12.19)
	Notes 1 to 62 form an integral part of these financial statements			

As per our audit report of even date

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

Hasmukh B Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 30 May 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

A. Equity share capital

Issued, subscribed and fully paid up

As at 31 March 2023 (in ₹ Lakhs)

Particulars	Balance at the beginning of year	Changes in equity due to prior period errors	Restated balance at the beginning of year	Changes in equity capital during the year	Balance at the end of year
No. of shares	3,00,97,902	-	-	14,68,532	**3,15,66,434**
Amount	**1,504.90**	**-**	**-**	**73.43**	**1,578.32**

As at 31 March 2022 (in ₹ Lakhs)

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

B Other equity

As at 31 March 2023 (in ₹ Lakhs)

Particulars	Reserves and surplus						
	Securities premium reserve	General reserve	Capital redemption reserve	Furniture Fixture & Expenditure Reserve	Retained earnings	Share warrants	Total
Balance as at 31 March 2022	**4,959.10**	**55.00**	**17.02**	**132.95**	**3,966.61**	**262.57**	**9,393.25**
Profit for the year	-	-	-	-	165.59	-	**165.59**
Issued during the year	976.60	-	-	-	-	1,762.43	**2,739.03**
Converted to equity during the year	-	-	-	-	-	-	**-**
Other comprehensive income	-	-	-	-	18.67	-	**18.67**
Transferred to Furniture Fixture & Expenditure Reserve	-	-	-	125.85	(125.85)	-	**-**
Expenses from Furniture Fixture & Expenditure Reserve				(212.46)	212.46	-	**-**
Balance as at 31 March 2023	**5,935.70**	**55.00**	**17.02**	**46.34**	**4,237.48**	**2,025.00**	**12,316.54**

As at 31 March 2022 (in ₹ Lakhs)

Particulars	Reserves and surplus						
	Securities premium reserve	General reserve	Capital redemption reserve	Furniture Fixture & Expenditure Reserve	Retained earnings	Share warrants	Total
Balance as at 31 March 2021	**3,564.00**	**55.00**	**17.02**	**47.27**	**7,594.94**	**-**	**11,278.23**
Profit for the year	-	-	-	-	(3,546.41)	-	**(3,546.41)**
Issued during the year	1,395.10	-	-	-	-	262.57	**1,657.67**
Converted to equity during the year	-	-	-	-	-	-	**-**
Issued during the year	-	-	-	-	-	-	**-**
Converted to equity during the year	-	-	-	-	-	-	**-**
Other comprehensive income	-	-	-	-	3.76	-	**3.76**
Transferred to Furniture Fixture & Expenditure Reserve	-	-	-	87.60	(87.60)	-	**-**
Expenses from Furniture Fixture & Expenditure Reserve				(1.92)	1.92		**-**
Balance as at 31 March 2022	**4,959.10**	**55.00**	**17.02**	**132.95**	**3,966.61**	**262.57**	**9,393.25**

As per our audit report of even date

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

Hasmukh B Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 30 May 2023

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2023

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities		
Profit before tax		
Profit/(Loss) from continuing operations	(2,781.19)	(3,769.03)
Profit/(Loss) from discontinuing operations	2,491.00	-
Profit/(Loss) before Tax	**(290.19)**	**(3,769.03)**
Adjustments for:		
Depreciation expense	2,225.77	1,627.91
Impairment assets	(6.38)	43.55
(Profit) / loss on sale of assets	(2,780.44)	252.84
Loss on Sale of shares	-	-
Provision for doubtful debts	3.64	32.86
Provisions and balances no longer required written back	(0.02)	(0.95)
Finance costs	3,364.94	3,498.60
Interest income	(185.40)	(265.49)
(Gain) / loss on sale of short term investments	(70.23)	(43.22)
(Gain) / loss due to modification of lease liability	**-**	(8.10)
Operating profit before working capital changes	**2,261.70**	**1,368.97**
Changes in working capital		
Increase in inventories	(185.73)	(7.12)
Increase in trade receivables	(213.72)	70.85
Decrease in other assets	(427.41)	244.78
Increase in financial assets	(144.09)	(565.73)
Increase in trade payables	1,376.39	53.62
Increase in provisions	179.22	15.90
Decrease in other liabilities	214.44	17.53
Increase in financial liabilities	4,516.74	(270.70)
Cash generated from operations	**7,577.53**	**928.10**
Income taxes paid / refunds (net)	53.35	61.27
Net cash generated from operating activities	**7,630.88**	**989.37**
Cash flow from investing activities:		
Sale of property, plant and equipment & investment property	309.60	679.27
Purchase of property, plant and equipment	(255.80)	-
Purchases of Intangible Assets	(8.26)	-
Interest received	1,098.97	276.25
(Acquisition) / Sale of Investments (Net)	-	-
Other assets	-	-
Loan given to subsidiary company	-	-
Acquisition of subsidiary	-	-
Loan received back from related party	421.32	171.04
Net cash generated from / (used) in investing activities	**1,565.83**	**1,126.56**
Cash flow from financing activities:		
Interest paid	(3,279.15)	(3,485.88)
Interest paid on lease liability	(736.57)	(12.72)
Increase in principal towards lease liability	(339.92)	(18.76)
Proceeds from / (Repayment of) Short-Term Borrowings	-	-
Net proceeds / (repayments) of long term borrowings	(7,895.09)	31.11
Repayment of Debenture	-	-
Receipt of Loan Given	-	-
Increase/decrease in fixed assets	37.96	1,901.20
Interest received	19.98	32.45
Proceeds from issue of equity shares	787.43	1,500.00
Proceeds from issue of warrants	2,025.00	262.57
Net cash used in financing activities	**(9,380.36)**	**209.97**
Net increase / (decrease) in cash and cash equivalents	(183.65)	2,325.90
Cash and cash equivalents as at the beginning of the year	2,649.53	323.63
Cash and cash equivalents as at the end of the year	**2,465.88**	**2,649.53**

Notes to cash flow statement	Year ended 31 March 2023	Year ended 31 March 2022
Cash on hand	33.29	8.65
Balances with banks - in current accounts	134.57	642.50
Investment in liquid funds	2,261.49	1,868.04
Deposits	36.52	130.34
	2,465.88	**2,649.53**

As per our audit report of even date

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

Hasmukh B Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 30 May 2023

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023

1. Corporate information

Cineline India Limited (the 'Company') is a company domiciled in India, incorporated under the Companies Act, 1956 on 22 May 2002. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is engaged in business of movie exhibition in India. The Company earns revenue from sale of movie tickets, in-cinema advertisements/ product displays and sale of food and beverages.

2. Significant accounting policies

a. Statement of Compliance:

The Holding Company has prepared the consolidated financial statements of the Group which comprise the balance sheet as at 31 March 2023, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the year ended 31 March 2023, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "consolidated financial statements").

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

  The consolidated financial statements incorporate the results of Cineline India Limited and its subsidiaries, being the entity that it controls. The financial statements of the subsidiaries is prepared for the same reporting year as the Parent Company, using consistent accounting policies to the extent applicable. The financial statements of the Group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. The intra-group balances, intra-group transactions and resulting unrealised profits and losses have been fully eliminated.

- Following company has been considered in the preparation of Consolidated financial statements:

Name of the Subsidiaries Company	% holding as at	
	31 March 2023	31 March 2022
Transquare Realty Private Limited	100%	100%
R&H Spaces Private Limited (w.e.f 01 January 2021)	100%	100%
Cineline Industries Private Limited (w.e.f 18 February 2021)	100%	100%
Cineline Realty Private Limited (w.e.f 04 February 2021)	100%	100%

b. Basis of preparation

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

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

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

Functional and presentation currency

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

Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

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

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

c. Critical estimates and judgements

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

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

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

- **Useful lives of property, plant and equipment and investment property -** Property, plant and equipment and investment property represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management, based on those prescribed under Schedule II to the Act, at the time the asset is acquired and reviewed periodically, including at each financial year end.
- **Defined benefit obligation -** The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty. The assumptions used are disclosed in the notes to these financial statements.
- **Fair value measurements -** Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.
- **Impairment of assets -** In assessing impairment, management estimates the recoverable amounts of each asset (in case of non-financial assets) based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate.
- **Income tax -** Significant judgments are involved in determining the provision for income tax, including the amount expected to be paid or recovered in connection with uncertain tax positions.
- **Provisions -** Provisions are recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement obligation and compensated expenses) are not discounted to its present value and are determined based on the best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- **Right to Use assets and liabilities -** Determination of lease term for computation of lease liabilities and right of use assets and discount rate used for discounting the lease payments to compute the present value of lease liabilities.

d. Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Revenue is recognised only when it can be reliably measured and it is probable that the economic benefits will flow to the Group. Amount disclosed as revenue are reported net of applicable taxes, which are collected on behalf of the government or on behalf of third parties. The following specific recognition criteria must also be met before revenue is recognised:

i. Income from sale of movie tickets (Box office revenue)

Revenue from sale of movie tickets is recognised as and when the film is exhibited.

ii. Sale of food and beverages

Revenue from sale of food and beverages is recognised upon passage of title to customers, which coincides with their delivery to the customer.

iii. Advertisement revenue

Advertisement revenue is recognised as and when advertisement are displayed at the cinema halls and in accordance with the term of the agreement.

iv. Convenience fee

Convenience fee is recognised as and when the movie tickets are sold on digital platforms. Further, in case of fixed contracts with digital ticketing partners, revenue is recognised on accrual basis in accordance with the terms of the agreement.

v. Virtual print fees income

Revenue is recognised on an accrual basis in accordance with the terms of the relevant agreements.

vi. Revenue from gift vouchers

Non-refundable Gift cards and vouchers are sold to customers, that give customers the right to receive goods or services in the future. The prepayment amount received from the customer is recognised as unearned revenue liability. If a customer does not exercise their right, this amount is recognised as revenue in proportion to the pattern of rights exercised by the customer as there is an expectation that the Company will be entitled to revenue and that it is considered highly probable and a significant reversal will not occur in the future.

vii. Rental Income

Revenue from rent and common area maintenance is recognised based upon the agreement, for the period the property has been let out and when no significant uncertainty exists regarding the amount of consideration that will be derived. Ind AS 116 mandates straight lining of lease rental income, only if the escalation rate is not in line with the general inflation rate.

viii. Gaming income

Revenue from gaming is recognised as and when the games are played by customers.

ix. Income from operations Rooms, Food and Beverage & Banquets

Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

x. Other Allied services

In relation to the laundry income, communication income, transfers income and other allied services, the revenue has been recognised by reference to the time of service rendered.

e. Other income

a) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

b) Interest income is recognised using the effective interest method.

c) Dividend income is accounted for when the right to receive the income is established.

f. Leases

i. The Group as Lessee

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

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

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

ii. The Group as Lessor

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

Income taxes

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

Current tax

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

Deferred tax

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in the OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in the OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off such amounts.

Minimum alternate tax

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

g. Financial instruments

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

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

i. Recognition, initial measurement and derecognition

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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

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

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

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

ii. Subsequent Measurement

Non-Derivative Financial Instruments

Financial assets carried at amortised cost

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

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

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

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

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

Financial liabilities

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

iii. Impairment of financial assets

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

h. Equity shares

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

i. Cash and cash equivalents and cash flows

Cash and cash equivalents comprise cash on hand and demand deposits, together with other current / short-term, highly liquid investments (original maturity less than 3 months) that are readily

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

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

j. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes inward freight and expenses incidental to acquisition and installation, net of tax credits up to the point the asset is ready for its intended use. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss when incurred.

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

k. Capital work-in-progress

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

l. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

m. Intangible assets under development

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

n. Subsequent expenditure

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

o. Depreciation

Depreciation is provided on property, plant and equipment on pro rata basis for the period of use, on the straight line method (SLM) as per the useful life of the assets prescribed under Schedule II to the Companies Act, 2013, except in the following cases, where the management based on technical and internal assessment considers life to be different than prescribed under Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Particulars	Useful life as per Schedule III (In Years)	Management estimate of Useful life (in Years)
Plant & Machinery	13-15	5-13
Other furniture, fixtures and office equipments	5-10	8-10

The Company has estimated the residual value @ 5% of original cost for all assets except for sound and projections equipment's.

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

Leasehold improvements are amortised on a straight-line basis over the estimated period of lease including renewals or unexpired period of lease, whichever is shorter.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

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

p. Amortisation

Amortisation is provided on intangible assets on pro rata basis for the period of use, on the straight line method (SLM) as per the useful life of the assets estimated by the management. Cost relating to purchased software and software licenses are capitalised and amortised on a straight-line basis over their estimated useful lives or 10 years whichever is lower.

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

q. Investment property

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

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

r. Investment in subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss

s. Inventories

Inventories are valued as follows:

(a) Food and beverages

Lower of cost and net realisable value. Cost is determined on weighted average basis.

(b) Stores and spares

Lower of cost and net realisable value. Cost is determined on First In First Out (FIFO) basis.

t. Derivative financial instruments and hedge accounting

Hedging instrument is initially recognised at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognised in the Statement of Profit and Loss. Hedging instrument is recognised as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Hedged item (recognised financial liability) is initially recognised at fair value on the date of entering into contractual obligation and is subsequently measured at amortised cost. The hedging gain or loss on the hedged item is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effect is recognised in the Statement of Profit and Loss.

u. Impairment of non-financial assets

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

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

v. Fair value measurement

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

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

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

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

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

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

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

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

w. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

x. Foreign currency transaction and translations

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Non- monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

y. Employee benefits

- *Defined contribution plans*

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

- *Defined benefit plans*

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

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

- *Other long-term employee benefits*

  Liability in respect of compensated absences is estimated on the basis of an actuarial valuation

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

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

- *Short-term employee benefits*

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

z. Provisions, contingent liabilities and contingent assets

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

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

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

aa. Earnings per share

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

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

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

ab. Operating segments

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

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

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

3.1. Report on Other Legal and Regulatory Requirements:

Provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 01 April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

3.2. Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2023 as below:

a) IND AS 1 – Presentation of Financial Statements – This amendment requires the Company to disclose its material accounting policies rather than their significant accounting policies.

b) IND AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.

c) IND AS 12 – Income Taxes - This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences.

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

4. Property, plant and equipment

(in ₹ Lakhs)

Particulars	Land at Goa	Freehold lands	Building	Theatre and mall buildings	Leasehold improvements	Plant and equipment	Consumables	Kitchen Equipments	Theatre furniture and fixtures	Electricals Fittings	Other furniture, fixtures and office equipments	Computers	Vehicles	Right to use Asset	Wind energy generator	Total
Gross block																
Balance as at 31 March 2021	5,828.86	-	20,104.45	-	-	1,741.31	997.14	785.43	0.49	937.62	683.09	561.31	56.68	121.70	942.76	32,760.83
Opening balance of assets acquired during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	42.47	-	-	-	5.11	1.92	1.99	-	126.60	-	178.09
Goodwill Reversal (refer note 8)	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Sale during year	-	-	-	-	-	-	-	-	-	-	-	-	-	(121.70)	(942.76)	(1,064.46)
Balance as at 31 March 2022	5,828.86	-	20,104.45	-	-	1,783.78	997.14	785.43	0.49	942.73	685.01	563.30	56.68	126.60	-	31,874.46
Opening balance of assets acquired during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	244.08	36.09	182.04	2,502.78	2,359.15	3.83	-	-	4.65	1,960.50	150.94	-	11,883.46	-	19,327.54
Transferred from Investment Property (refer note 6)	-	1,971.68	-	5,765.92	-	-	-	-	-	-	-	-	-	-	-	7,737.60
Sale during year	-	(1,828.59)	-	(2,556.59)	-	(86.03)	-	-	-	-	(20.46)	(0.73)	-		-	(4,492.40)
Balance as at 31 March 2023	5,828.86	387.18	20,140.54	3,391.37	2,502.78	4,056.90	1,000.97	785.43	0.49	947.38	2,625.04	713.51	56.68	12,010.06	-	54,447.20

(in ₹ Lakhs)

Particulars	Land at Goa	Freehold lands	Building	Theatre and mall buildings	Leasehold improvements	Plant and equipment	Consumables	Kitchen Equipments	Theatre furniture and fixtures	Electricals Fittings	Other furniture, fixtures and office equipments	Computers	Vehicles	Right to use Asset	Wind energy generator	Total
Accumulated depreciation																
Balance as at 31 March 2021	-	-	2,546.32	-	-	981.51	855.97	448.88	0.47	629.03	497.25	515.56	39.86	30.43	329.64	6,874.91
Accumulated depreciation on assets acquired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	886.40	-	-	137.53	52.03	60.92	-	80.22	57.55	16.90	5.19	25.32	28.33	1,350.38
Reversal on disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	(30.43)	(357.97)	(388.40)
Balance as at 31 March 2022	-	-	3,432.72	-	-	1,119.04	908.00	509.79	0.47	709.25	554.80	532.46	45.05	25.32	-	7,836.89
Depreciation transferred from Investment Property (refer note 6)	-	-	-	3,220.60	-	-	-	-	-	-	-	-	-	-	-	3,220.60
Accumulated depreciation on assets acquired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	842.48	130.56	56.78	243.10	27.78	49.89	-	60.94	99.46	20.15	3.47	659.99	-	2,194.60
Reversal on disposals	-	-	-	(1,189.33)	-	(56.60)	-	-	-	-	(14.37)	(0.72)	-	-	-	(1,261.02)
Balance as at 31 March 2023	-	-	4,275.21	2,161.84	56.78	1,305.54	935.78	559.68	0.47	770.20	639.88	551.89	48.52	685.32	-	11,991.08

(in ₹ Lakhs)

Particulars	Land at Goa	Freehold lands	Building	Theatre and mall buildings	Leasehold improvements	Plant and equipment	Consumables	Kitchen Equipments	Theatre furniture and fixtures	Electricals Fittings	Other furniture, fixtures and office equipments	Computers	Vehicles	Right to use Asset	Wind energy generator	Total
Net block																
Balance as at 31 March 2023	5,828.86	387.18	15,865.34	1,229.54	2,446.00	2,751.36	65.19	225.74	0.02	177.19	1,985.16	161.62	8.16	11,324.75	-	42,456.13
Balance as at 31 March 2022	5,828.86	-	16,671.73	-	-	664.74	89.14	275.63	0.02	233.48	130.21	30.84	11.63	101.28	-	24,037.55

a) Windmills and fixed assets at Hyatt Centric Goa have been lien marked towards loan facility availed from Aditya Birla Finance Limited and Axis Bank Limited(also refer note 23)

b) Vehicles at Hyatt Centric Goa are hypothecated towards respective vehicle loans (also refer note 23)

c) Land and building at Hyatt Centric Goa has been revalued in previous year (refer note 8)

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or investment property during the current or previous year.

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

5. Capital work in progress

5.1. Tangible assets under development

(in ₹ Lakhs)

Description of the block of asset		As at 31 March 2022	Additions during the year	Capitalised during the year	As at 31 March 2023
1)	Leasehold improvements	321.75	2,601.31	2,497.92	**425.15**
2)	Other furniture, fixtures and office equipments	-	1,720.22	1,719.31	**0.90**
3)	Plant & Machinery	-	1,504.55	1,501.67	**2.87**
4)	Computers	-	77.67	76.35	**1.32**
5)	Building	-	39.15	28.70	**10.45**
5)	Electrical Fittings	-	1.47	0.85	**0.62**
Total		**321.75**	**5,944.36**	**5,824.80**	**441.31**

5.2 Intangible assets under development

(in ₹ Lakhs)

Description of the block of asset		As at 31 March 2022	Additions during the year	Capitalised during the year	As at 31 March 2023
1	Brand development	7.49	-	7.49	**-**
2	Software	-	24.99	5.57	**19.42**
Total		**7.49**	**24.99**	**13.06**	**19.42**

Capital work in progress and intangible assets under development ageing schedule

(in ₹ Lakhs)

Balance as on 31 March 2023	Amount in CWIP for a period of				Total*
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in Progress*	460.73	-	-	-	460.73
Projects temporarily suspended	-	-	-	-	-

Capital work in progress and intangible assets under development ageing schedule

(in ₹ Lakhs)

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

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

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

6. Investment property

(in ₹ Lakhs)

Particulars	Freehold lands	Theatre and mall buildings	Other buildings	Total
Balance as at 31 March 2021	**1,971.68**	**2,736.54**	**2,598.92**	**7,307.14**
Additions	-	-	-	**-**
Sales during the year	-	-	(854.08)	**(854.08)**
Transferred to asset held for sale	-	-	-	**-**
Depreciation charge for the year	-	(191.21)	(83.59)	**(274.80)**
Balance as at 31 March 2022	**1,971.68**	**2,545.33**	**1,661.25**	**6,178.26**
Additions	-	-	-	**-**
Sales during the year	-	-	(1,641.34)	**(1,641.34)**
Transferred to Property, plant and equipment	(1,971.68)	(2,545.32)	-	**(4,517.00)**
Depreciation charge for the year	-	-	(19.92)	**(19.92)**
Balance as at 31 March 2023	**-**	**-**	**-**	**-**

Notes:

(a) Fair value of investment property

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Freehold lands	-	36,310.66
Theatre and mall buildings		
Other buildings	-	3,450.58

The fair value of investment properties has been determined internally by the management.

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

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

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

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

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Rental income from investment property	-	1,234.01
Direct operating expenses arising from investment property that generated rental income during the period	-	321.43
Direct operating expenses arising from investment property that did not generate rental income during the period	-	16.045

(b) Investment properties have been lien marked towards loan facility availed from Aditya Birla Finance Limited (also refer note 23).

(c) The Group does not have any proceedings initiated or are pending against it, for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(d) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or investment property during the current or previous year.

Land and building of subsidiary "R & H Spaces Private Limited" are revalued during the previous year to determine the actual value of goodwill on acquisition. Previous year figures are rearranged accordingly.

7. Intangible assets

(in ₹ Lakhs)

Particulars	Computer software	Brand	Total
Balance as at 31 March 2021	**15.80**	**-**	**15.80**
Additions/Acquisition	**-**	**-**	**-**
Sales during the year	-	-	-
Depreciation charge for the year	(2.73)	-	(2.73)
Balance as at 31 March 2022	**13.07**	**-**	**13.07**
Additions/Acquisition	105.69	7.49	113.18
Sales during the year	-	-	-
Depreciation charge for the year	(11.24)	-	(11.24)
Balance as at 31 March 2023	**107.52**	**7.49**	**115.01**

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

8. Goodwill on consolidation

(in ₹ Lakhs)

Particulars	Goodwill on consolidation
Balance as at 31 March 2021	**5,904.91**
Additions/Acquisition	**-**
Sales during the year	-
Depreciation charge for the year	-
Balance as at 31 March 2022	**5,904.91**
Additions/Acquisition	1.36
Sales during the year	-
Depreciation charge for the year	-
Balance as at 31 March 2023	**5,906.27**

The excess of purchase consideration paid over fair value of net assets and intangible assets acquired of "R & H Spaces Private Limited" has been attributed to goodwill on consolidation amounting to CY ₹ 5906.27 Lakhs(PY ₹ 5,904.91 Lakhs).

9. Other non current financial assets

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	438.26	763.64
(Unsecured, considered good)		
Derivative assets	-	-
Balances with banks to the extent held as margin money	255.85	243.73
Total	**694.11**	**1,007.37**

10. Other non current assets

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	30.73	11.49
Unamortised processing fees for loan	207.88	243.86
Deferred Rent Expense	-	-
Total	**238.61**	**255.35**

11. Non-current tax assets

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance tax (net of provision for tax of ₹ 244.20 Lakhs (PY ₹ 1,269.45 Lakhs))	287.70	466.40
Total	**287.70**	**466.40**

12. Deferred tax assets

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liability		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	715.28	401.96
Amortisation of Processing fees for term loan	17.54	-
Deferred processing fees	42.46	51.67
Lease equalisation reserve	0.12	-
	775.40	**453.63**
Deferred tax assets		
Provision for:		
Doubtful debts	25.88	-
Gratuity	15.99	6.01
Compensated absences	4.46	2.72
Bonus	-	-
Net lease expense on right of use asset	111.98	-
Accumulated unabsorbed depreciation	2,415.68	2,152.54
Accumulated business loss	208.90	208.90
Foreign exchange fluctuation	0.06	-
43B disallowance	164.45	47.49
MAT credit entitlement	172.24	-
	3,119.64	**2,417.66**
Deferred tax Assets	**2,344.24**	**1,964.03**

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

13. Inventories (Valued at lower of cost or net realisable Value)

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Food & Beverages	165.31	24.64
Stores and Spares	45.06	-
Total	**210.37**	**24.64**

14. Trade receivables

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables considered good –Secured	-	-
Trade receivables considered good –Unsecured	532.31	322.22
Trade receivables which has significant increase in credit risk		
Trade receivables – credit impaired	102.52	98.91
Less: Provision for doubtful debts	(102.52)	(98.91)
Total	**532.31**	**322.22**

Ageing as at 31 March 2023

(in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed i) Trade Receivables - considered good	346.57	87.47	33.84	-	64.43	532.31
Undisputed ii) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed iii) Trade Receivables - credit impaired		-	-	-	-	-
Disputed iv) Trade Receivables - considered good		-	-	-	-	-
Disputed v) Trade Receivables - which have significant increase in credit risk		-	-	-	-	-
Disputed vi) Trade Receivables - credit impaired	-	0.34	33.82	3.93	64.43	102.52
Total	**346.57**	**87.81**	**67.66**	**3.93**	**128.86**	**634.83**
Less: Provisions for doubtful debts	-	(0.34)	(33.82)	(3.93)	(64.43)	(102.52)
Total	**346.57**	**87.47**	**33.84**	**-**	**64.43**	**532.31**

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

Ageing as at 31 March 2022

(in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed i) Trade Receivables - considered good	229.74	63.72	21.61	7.15	-	322.22
Undisputed ii) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed iii) Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed iv) Trade Receivables - considered good	-	-	-	-	-	-
Disputed v) Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed vi) Trade Receivables - credit impaired	34.48	-	-	64.43	-	98.91
Total	**264.22**	**63.72**	**21.61**	**71.59**	**-**	**421.13**
Less: Provisions for doubtful debts	(34.48)	-	-	(64.43)	-	(98.91)
Total	**229.74**	**63.72**	**21.61**	**7.15**	**-**	**322.22**

15. Cash and cash equivalents

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks - in current accounts	134.57	642.50
Cash on hand	33.29	8.65
Investment in mutual funds #	2,261.50	1,868.04
Deposit accounts (maturity upto 3 months)	36.52	130.34
Total	**2,465.88**	**2,649.53**

87132.270 units of Baroda BNP Paribas Liquid Fund direct growth plan @ ₹ 2595.4687 each, previous year 15,093.51 units of Baroda BNP Paribas Overnight Fund regular growth plan @ ₹ 1,114.51 each

16. Other bank balances

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Unclaimed dividend account	0.93	0.93
Deposit accounts (maturity up to 12 months)	91.65	141.72
Total	**92.58**	**142.65**

17. Current financial assets - loans

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Loan to related party		
Loans receivable considered good –Unsecured	669.62	1,090.94
Total	**669.62**	**1,090.94**

18. Other current financial assets

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Security Deposits (Unsecured, considered good)	475.44	-
Interest receivable	25.18	43.91
Other assets	64.52	63.94
Total	**565.14**	**107.85**

19. Other current assets

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	119.86	79.41
Deferred rent expense	176.10	5.01
Unamortised processing fees for loan	32.11	33.26
Lease equalisation reserve	0.50	191.21
Advance to suppliers	51.40	50.67
Other assets	24.81	110.40
Balances with government authorities	542.84	75.18
Total	**947.62**	**545.14**

20. Assets held for sale

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Assets held for sale	-	82.50
Total	**-**	**82.50**

21. Equity share capital

(in ₹ Lakhs)

Particulars	Number of shares	Amount
a) **Authorised share capital**		
Equity shares of ₹ 5 each		
Total authorised equity share capital as at 31 March 2021	**8,00,00,000**	**4,000.00**
Change during the year	-	-
Total authorised equity share capital as at 31 March 2022	**8,00,00,000**	**4,000.00**
Change during the year	-	-
Total authorised equity share capital as at 31 March 2023	**8,00,00,000**	**4,000.00**
Preference shares of ₹ 10 each		
Total authorised preference share capital as at 31 March 2021	**2,50,000**	**25.00**
Change during the year	-	-
Total authorised preference share capital as at 31 March 2022	**2,50,000**	**25.00**
Change during the year	-	-
Total authorised preference share capital as at 31 March 2023	**2,50,000**	**25.00**

Issued, subscribed and paid-up equity share capital:

(in ₹ Lakhs)

Particulars	Number of shares	Amount
Equity shares of ₹ 5 each		
Balance as at 31 March 2021	**2,80,00,000**	**1,400.00**
Change during the year	20,97,902	104.90
Balance as at 31 March 2022	**3,00,97,902**	**1,504.90**
Change during the year	14,68,532	73.43
Shares issued and fully paid as at 31 March 2023	**3,15,66,434**	**1,578.32**

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

b) Terms and rights attached to equity shares

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

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

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

Name of shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 5 each				
Hiral Kanakia Trust (beneficiary Himanshu B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%
Vrutant Benefit Trust (beneficiary Himanshu B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%
Rupal Kanakia Trust (beneficiary Rasesh B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%
Ashish Benefit Trust (beneficiary Rasesh B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%
Rupal R. Kanakia	24,28,844	7.69%	24,28,844	8.07%
Hiral H. Kanakia	24,28,844	7.69%	24,28,844	8.07%
One Up Financial Consultants Private Limited	16,03,500	5.08%	20,97,902	6.97%
	1,87,36,388	**59.36%**	**1,92,30,790**	**63.89%**

d) Details of shares held by the promoters

Name of promoter	As at 31 March 2023		As at 31 March 2022		% of change during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of ₹ 5 each					
Himanshu B. Kanakia	12,73,824	4.04%	12,73,824	4.23%	(0.20)%
Hiral Kanakia Trust (beneficiary Himanshu B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%	(0.47)%
Vrutant Benefit Trust (beneficiary Himanshu B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%	(0.47)%
Rasesh B. Kanankia	12,73,924	4.04%	12,73,924	4.23%	(0.20)%
Rupal Kanakia Trust (beneficiary Rasesh B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%	(0.47)%
Ashish Benefit Trust (beneficiary Rasesh B. Kanakia)	30,68,800	9.72%	30,68,800	10.20%	(0.47)%
Rupal R. Kanakia	24,28,844	7.69%	24,28,844	8.07%	(0.38)%
Hiral H. Kanakia	24,28,844	7.69%	24,28,844	8.07%	(0.38)%
Ashish Rasesh Kanakia	3,67,133	1.16%	-	-	1.16%
Niyati Rasesh Kanakia	3,67,133	1.16%	-	-	1.16%
Vrutant Himanshu Kanakia	3,67,133	1.16%	-	-	1.16%
Vrusti Benefit Trust	3,67,133	1.16%	-	-	1.16%
Kanakia Gruhnirman Private Limited	140	0.00%	140	0.00%	0.00%
Kanakia Finance and Investments Private Limited	140	0.00%	140	0.00%	0.00%
	2,11,49,448	**67.00%**	**1,96,80,916**	**65.39%**	

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

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

22. Other equity

(in ₹ Lakhs)

Particulars	Sub-note	As at 31 March 2023	As at 31 March 2022
Securities premium reserve	(i)	5,935.70	4,959.10
Capital redemption reserve	(ii)	17.02	17.02
General reserve	(iii)	55.00	55.00
Furniture Fixture & Expenditure Reserve	(iv)	46.34	132.95
Retained earnings	(v)	4,237.48	3,966.61
Money received against warrants	(vi)	2,025.00	262.57
Total		**12,316.54**	**9,393.25**

(i) Securities premium reserve

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	**4,959.10**	**3,564.00**
Change during the year	976.60	1,395.10
Balance at the end of the year	**5,935.70**	**4,959.10**

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

(ii) Capital redemption reserve

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	**17.02**	**17.02**
Change during the year	-	-
Balance at the end of the year	**17.02**	**17.02**

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

(iii) General reserve

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	**55.00**	**55.00**
Change during the year	-	-
Balance at the end of the year	**55.00**	**55.00**

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

(iv) Furniture Fixture & Expenditure Reserve

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	**132.95**	**47.27**
Add: Additions during the year	125.85	87.60
Less: Expenses during the year	(212.46)	(1.92)
Balance at the end of the year	**46.34**	**132.95**

Furniture Fixture & Expenditure Reserve is created from time to time by way of transfer of profits from retained earnings. The reserve created is utilised for major repair works.

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

(v) Retained earnings

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	**3,966.61**	**7,594.94**
Add : Profit for the year	165.59	(3,546.41)
Less: Dividend distributed on equity shares	-	-
Less: Tax on dividend distributed on equity shares	-	-
Less: Other adjustments (net of taxes)	-	-
Less: Transferred to Furniture Fixture & Expenditure Reserve	(125.85)	(87.60)
Add: Expenses from Furniture Fixture & Expenditure Reserve	212.46	1.92
Items of other comprehensive income / (loss) recognised directly in retained earnings		
- Remeasurement of net defined benefit liability	18.67	3.76
Balance at the end of the year	**4,237.48**	**3,966.61**

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

(vi) Money received against share warrants

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Warrants issued	2,025.00	262.57

(vii) Pursuant to the approval of share holders of the Company at the Company's Nineteenth Annual General Meeting held on 03 September 2021

a) 14,68,532 warrants of the Company were allotted to 4 allottees on preferential basis at issue price of ₹ 71.50 each warrant (25% of issue price i.e, ₹ 17.88 towards "warrant subscription price" and balance ₹ 53.62 as "warrant exercise price") on 23 September 2021, each warrant being convertible into, or exchangable for, one equity share of face value of ₹ 5 each. Post receipt of total value of issue price warrants were exercised and converted into equal number of equity shares on 09 May 2022.

b) 20,97,902 fully paid up equity shares of the Company with face value of ₹ 5 each share were allotted to One Up Financial Consultants Private Limited on preferential basis at premium of ₹ 66.50 per share on 23 September 2021.

(viii) Pursuant to the approval of share holders of the Company at the Company's Extra Ordinary General Meeting held on 04 July, 2022

a) 27,00,000 warrants of the Company were allotted to 4 allottees on preferential basis at issue price of ₹ 130 each warrant (57.69% of issue price i.e, ₹ 75 towards "warrant subscription price" and balance ₹ 55 "warrant exercise price") on 19 July, 2022 each warrant being convertible into, or exchangable for, one equity share of face value of ₹ 5 each.

23. Non-current financial liabilities - borrowings

(in ₹ Lakhs)

Particulars	Interest rate	Maturity date	As at 31 March 2023	As at 31 March 2022	Remarks
Secured					
Term loan from financial institution-ABFL	12.15%	January 2032	7,632.78	12,806.25	Refer note (a) below
Line of credit from financial institution-ABFL	13.08%	January 2034	4,431.39	4,508.12	Refer note (a) below
Emergency credit line guarantee scheme (ECLGS)-ABFL	11.00%	July 2022	-	882.00	Refer note (b) below
Emergency credit line guarantee scheme (ECLGS)-ABFL	11.00%	July 2022	-	882.00	Refer note (b) below
Term Loan from Bank-Axis Bank	9.25%	March 2033	7,855.99	8,299.25	Refer note (c) below
Emergency credit line guarantee scheme (ECLGS)-Axis Bank	9.25%	January 2026	1,214.79	1,643.54	Refer note (d) below
Emergency credit line guarantee scheme (ECLGS)-Axis Bank	9.25%	May 2027	3,100.00	3,100.00	Refer note (d) below
Vehicle Loan from financial institution	9.25%	December 2022	-	8.88	Refer note (e) below
Total borrowings			**24,234.95**	**32,130.04**	
Less: Current maturities of loan			(2,046.38)	(1,663.81)	
Total			**22,188.57**	**30,466.23**	

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

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

i) First and exclusive charge / hypothecation of all rental receivables arising out of leasing of Theatre buildings

ii) First and exclusive charge on movable tangible and intangible assets including all stocks, work-in-progress, receivables, inventories, goodwill, patents, trade licenses, permits and all other intellectual property rights and all plant, machinery and equipment employed and over all the contracts and insurance policies/proceeds under the insurance contract in relation to the above properties

iii) First and exclusive charge by way of hypothecation of the escrow account with all monies credited / deposited therein and all investments in respect thereof (in whatever form the same may be)

iv) Personal / corporate guarantee of Rasesh B. Kanakia and Himanshu B. Kanakia.

v) First and exclusive charge by way of registered mortgage on the above detailed properties together with all the buildings and structures thereon, both present and future.

(b) Emergency credit line guarantee scheme (ECLGS) credit taken during the year from Aditya Birla Finance Limited is secured against:

Second charge by way of registered mortgage on the properties mentioned in above note 23 (a) (i) & (ii)

(c) Term loan taken from Axis Bank is secured against:

i) Exclusive EM / RM charge on the land & building of the subsidairy company.

ii) Exclusive hypothecation charge on the entire moveable fixed assets

iii) Exclusive charge on the entire current assets

iv) Hypothecation on all receivables

v) Pledge of shares to the extent of 29.99% of the total paid up capital of the subsidary company.

vi) Debt service reserve (DSRA)

vii) Personal guarantee of Rasesh B. Kanakia and Himanshu B. Kanakia

(d) Emergency credit line guarantee scheme (ECLGS) credit taken during the year from Axis Bank is secured against:

Second charge by way of registered mortgage on the properties mentioned in above note 23 (c) (i) to (vi)

(e) Vehicle loans taken from banks and financial institutions are secured against mortgaged vehicles

(f) Group is not required to file any quarterly return or statement with lender.

(g) Term Loans were used fully for the purpose for which the same were obtained.

Net debt reconciliation

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current borrowings (including current maturities)	24,234.95	32,130.04
Cash and cash equivalents	2,465.88	2,519.19
Net debt	**21,769.08**	**29,610.84**

(in ₹ Lakhs)

Particulars	Cash and cash equivalents	Non-current borrowings
Balance as at 31 March 2022	**2,519.19**	**32,130.04**
Cash flows (net)	(53.32)	(7,895.09)
Balance as at 31 March 2023	**2,465.88**	**24,234.95**

24. Other non current financial liabilities

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	1,865.39	89.66
Total	**1,865.39**	**89.66**

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

25. Non current provisions

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits obligations	188.86	51.74
Total	**188.86**	**51.74**

26. Deferred tax liabilities

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liability		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	-	610.78
Amortisation of Processing fees for term loan	-	19.23
Lease equalisation reserve	-	47.80
	-	**677.81**
Deferred tax assets		
Provision for:		
Doubtful debts	-	24.32
Gratuity	-	7.09
Compensated absences	-	0.85
Bonus	-	0.02
Net lease expense on right of use asset	-	1.56
43B disallowance	-	169.26
Business loss	-	26.42
MAT credit entitlement ₹ 32.36 Lakhs upto March 2024 ₹ 184.72 Lakhs upto March 2028 ₹ 1.58 Lakhs upto March 2029	-	218.67
	-	**448.19**
Deferred tax liability	**-**	**229.62**

27. Other non current liabilities

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred income	0.51	34.89
Deferred Gurantee Income	-	-
Other liabilities	5.27	-
Total	**5.78**	**34.89**

28. Current maturities of long term borrowings

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Current maturities of ECB	-	-
Current maturities of term loans	2,046.38	1,663.81
Total	**2,046.38**	**1,663.81**

29. Trade payables

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Dues to Micro enterprises & small enterprises	53.43	18.48
Dues to creditors other than Micro enterprises & small enterprises	2,002.10	660.67
Total	**2,055.53**	**679.15**

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

Particulars	31 March 2023	31 March 2022
a) the principal amount and the interest due thereon remaining unpaid	53.27	18.48
b) the amount of interest paid , along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
c) the amount of interest due and payable for the period of delay in making payment without interest	-	-
d) the amount of interest accrued and remaining unpaid at the end of financial year	0.16	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Ageing as at 31 March 2023

(in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
MSME	53.25	0.18	-	-	53.43
Others	1,913.10	88.98	-	-	2,002.10
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	**1,966.35**	**89.16**	**-**	**-**	**2,055.52**

Ageing as at 31 March 2022

(in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
MSME	18.48	-	-	-	18.48
Others	627.94	26.48	6.10	0.14	660.67
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	**646.42**	**26.48**	**6.10**	**0.14**	**679.15**

30. Other current financial liabilities

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	62.79	84.40
Unclaimed dividends	0.93	0.93
Earnest money deposit	-	4.50
Other payables	15.85	19.27
Salary and reimbursements	160.79	84.35
Security deposits	1,148.48	25.42
Capital creditors	2,620.07	128.17
Deposits refundable	1.29	287.05
Total	**4,010.20**	**634.09**

31. Other current liabilities

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Advances from customers	273.32	83.08
Statutory dues payable	187.08	166.22
Other payables	0.67	0.66
Total	**461.07**	**249.96**

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

32. Current provisions

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits obligations (refer note 42)	58.93	16.83
Total	**58.93**	**16.83**

33. Revenue from operations

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of services		
Sale of movie tickets	5,682.51	-
Advertisement income	307.16	10.46
Virtual print fees	109.05	-
Convenience fees	163.82	-
Rental income	26.52	1,093.19
	6,289.06	**1,103.65**
Income from car parking	43.75	52.29
Sale of power	1.50	78.07
Gaming revenue	15.77	-
Room & banquet income	4,432.25	2,599.40
Food & beverages income	3,173.95	593.82
Other income	101.12	73.51
	7,768.34	**3,397.08**
Total	**14,057.40**	**4,500.74**

Note : Other income include car hire income of ₹ 15.63 Lakhs (previous year ₹ 7.90 Lakhs).

34. Other income

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income	185.40	265.49
Sundry balances written back	0.02	0.94
Provisions no longer required written back	4.39	0.01
Gain / Loss on Short term investments-fair value	9.73	1.67
Gain / Loss on sale of short term investments	60.50	41.55
Gain due to modification of lease liability	1.03	8.10
Financial liabilities measured at amortised cost	-	58.11
Insurance claim received	-	34.99
Miscellaneous income	86.60	102.09
Total	**347.67**	**512.95**

35. Employee benefits expense

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and bonus	1,699.70	688.34
Contribution to provident and other funds (refer note 42)	163.64	62.48
Staff welfare expenses	139.98	66.86
Total	**2,003.32**	**817.68**

36. Finance costs

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense		
on term loan	2,597.52	2,981.65
on vehicle loan	0.21	1.24
on others	3.35	83.23
Finance charges	56.78	419.76
Interest on lease liability	736.57	12.72
Total	**3,394.43**	**3,498.60**

37. Depreciation and Impairment expense

37.1. Depreciation and amortisation expense

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Depreciation and amortisation on property, plant and equipment (refer note 4)	1,512.73	1,350.38
Depreciation on right of use asset	660.00	-
Depreciation on investment property (refer note 6)	-	274.80
Amortisation of Intangible Assets (refer note 7)	11.24	2.73
Total	**2,183.97**	**1,627.91**

37.2. Impairment expense

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Impairment on property, plant and equipment	-	43.55
Loss on sale of assets	-	252.84
Total	**-**	**296.39**

38. Other expenses

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Rates and taxes	466.76	189.24
Repairs and maintenance	309.28	72.50
Common area maintenance	352.46	26.51
Housekeeping charges	229.45	8.67
Security charges	138.04	8.07
Other operating expenses	1,778.58	1,126.78
Rent	135.28	1.40
Travelling and conveyance	111.32	3.88
Communication expenses	25.42	0.57
Insurance	31.56	23.54
Legal and professional fees	336.30	166.59
Loss on sale of assets	20.30	-
Directors' sitting fees	4.70	3.10
Advertising & marketing	281.26	12.48
Outsourced labour	350.00	-
Auditor's remuneration (refer note (a) below)	17.36	13.82
Bank charges	2.54	3.28
Printing and stationery	20.57	2.52
Provision for doubtful debts	0.99	32.86
Payment gateway charges	22.55	-
Provision for doubtful Advances	2.65	-
Contribution towards corporate social responsibility (refer note 51)	12.80	29.00
Donation	0.88	-
Sundry balance written off	-	2.03
Modification on Lease Income Straightlining	-	208.07
Reversal of lease income on straightlining	1.37	-
Business Promotion Expenses	2.73	7.91
Repairs & Maintenance	34.15	73.01
Miscellaneous expenses	125.40	22.05
Total	**4,814.70**	**2,037.88**
a) Auditor's remuneration (exclusive of taxes)		
- Statutory audit fees	17.36	13.82
Total	**17.36**	**13.82**

39. Current tax

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

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	35.76
Reversal of MAT credit	-	-
	-	**35.76**
Deferred tax charge / (credit)		

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
In respect of current year origination and reversal of temporary differences	(641.99)	(263.59)
Total tax expense	**(641.99)**	**(227.83)**
Tax on Discontinued Operations		
Current tax		
Current tax on profits for the year	135.36	-
Reversal of MAT credit	46.43	-
	181.79	-
Deferred tax charge / (credit)		
In respect of current year origination and reversal of temporary differences	(21.58)	-
Total tax expense on discontinuing operations	**160.21**	**-**

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

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Accounting profit before income-tax	(2,807.19)	(3,774.24)
Applicable Indian statutory income-tax rate	27.82%	29.12%
Computed tax expense	(780.96)	(1,099.06)
Tax effect of items deductible in calculating tax income (net)	143.59	840.29
Effect of income that is exempt from tax	(4.61)	(4.83)
MAT credit reversal / (creation)	-	-
Adjustment of current tax of prior periods	-	35.76
Income-tax expense reported in the statement of profit and loss	**(641.99)**	**(227.83)**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

40. Earnings per share

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
The numerators and denominators used to calculate the basic and diluted earnings per share are as follows:		
Net profit attributable to shareholders for basic/diluted earnings per share		
Continuing operation	(2,165.20)	(3,546.41)
Discontinued operation	2,330.79	-
Continuing operation and Discontinued operation	165.59	(3,546.41)
Weighted average number of equity shares for basic/diluted earnings per share (in Lakhs)	314.14	290.92
Basic and Diluted earnings per share		
Continuing operation	(6.89)	(12.19)
Discontinued operation	7.43	-
Continuing operation and Discontinued operation	0.54	(12.19)

41. Foreign exchange transactions & earnings

i) Foreign Exchange Earnings during the financial year - USD 11.67 Lakhs (Previous Year - USD 4.34 Lakhs) equivalent to ₹ 944.40 Lakhs (Previous Year ₹ 325.21 Lakhs).

ii) Foreign exchange expenditure during the financial year

(in ₹ Lakhs)

Particulars	Currency	31 March 2023	31 March 2022
Commission	USD	0.45	35.86
Marketing Fee	USD	1.39	111.16
Insurance	USD	0.05	3.86
Professional Fees	USD	1.06	99.50
Professional Fees	GBP	0.00*	0.54

* Amount less than GBP 1000/-

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

42. Employee benefits

(in ₹ Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Gratuity	165.81	48.38	43.43	10.83
Compensated absences	23.05	10.55	8.31	5.99
Total	**188.86**	**58.93**	**51.74**	**16.82**

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

(in ₹ Lakhs)

Particulars	Gratuity benefits	
	As at 31 March 2023	As at 31 March 2022
Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	54.26	44.35
Transfer In / (Out)	152.32	-
Interest cost	13.16	2.46
Service Cost	23.98	15.17
Benefits paid	(16.99)	(2.52)
Actuarial losses/(gains) on obligation	(12.56)	(5.20)
Closing defined benefit obligation	**214.17**	**54.26**
Amount recognised in the balance sheet:		
Liability at the beginning of the year	54.26	44.35
Current year's expense	37.14	17.63
Transferred to OCI	(12.56)	(5.20)
Contributions by employer	(16.99)	(2.52)
Liability recognised in the Balance Sheet	**61.85**	**54.26**
Expense recognised in the statement of profit and loss:		
Service cost	23.98	15.17
Interest cost	13.16	2.46
	37.14	**17.63**

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Expense/(income) recognised in the other comprehensive income:		
Actuarial loss / (gain) on defined benefit obligations	(12.56)	(5.20)
Net expense / (income) recognised in the total comprehensive income	**(12.56)**	**(5.20)**
Breakup of actuarial gain/loss		
Actuarial (gain) / loss arising from change in financial assumption	(9.08)	0.44
Demographic (Gain) / Loss on plan liabilities	0.44	-
Actuarial (gain) / loss arising from experience adjustment	(3.91)	(5.64)
	(12.56)	**(5.20)**

Actuarial assumptions used

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate (per annum)	7.40%	6.80%
Salary growth rate (per annum)		
-for first year	3.00%	3.00%
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%

Demographic assumptions used

Particulars	As at 31 March 2023	As at 31 March 2022
Mortality table	IALM(2012-14)	IALM(2012-14)
Retirement age	60 years	60 years
Average remaining life (years)	7.22	7.00
Withdrawal rates for all ages	12% per annum	12% per annum

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

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

Assumptions used in R & H Spaces Private Limited

Actuarial assumptions used

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate (per annum)	7.30%	5.40%
Salary growth rate (per annum)		
-for first year	6.00%	7.00%
-for second year	6.00%	7.00%
-thereafter	6.00%	7.00%

Demographic assumptions used

Particulars	As at 31 March 2023	As at 31 March 2022
Mortality table	IALM(2012-14)	IALM(2012-14)
Retirement age	58 years	58 years
Average remaining life (years)	2.77	2.50
Withdrawal rates for all ages	36% per annum	40% per annum

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

Sensitivity analysis

The financial results are sensitive to the actuarial assumptions. The changes to the defined benefit obligations for increase & decrease of 1% from assumed salary escalation, withdrawal and discount rates are given below. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2023.

(in ₹ Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
Increase/ (decrease) in the defined benefit liability	184.90	210.82	(2.24)	2.48
Salary escalation rate				
Increase/ (decrease) in the defined benefit liability	208.61	186.59	1.93	(1.78)
Withdrawal rates				
Increase/ (decrease) in the defined benefit liability	195.50	198.85	(0.38)	0.41

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

Compensated absences of Cineline India Limited

The Company has a defined benefit compensated absences plan. Employees are eligible to avail the unutilised accumlated compensated absences subject to the maximum of forty five days. Leaves accumlated are not encashable. The obligation for compensated absences is recognised in the same manner as gratuity and net reversal to the statement of profit and loss for the year is ₹ 0.93 Lakhs (Previous year: net charge to the statement of profit and loss for the year is ₹ 0.53 Lakhs).

Actuarial assumptions used

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	7.40%	6.80%
Expected salary escalation rate		
-for first year	3.00%	3.00%
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%
Mortality table	IALM(2012-14)	IALM(2012-14)
Withdrawal rate	12% per annum	12% per annum

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

Compensated absences of R & H Spaces Private Limited

The Company has a defined benefit compensated absences plan. It is payable to all the eligible employees at the rate of daily salary subject to a maximum of forty two days. The obligation for compensated absences is recognised in the same manner as gratuity and net charge to the statement of profit and loss for the year is ₹ 14.45 Lakhs (Previous year: net charge to the statement of profit and loss of ₹ 5.46 Lakhs).

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	7.30%	5.40%
Expected salary escalation rate		
-for first year	6.00%	7.00%
-for second year	6.00%	7.00%
-thereafter	6.00%	7.00%
Mortality table	IALM(2012-14)	IALM(2012-14)
Withdrawal rate	36% per annum	40% per annum

43. Related party transactions

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

a) List of related parties

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

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

b) Transactions during the year

(in ₹ Lakhs)

Particulars	Nature of relationship	Year ended 31 March 2023	Year ended 31 March 2022
Loan given			
Kanakia Spaces Realty Private Limited	Entity under common control	573.00	2,490.00
Deposit given			
Kanakia Spaces Realty Private Limited	Entity under common control	-	0.02
Loan given received back			
Kanakia Spaces Realty Private Limited	Entity under common control	994.32	2,748.79
Interest received from			
Kanakia Spaces Realty Private Limited	Entity under common control	147.09	185.52
Other expenses			
Kanakia Hotels & Resorts Private Limited	Entity under common control	1.63	0.78

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

(in ₹ Lakhs)

Particulars	Nature of relationship	Year ended 31 March 2023	Year ended 31 March 2022
Rent expense			
Kanakia Spaces Realty Private Limited	Entity under common control	31.80	31.80
Property tax & CAM expense			
Kanakia Residential Private Limited	Entity under common control	-	9.62
Advertisement income received			
Kanakia Future Realty Private Limited	Entity under common control	6.00	-
RBK Education Solutions Private Limited	Entity under common control	2.59	-
Sale of Fixed Assets			
Kanakia Future Realty Private Limited	Entity under common control	5.36	-
Sale of Goods & Services			
Kanakia Spaces Realty Private Limited	Entity under common control	2.87	-
Reimbursement of expenses			
Kanakia Spaces Realty Private Limited	Entity under common control	0.00*	4.69
Vipul Parekh	KMP	9.84	4.80
Rashmi Shah	KMP	-	1.07
Professional fees paid			
Vipul Parekh	KMP	-	2.00
Manisha Vora	Relative of director	10.58	10.58
Rashmi Shah	KMP	6.00	4.32
Remuneration paid			
Rasesh B. Kanakia	Director	13.60	11.20
Himanshu B. Kanakia	Director	13.60	11.20
Hiral H. Kanakia	Director	12.75	10.50
Vipul Parekh	KMP	27.93	18.62
Ashish R. Kanakia	KMP	22.08	-
Rashmi Shah	KMP	-	1.86

* Amount less than ₹ 1000/-

The Related Party relationships are identified by the management and relied upon by the auditors

There are no other type of remuneration paid to KMP.

c) Balances outstanding at the year end

(in ₹ Lakhs)

Particulars	Nature of relationship	Year ended 31 March 2023	Year ended 31 March 2022
Loan given			
Kanakia Spaces Realty Private Limited	Entities under common control	669.62	1,090.94
Interest receivable			
Kanakia Spaces Realty Private Limited	Entities under common control	25.13	43.90
Trade Receivables			
Kanakia Future Realty Private Limited	Entity under common control	13.40	-
Kanakia Spaces Realty Private Limited	Entity under common control	2.81	-
Security deposit given			
Kanakia Spaces Realty Private Limited	Entity under common control	15.90	15.90
Property tax & CAM payable			
Kanakia Residential Private Limited	Entities under common control	-	8.83
Rent payable			
Kanakia Spaces Realty Private Limited	Entities under common control	-	5.72

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

(in ₹ Lakhs)

Particulars	Nature of relationship	Year ended 31 March 2023	Year ended 31 March 2022
Trade payables			
Manisha Vora	Relative of director	0.79	0.79
Vipul Parekh	KMP	0.60	0.60
Rashmi Shah	KMP	0.45	0.45
Other payables			
Rashmi Shah	KMP	0.15	0.15

44. Segment information

Operating segments

Considering the nature of operations and the manner in which the chief operating decision maker of the Group reviews the operating results, the Group has concluded that there are two major reporting segment as per Ind AS 108 "Operating Segments". Accordingly, separate disclosures of segment information have been made as under:

(in ₹ Lakhs)

Particulars	As at 31 March 2023			As at 31 March 2022		
	Cinema exhibition	Hospitality	Total	Leased Assets	Hospitality	Total
Segment Revenue	**8,557.13**	**5,500.27**	**14,057.40**	**1,234.01**	**3,266.73**	**4,500.74**
Segment Result Profit/(Loss) before tax and interest	**19.92**	**738.52**	**758.44**	**58.59**	**(331.38)**	**(272.79)**
Add : Unallocated	-	-	(2.39)	-	-	(2.85)
Total			**756.04**			**(275.64)**
Less: Interest			**3,394.43**			**3,498.60**
Total Profit before Tax			**(2,638.38)**			**(3,774.24)**
Segment Assets	**25,228.09**	**32,059.68**	**57,287.77**	**12,198.78**	**32,920.53**	**45,119.31**
Add : Unallocated	-	-	698.55	-	-	3.96
Total Assets			**57,986.33**			**45,123.27**
Segment Liabilities	**30,984.61**	**13,106.08**	**44,090.69**	**20,254.84**	**13,969.57**	**34,224.41**
Add : Unallocated	-	-	0.77	-	-	0.71
Total Liabilities			**44,091.46**			**34,225.12**

45. Discontinued Operations

In the month of July 2022, the Company has entered into an agreement with Ramsons Holdings Private Limited for sale of its undertaking i.e. Eternity Mall at Nagpur at a consideration of ₹ 6,000 Lakhs

The profit/loss of discontinued operations and the resultant profit/loss on disposal has been included in the financial statements as loss from discontinued operations.

Analysis of profit/ loss for the year from discontinued operations:

The results of the discontinued operations included in the profit for the year are as set below. The comparative results and cash flow from discontinued operations have been presented as if these operations were discontinued in the prior year as well

Particular	Year ended 31 March 2023	Year ended 31 March 2022
Revenue	198.29	-
Expenses	502.01	-
Profit/(loss) before Tax from discontinued operations	(303.72)	-
Profit on disposal of divisions	2,794.73	-
Tax expense of discontinued operations	160.21	-
Profit/(loss) after Tax from discontinued operations	2,330.79	-
Profit after Tax from discontinued operations attributable to Owners of the Company	2,330.79	

Analysis of cash flow from discontinued operations	Year ended 31 March 2023	Year ended 31 March 2022
Net cash (outflow) from operating activities	(72.34)	-
Net cash (outflow) from investing activities	7,215.53	-
Net cash (outflow) from financing activities	(6,575.35)	-

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

Computation of profit on disposal	Year ended 31 March 2023	Year ended 31 March 2022
Cash Consideration received (if any)	7397.32	-
(-) Carrying value of net asset sold	4602.59	-
Profit on Disposal	**2794.73**	**-**

46. Expenses Capitalised

The Group has capitalised following expenses through capital work-in-progress (CWIP) which directly or indirectly relates to setting up of cinemas. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company.

(in ₹ Lakhs)

Particular	Year ended 31 March 2023	Year ended 31 March 2022
Legal and professional fees	211.68	81.75
Salaries and bonus	214.02	64.54
Common area maintenance	53.28	-
Travelling and conveyance	75.40	22.27
Security charges & Housekeeping Charges	17.90	0.15
Electricity & Water Charges	13.18	-
Miscellaneous expenses	30.33	6.54
Total Capital work-in-progress	**615.78**	**175.25**
Add Brought forward from Prevous Year	175.25	-
Less Capitalised/Charges during the Year	(453.64)	-
Balance Included in Capital Work-in-Progress	**337.39**	**175.25**

47. Financial instruments

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

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

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

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

i) Financial instruments by category

As at 31 March 2023

(in ₹ Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised Cost	Total
Financial assets				
Measured at amortised cost				
Trade receivables	-	-	532.31	532.31
Loans - Current	-	-	669.62	669.62
Cash and cash equivalents	2,261.50	-	204.38	2,465.88
Other Bank balances	-	-	92.58	92.58
Other financial assets	-	-	1,259.24	1,259.24
Total	**2,261.50**	**-**	**2,758.13**	**5,019.63**

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

(in ₹ Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised Cost	Total
Financial liabilities				
Measured at amortised cost				
Trade payables	-	-	2,055.53	2,055.53
Lease liabilities	-	-	11,210.74	11,210.74
Borrowings (including current maturity)	-	-	24,234.95	24,234.95
Other financial liabilities - Non current	-	-	1,865.39	1,865.39
Other financial liabilities - Current	-	-	4,010.20	4,010.20
Total	**-**	**-**	**43,376.81**	**43,376.81**

As at 31 March 2022

(in ₹ Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised Cost	Total
Financial assets				
Measured at amortised cost				
Trade receivables	-	-	322.22	322.22
Loans - Current	-	-	1,090.94	1,090.94
Cash and cash equivalents	1,868.04	-	781.49	2,649.53
Other Bank balances	-	-	142.65	142.65
Other financial assets	-	-	1,115.22	1,115.22
Total	**1,868.04**	**-**	**3,452.52**	**5,320.56**
Financial liabilities				
Measured at amortised cost				
Trade payables	-	-	679.16	679.16
Lease liabilities	-	-	107.52	107.52
Borrowings (including current maturity)	-	-	32,130.04	32,130.04
Other financial liabilities - Non current	-	-	89.66	89.66
Other financial liabilities - Current	-	-	634.09	634.09
Total	**-**	**-**	**33,640.46**	**33,640.46**

ii) Financial instruments by category

(in ₹ Lakhs)

Particulars	Fair value measurement using			Total Amount
	(Level 1) Amount	(Level 2) Amount	(Level 3) Amount	
As at 31 March 2023				
Financial assets				
Fair value through other comprehensive income				
Investment in equity shares - quoted	-	-	-	-
Fair value through profit and loss				
Investment in mutual funds	-	2,261.50	-	2,261.50
Total	**-**	**2,261.50**	**-**	**2,261.50**
As at 31 March 2022				
Financial assets				
Fair value through other comprehensive income				
Investment in equity shares - quoted	-	-	-	-
Fair value through profit and loss				
Investment in mutual funds	-	1,868.04	-	1,868.04
Total	**-**	**1,868.04**	**-**	**1,868.04**

48. Risk Management

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

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

A) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Group causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables.

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

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

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

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

B) *Liquidity risk*

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

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

Contractual maturities of financial liabilities

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

(in ₹ Lakhs)

31 March 2023	Up to 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	2,046.38	12,158.56	10,030.00	24,234.94
Lease Liability	1,306.30	9,904.44		11,210.74
Trade payables	2,055.53	-	-	2,055.53
Other financial liabilities	4,010.20	1,865.39	-	5,875.58
Total	**9,418.40**	**23,928.39**	**10,030.00**	**43,376.79**

(in ₹ Lakhs)

31 March 2022	Up to 1 year	1-5 years	More than 5 years	Total
Derivatives				
Borrowings	-	-	-	-
Non-derivatives				
Borrowings	1,654.93	12,307.01	18,168.10	32,130.04
Lease Liability	20.99	86.53		107.52
Trade payables	679.16	-	-	679.16
Other financial liabilities	634.09	89.66	-	723.74
Total	**2,989.16**	**12,483.20**	**18,168.10**	**33,640.46**

C) *Market risk - foreign exchange*

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.

The primary market risk to the Company is foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. The Company evaluates exchange rate exposure arising from foreign currency transactions. It uses derivative instruments like forward contracts to hedge exposure to foreign currency risk.

D) *Market risk - interest rate risk*

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

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

Interest rate risk exposure

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

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowing	24,234.95	32,130.04

Interest rate sensitivity

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

(in ₹ Lakhs)

Particulars	Gain / (loss) on profit before tax	
	As at 31 March 2023	As at 31 March 2022
Interest rate increases by 50 basis points	(121.17)	(160.65)
Interest rate decreases by 50 basis points	121.17	160.65

49. Capital management

The Group's capital management objectives are:

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

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

The Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in the economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Net debts	21,676.49	29,480.51
Total equity	13,894.86	10,898.14
Gearing ratio	**156.00%**	**270.51%**

50. Leases INDAS

a) As Lessee:

Effective 01 April 2019, the Group adopted Ind AS 116 and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Following is the information pertaining to leases for the year ended March 2023:

(in ₹ Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Depreciation charge for Right of Use asset	659.99	25.32
(b) Interest expense on lease liability	736.57	12.72
(c) Expense relating to short term leases accounted in profit & loss	14.26	-
(d) Expense relating to variable lease payments not included in the measurement of lease liabilities	116.76	-
(e) Total cash outflow for leases for the period	950.51	31.80
(f) Additions to Right of Use asset	11,883.46	-
(g) Carrying amount of Right of use Asset at the year end	11,324.75	101.28

Table showing contractual maturities of lease liabilities on undiscounted basis:

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

(in ₹ Lakhs)

Due	As at 31 March 2023	As at 31 March 2022
Due not later than one year	1,647.65	31.80
Due later than one year but not later than five years	7,227.23	95.40
Due Later than Five Years	12,376.14	-

b) As Lessor:

The Company has given certain part of its property on operating lease. These lease arrangements are long term and cancellable solely at discretion of the lessees. Rental income from leasing of property of ₹ 57.70 Lakhs (P.Y. ₹ 1,093.19 Lakhs) is recognised in the Statement of Profit and Loss. The initial direct cost (if any) is charged off to expenses in the year in which it is incurred.

The Holding Company has not given any property under non -cancellable operating lease.

51. Corporate social responsibility

The Holding has spent ₹ 12.80 Lakhs (previous year ₹ 29.00 Lakhs) towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof.

(in ₹ Lakhs)

Particulars	31 March 2023	31 March 2022
a) Gross amount required to be spent by Company during the year	7.56	23.59
b) Amount spent during the year:		
In cash	12.80	29.00
Yet to be paid in cash	-	-
Total	**12.80**	**29.00**
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-

52.

(i) The Group do not have any material pending litigation which would impact its financial position.

(ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

53.

I. The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Group, same are not covered such as-

a) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

b) There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

c) No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

d) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

e) The Group has not entered into any scheme of arrangement.

f) No Registration or satisfaction of charges are pending to be filed with ROC.

g) The provision relating to compliance with number of layers of companies prescribed under clause (87) of section 2 of the Companies Act is not applicable to the Group.

II. No dividend is declared & paid during the current financial year.

III.

a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) No funds have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"),

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

54. Financial Performance

Ratios	Numerator	Denominator	31 March 2023	31 March 2022	Variance	Reason
a) Current ratio	Current assets	Current liabilities	0.55	1.50	(63.11)%	Previous year nature of operation of Cineline India Limited different from current year and and hence figures are not comparable
b) Debt-equity ratio	Total debt	Shareholders' equity	1.74	2.95	(40.84)%	
c) Debt service coverage ratio	Earnings available for debt service (1)	Debt service (2)	0.71	(0.43)	(266.48)%	
d) Return on equity ratio	Net profits after taxes	Average shareholders' equity	0.01	(30.71)%	(104.35)%	
e) Inventory turnover ratio	Cost of goods sold	Closing balance of Inventory	8.83	11.93	(25.98)%	
f) Trade receivables turnover ratio	Revenue	Average trade receivable	32.90	12.01	174.05%	
g) Trade payables turnover ratio	Operating expenses	Average trade payables	7.04	3.52	99.85%	
h) Net capital turnover ratio	Revenue	Working capital (3)	(3.16)	2.78	(213.45)%	
i) Net profit ratio	Net profit after tax	Revenue	0.01	(0.79)	(101.49)%	
j) Return on capital employed	Earning before interest and taxes	Capital employed (4)	7.26%	(1.64)%	(543.25)%	
k) Return on investment	Not applicable		NA	NA	NA	

(1) Net profit after taxes + non cash operating expenses (depreciation)+ interest (finance costs) + other adjustments

(2) Instalments made for borrowings and lease liabilities along with interest

(3) Working capital = current assets - current liabilities

(4) Capital employed = average equity + average debt - average deferred tax assets.

55. Additional Information as required under Schedule III to the Companies Act, 2013 pertaining to Parent company & its Subsidiary for the year ended 31 March, 2023

(in ₹ Lakhs)

Name of the entity	31 March 2023							
	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
Cineline India Limited	121.79%	16,922.64	643.79%	1,066.21	25.49%	4.76	581.11%	1,070.97
Subsidiary								
Transquare Realty Private Limited	(0.02)%	(2.92)	(12.38)%	(20.50)	0.00%	-	(11.13)%	(20.50)
R and H Spaces Private Limited	17.12%	2,378.78	(320.25)%	(530.39)	74.51%	13.92	(280.24)%	(516.47)
Cineline Industries Private Limited	0.00%	(0.22)	(0.44)%	(0.73)	0.00%	-	(0.39)%	(0.73)
Cineline Realty Private Limited	0.00%	0.17	(0.30)%	(0.50)	0.00%	-	(0.27)%	(0.50)
Intergroup Transactions	(38.89)%	(5,403.59)	(210.41)%	(348.48)	0.00%	-	(189.08)%	(348.48)
Total	**100.00%**	**13,894.87**	**100.00%**	**165.61**	**100.00%**	**18.68**	**100.00%**	**184.30**

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

(in ₹ Lakhs)

Name of the entity	31 March 2022							
	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
Cineline India Limited	128.63%	14,018.16	20.80%	(737.66)	(6.11)%	(0.23)	20.83%	(737.89)
Subsidiary								
Transquare Realty Private Limited	(0.03)%	(3.41)	0.06%	(2.17)	0.00%	-	0.06%	(2.17)
R and H Spaces Private Limited	(92.60)%	(10,091.56)	68.17%	(2,417.48)	105.98%	3.98	68.13%	(2,413.50)
Cineline Industries Private Limited	0.00%	0.50	0.01%	(0.39)	0.00%	-	0.01%	(0.39)
Cineline Realty Private Limited	0.01%	0.68	0.01%	(0.30)	0.00%	-	0.01%	(0.30)
Intergroup Transactions	63.99%	6,973.78	10.95%	(388.41)	0.00%	-	10.96%	(388.41)
Total	**100.00%**	**10,898.15**	**100.00%**	**(3,546.41)**	**99.87%**	**3.76**	**100.00%**	**3,542.65)**

56.

The Group has commenced its movie exhibition business under the brand MovieMAX from April 2022 onwards with its owned 9 properties comprising of 23 screens.8 properties with 38 screen added during the year,Accordingly Company has reclassified its Investment properties into Theatre buildings under the head Property,plant and equipment.

57. IND AS 115 'Revenue from Contracts with Customers

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contract with customers		
Details of revenue from contracts with customers recognised by the group Company "R & H Spaces Private Limited", net of indirect taxes in its statement of profit and loss.		
Revenue from operations		
Revenue from contract with customers		
- Room income, food & beverages and banquets	7,606.20	3,193.22
Total revenue from contract with customers	**7,606.20**	**3,193.22**
Other operating revenue		
- Car hire income	30.29	15.63
- Others	70.83	57.88
Total other operating revenue	**101.12**	**73.51**
Total income from operations	**7,707.32**	**3,266.73**

Disaggregate Revenue

The following table presents revenue disaggregated by type of revenue stream

Revenue based on product and services:

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from contract with customers		
- Room & banquet income	4,432.25	2,599.40
- Food & beverages income	3,173.95	593.82
Other operating revenue		
- Car Hire Income	30.29	15.63
- Others	70.83	57.88

The Group derives its revenue from the transfer of goods and services over time in its major service lines.

SUMMARY of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2023 (Contd.)

Contract balances

Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/restaurant/Banquets. Revenue is recognised once the performance obligation is met i.e. on room stay/ sale of food and beverage / provision of banquet services.

(in ₹ Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
At April	54.47	35.82
At March	52.56	54.47

58. Details of loans and advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

(a) repayable on demand; or

(b) without specifying any terms or period of repayment

(in ₹ Lakhs)

Type of borrower	Amount of loan / advance in the nature of loan outstanding	Percentage to total loans/advances in the nature of loans
As at 31 March 2023		
Entities under common control	669.62	100.00%
Total loan	**669.62**	**100.00%**
	-	
As at 31 March 2022	-	
Entities under common control	1,090.94	100.00%
Total loan	**1,090.94**	**100.00%**

59. The Group has transaction or relation with any company struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

(in ₹ Lakhs)

Name of Struck off Company	Nature of transaction with struck off Company	Relation with Struck of Company, If any to be disclosed	Year ended 31 March 2023	Year ended 31 March 2022
Netflow Broadband Private Limited	Internet Operator	Vendor	0.01	-

60. The financial statements of subsidiaries "R & H Spaces Private Limited" and "Transquare Realty Private Limited" are prepared on a going concern basis, despite negative networth and/or net losses, having regard to the business plan of the respective companies and necessary financial support from holding company.

61. Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification / disclosure.

62. Authorisation of financial statements

These financial statements as at and for the year ended 31 March 2023 (including comparatives) have been approved by the Board of Directors on 30 May 2023.

As per our audit report of even date

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

Hasmukh B Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors

Rasesh B. Kanakia
Chairman
DIN: 00015857

Himanshu B. Kanakia
Managing Director
DIN: 00015908

Vipul N. Parekh
Chief Financial Officer

Rashmi Shah
Company Secretary

Place: Mumbai
Date: 30 May 2023

CINELINE INDIA LIMITED

Corporate Identity Number: L92142MH2002PLC135964

Registered Office Address: 2nd Floor, A & B Wing, Vilco Centre, Subhash Road, Opp. Garware Vile Parle (East). Mumbai City, Maharashtra – 400 057, India

Contact Number: 91-22-35023666 / 35023777

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 21ST (TWENTY-FIRST) ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF THE CINELINE INDIA LIMITED ("COMPANY") WILL BE HELD ON WEDNESDAY, 27 SEPTEMBER 2023 AT 11:00 A.M. (IST) THROUGH VIDEO CONFERENCING ("VC") OR OTHER AUDIO-VISUAL MEANS ("OAVM"), FOR WHICH PURPOSE THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 2ND FLOOR, A & B WING, VILCO CENTRE, SUBHASH ROAD, OPP GARWARE, VILE PARLE (E), MUMBAI- 400057, INDIA SHALL BE DEEMED AS THE VENUE FOR THE AGM AND THE PROCEEDINGS OF THE AGM SHALL BE DEEMED TO BE MADE THEREAT, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

Item No. 1: Adoption of financial statements

To receive, consider and adopt the Standalone and Consolidated Annual Audited Financial Statements of the Company for the financial year ended 31 March 2023 along with the notes forming part thereof and the Report of the Directors and the Auditors thereon. and, in this regard, pass the following resolutions as an **Ordinary Resolutions**.

"RESOLVED THAT the audited financial statements of the Company for the financial year ended 31 March 2023 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered, adopted and approved."

"RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended 31 March 2023 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

Item No. 2: Appointment of Director

To appoint a Director in place of Mrs. Hiral Kanakia (DIN:00015924) who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolutions as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act 2013, Mrs. Hiral Kanakia (DIN:00015924), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

Item No. 3: Re-appointment of the Statutory Auditors

To re-appoint M/s. KKC & Associates. LLP, Chartered Accountants as Statutory Auditors of the Company and in this regard, to consider, and if thought fit, pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time and pursuant to the recommendation of the Audit Committee, M/s. KKC & Associates. LLP (earlier known as M/s. Khimji Kunverji & Co LLP), Chartered Accountants, having Firm Registration No. 105146W be and are hereby re-appointed as the Statutory Auditors of the Company for the second term of five consecutive years, commencing from the conclusion of this 21st Annual General Meeting till the conclusion of the 26th Annual General Meeting to be held in the year 2028, to examine and audit the accounts of the Company at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to perform all such acts, deeds, things and matters as may be necessary to give effect to this Resolution."

SPECIAL BUSINESS

Item No. 4: Re-appointment of Mr. Naushad Panjwani (DIN: 06640459) as an Independent Director of the Company

To re-appoint Mr. Naushad Panjwani (DIN: 06640459) as an Independent Director of the Company and in this regard to consider and if thought fit, pass the following resolution as a **Special Resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 (the 'Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Articles of Association of the Company, as amended from time to time, Mr. Naushad Panjwani (DIN: 06640459), who was appointed as an Independent Director of the Company and whose terms of office expires on 27 June 2024 and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for reappointment and whose appointment has been recommended by the members of the Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from 28 June 2024 to 27 June 2029 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

Item No. 5: Re-appointment of Mr. Shantilal Haria (DIN: 00295097) as an Independent Director of the Company

To re-appoint Mr. Shantilal Haria (DIN: 00295097) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as a **Special Resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 (the 'Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). and the Articles of Association of the Company, as amended from time to time, Mr. Shantilal Haria (DIN: 00295097), who was appointed as an Independent Director of the Company for a term up to 13 August 2024 and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for reappointment and whose appointment has been recommended by the members of the Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from 14 August 2024 to 13 August 2029 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

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

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

Place : Mumbai
Date : 09 August 2023

CINELINE INDIA LIMITED
Corporate Identity Number: L92142MH2002PLC135964

Registered Office Address:
2nd Floor, A & B Wing, Vilco Centre,
Subhash Road, Opp Garware,
Vile Parle (E), Mumbai- 400057,
Maharashtra India.

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

Notes:

1. **Annual General Meeting through Video Conferencing facility or Other Audio-Visual Means:** Pursuant to the General Circulars 10/2022 and 11/2022, other circulars issued by the Ministry of Corporate Affairs ("MCA") and Circular SEBI/HO/ CFD/ PoD-2/P/CIR/2023/4 issued by SEBI (hereinafter collectively referred to as "Circulars"), and other applicable provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with various circulars issued from time to time (together referred to as "applicable provisions"), the 21st Annual General Meeting ("AGM"/ "Meeting") of the Company is being held through video conferencing ("VC") or other audio-visual means ("OAVM").
2. **Proxies, Attendance Slip & route map of the AGM venue:** Pursuant to MCA Circulars and SEBI Circular, since the AGM will be held through VC/ OAVM, the physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form, Attendance Slip and route map of the AGM venue are not annexed to this Notice.
3. **Authorised Representative:** Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.

   The said Resolution/Authorisation shall be sent to investor@cineline.co.in not less than 48 (forty eight) hours before the commencement of the AGM i.e. by 11.00 A.M. on 25 September 2023.
4. **Prior registration of Speakers at AGM:** Members who would like to speak during the meeting, express views or ask questions, shall register as a speaker by sending email at investor@cineline.co.in. Please mention name, folio or DP ID and client ID, email, mobile number etc. The said request should reach the Company on or before 25 September 2023 If any member would like to ask question or want information, please mention the same in the aforementioned request. This would help to conduct meeting smoothly keeping in view the AGM is being held through VC.
5. **Explanatory Statement:** The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted at the Meeting forms part of the Notice.
6. Brief resume of the Directors including those proposed to be appointed / re-appointed, their functional expertise and qualification, names of the Companies in which they hold directorships etc. as stipulated under Companies Act, 2013, Secretarial Standard on General Meetings (SS-2) and Regulation 36(3) of SEBI (LODR) Regulations, 2015, are provided below as Annexure to notice and forming part of the Notice.
7. **Cut-off Date for Dispatch:** Members of the Company, holding shares either in dematerialised form or physical form, as on Friday, 25 August 2023, (cut-off date for receiving Notice and Annual Report), shall be entitled for receiving of the Annual Report for the period FY 2022-23, through their registered mail id. Any person, who acquires shares of the Company and becomes Member of the Company after sending of the Notice and holding shares as on cut-off date i.e. Wednesday, 20 September 2023, may obtain login ID and password by writing to Registrar & Share Transfer Agent of the Company, Link Intime India Private Limited at e-mail rnt.helpdesk@linkintime.co.in.
8. **Communication:** Notice of the AGM and the Annual Report for the FY 2022-23 are being sent electronically to the Members whose E-mail IDs are registered with the Depository Participant(s) and / or Company's Registrar and Share Transfer Agents. Any member, who has not registered his Email id, may register his / her Email ID with Registrar and Share Transfer Agents and may also request for a copy of Annual Report electronically. Annual Report for FY 2022-23 along with Notice of the AGM is available at the website of the Company at www.moviemax.co.in and website of the Stock Exchanges i.e. National Stock Exchange Limited of India at www.nseindia.com and BSE Limited at www.bseindia.com.
9. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Link Intime India Private Limited is our Registrar and Transfer Agent (RTA) of the Company. All the investor related communication and grievances may be addressed to them at their following address:

    Link Intime India Private Limited (Cineline Division)
    C-101, 247 Park, L.B.S. Marg,
    Vikhroli (W), Mumbai – 400083.
    Website: www.linkintime.co.in
    Email: rnt.helpdesk@linkintime.co.in
    Tel No: 022-2596 0320 / Fax No: 022-2596 0329
11. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Private Limited (LIIPL) to provide efficient and better services.
12. Members holding shares in physical form are requested to intimate such changes to LIIPL. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or LIIPL for assistance in this regard.
13. SEBI vide its notification dated 08 June 2018 has amended Regulation 40 of the Listing Regulations, 2015 and it has been stated that (except in case of transmission or transposition of securities), the transfer of securities shall be processed only in dematerialised form with effect from 01 April 2019. In compliance with the aforesaid notifications, the members are advised to dematerialise their shares immediately.
14. Non-Resident Indian Members are requested to inform the RTA immediately about the change in residential status on their return to India, if any.
15. **Nomination Facility:** Members holding shares in the physical form and desirous of making / changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13, as applicable for this purpose to the Company's Registrar and Share Transfer Agents (RTA), Link Intime India Private Limited, who will provide the form on request. In respect of shares held in electronic / demat form, the Members may please contact their respective depository participant.
16. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio by submitting duly filled and signed form ISR-4.
17. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, 20 September 2023.
18. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
19. Members seeking any information with regard to the Accounts, operations, etc are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
20. **Go Green Initiative:** Members holding Shares in physical form are requested to register their email IDs with the Company's RTA i.e. Link Intime India Private Limited and Members holding Shares in electronic / demat mode are requested to register their email IDs with their respective Depository Participants (DPs). Members whose email IDs have undergone any change or whose IDs require any correction, may kindly update the same with the RTA or the DPs, as stated above.
21. **Mandatory PAN Submission:** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's RTA, Link Intime India Private Limited.
22. **Unclaimed Dividend:** Members are requested to note that as per Section 124(5) of the Companies Act, 2013, dividends not encashed/ claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against the Company. Members are requested to contact M/s. Link Intime India Private Limited / Secretarial Department of the Company for encashing the unclaimed dividends standing to the credit of their account.
23. All the relevant documents referred to in this AGM Notice and Explanatory Statement etc., Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents or have any other queries, may write to us at investor@cineline.co.in or + 91-22-35023666.
24. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may write an email to instameet@linkintime.co.in or call on +91 (022) 4918 6175.
25. All grievances connected with the facility for voting by electronic means may be addressed to instameet@linkintime.co.in or call on +91 (022) 4918 6175.
26. **Explanatory Statement:** The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted at the Meeting forms part of the Notice.

EXPLANATORY STATEMENT

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

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

Item No. 3- Re-appointment of the Statutory Auditors

At the 16th AGM held on 27 September 2018, shareholders of the Company have appointed M/s. KKC & Associates. LLP (earlier known as M/s. Khimji Kunverji & Co. LLP), Chartered Accountants, having Firm Registration No. 105146W as Statutory Auditors of the Company from the conclusion of such Meeting till the conclusion of this 21st AGM of the Company.

Based on receipt of the consent and eligibility letter from KKC & Associates. LLP ("KKC") and upon recommendation of the Audit Committee, the Board of Directors at its Meeting held on 09 August 2023 approved re-appointment of KKC & Associates. LLP as Statutory Auditors of the Company for another term of 5 (five) consecutive years commencing from the conclusion of this 21st AGM till the conclusion of the 26th AGM of the Company subject to approval of the shareholders at this AGM.

Khimji Kunverji & Co LLP is a reputed firm of Chartered Accountants registered with the Institute of Chartered Accountants of India ('ICAI') established in 1936 and has changed its name to KKC & Associates LLP with effect from 23 May 2023. The registered office of KKC is at Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone (W), Mumbai 400013, India and has ten branch offices in various cities in India. It is primarily engaged in providing auditing and other assurance services to its clients. KKC is led by 16 partners and have a team of over 250 members. KKC caters full bouquet of assurance, advisory and consultancy services to its clients across all industries.

The audit fee proposed to be paid to the Statutory Auditors during FY 2022-23 along with reimbursement of out-of-pocket expenses incurred for the purpose of audit and applicable taxes will be as agreed between the Board of Directors and the Auditor. The same may be reviewed and revised in consultation with them by the Board during the tenure to ensure that it is commensurate with the services to be rendered by them. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

Accordingly, the Board of Directors recommends passing of the Ordinary Resolution at Item No. 3 of the Notice.

None of the Directors, Key Managerial Personnel and/or their relatives, are in anyway deemed to be concerned or interested in the Resolution.

Item No. 4 : : Re-appointment of Mr. Nausahd Panjwani (DIN: 06640459) as an Independent Director of the Company.

Mr. Naushad Panjwani (DIN: 06640459) is an Independent Director of the Company. The Members at the 17th AGM of the Company held on September 26, 2019 had approved the appointment of Mr. Naushad Panjwani as an Independent Director of the Company to hold office for a term for 5 (five) consecutive years for a term up to 27 June 2024.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term up to five consecutive years on the Board of a Company. Based on recommendation of the Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Naushad Panjwani, being eligible for reappointment as an Independent Director, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from 28 June 2024 to 27 June 2029.

Mr. Naushad Panjwani serves as a member of the Audit Committee and Nomination and Remuneration Committee of the Company. Mr Naushad Panjwani has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the Listing Regulations. The Company has received necessary declarations / disclosure / confirmation from Mr. Naushad Panjwani as required under the Act and Listing Regulations. Copy of the draft letter for re-appointment of Mr. Naushad Panjwani as an Independent Director setting out terms and conditions would be available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of 21st AGM of the Company.

The resolution seeks the approval of members for the re-appointment of Mr. Naushad Panjwani as an Independent Director of the Company for a period up to 27 June 2029 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. He will not be liable to retire by rotation.

Save and except Mr. Naushad Panjwani and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 4 of the Notice.

The Board recommends the passing of Special Resolution as set out at Item No. 4 of the accompanying Notice.

Item No. 5 : : Re-appointment of Mr. Shantilal Haria (DIN: 00295097) as an Independent Director of the Company.

Mr. Shantilal Haria (DIN: 00295097) is an Independent Director of the Company. The Members at the 17th AGM of the Company held on 26 September 2019 had approved the appointment of Mr. Shantilal Haria as an Independent Director of the Company to hold office for a term for 5 (five) consecutive years for a term up to 13 August 2024.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term up to five consecutive years on the Board of a Company. Based on recommendation of the Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Shantilal Haria, being eligible for reappointment as an Independent Director, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from 14 August 2024 to 13 August 2029.

Mr. Shantilal Haria serves as a member of the Audit Committee and Nomination and Remuneration Committee of the Company. Mr. Shantilal Haria has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the Listing Regulations. The Company has received necessary declarations / disclosure / confirmation from Mr. Shantilal Haria as required under the Act and Listing Regulations. Copy of the draft letter for re-appointment of Mr. Shantilal Haria as an Independent Director setting out terms and conditions would be available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of 21st AGM of the Company.

The resolution seeks the approval of members for the re-appointment of Mr. Shantilal Haria as an Independent Director of the Company for a period up to 13 August 2029 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. He will not be liable to retire by rotation.

Save and except Mr. Shantilal Haria and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 5 of the Notice.

The Board recommends the passing of Special Resolution as set out at Item No. 5 of the accompanying Notice.

Annexure

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

Particulars	Mrs. Hiral Kanakia	Mr. Naushad Panjwani	Mr. Shantilal Haria
DIN	00015924	06640459	00295097
Date of Birth	29 August 1970	16 January 1967	08 March 1959
Date of Appointment	10 September 2015	28 June 2019	14 August 2019
Nationality	Indian	Indian	Indian
Qualification	Bachelor in Arts	Bachelor of Commerce and Chartered Accountant	Bachelor of Commerce and Chartered Accountant
Experience in Functional Area	Human Resource and Administration	Management & Strategy, Finance & Taxation, Banking & Treasury, Financial Services, Audit & Risk Management, Business Advisory, Regulatory matters and Ethics.	Management & Strategy, Finance & Taxation, Banking & Treasury, Financial Services, Audit & Risk Management, Business Advisory, Regulatory matters and Ethics.
Directorship in other Companies (Public Limited Companies)	NIL	NIL	NIL
Membership/ Chairmanship of Board Committees of other Companies *(Includes only Audit Committee and Stakeholders Relationship Committee)*	NIL	2	2
Number of Board Meetings attended in the Financial Year 2021-2022	6 meetings	6 meetings	6 meetings
No. of shares held in the Company	24,28,844	NIL	NIL
Terms & Conditions of Appointment/ Re-appointment	Appointed as a Director liable to retire by rotation	Appointed as Independent Director not liable to retire by rotation	Appointed as Independent Director not liable to retire by rotation
Relationship with other Directors/ Manager/KMP	Wife of Mr. Himanshu Kanakia and sister in-law of Mr. Rasesh Kanakia	N/A	N/A
Resignation details in the listed entities during the last three years.	Nil	Nil	Nil
Remuneration	The remuneration details are given in the Corporate Governance Section of the Annual Report.	N/A	N/A

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

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated 09 December 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

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

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

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

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

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

A. **User ID:**

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

B. **PAN:**

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

C. **DOB/DOI:**

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

D. **Bank Account Number:**

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

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

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

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

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

Cast your vote electronically:

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

Guidelines for Institutional shareholders:

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

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

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

Helpdesk for Individual Shareholders holding securities in demat mode:

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on **"SUBMIT"**.

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

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

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

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

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

GENERAL INSTRUCTIONS

1. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Wednesday, 20 September 2023.
2. The e-voting period commences on Saturday, 23 September 2023 (9.00 a.m. IST) and ends on Tuesday, 26 September 2023 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Wednesday, 20 September 2023 i.e. cut-off date, may cast their vote electronically.
3. The facility for e-voting shall also be available at the AGM. Members who have already cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote at the AGM. Only those Members who attend the AGM and have not cast their votes through remote e-voting and are otherwise not barred from doing so will be allowed to vote through the e-voting facility available at the AGM.
4. Any person, who acquires shares of the Company and becomes its Member after the sending of Notice of the AGM and holds shares as on the cut-off date for voting i.e. Wednesday, 20 September 2022, may obtain the login ID and password by sending a request to enotices@linkintime.co.in. However, if he/she is already registered with LIIPL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
5. Mr. Dharmesh Zaveri, proprietor of M/s. D. M. Zaveri & Co., Company Secretaries (FCS No. 5418 CP. No. 4363) has been appointed as the Scrutiniser to scrutinise the remote e-voting and ensure that the voting process at the AGM is conducted in a fair and transparent manner.
6. The Scrutiniser shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favour/against, if any, to the Chairperson or a person authorised in writing, who shall countersign the same and declare the result of the voting forthwith.
7. The Results declared along with the Report of the Scrutiniser shall be placed on the website of the Company www.moviemax.co.in and on the LIIPL website https://instavote.linkintime.co.in and shall also be forwarded to BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).

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

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in & Click on **"Login"**.

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

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

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

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

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

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

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

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

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

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

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

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

CINELINE
CINELINE INDIA LIMITED

MOVIE MAX

CINELINE INDIA LIMITED
2nd Floor, Vilco Center, Subash Rd, Vishnu Prasad
Society, Navpada, Vile Parle East, Mumbai, Maharasthra
400057,India.

Tel.No.: 022-6726 6666 / 7777 | Fax No.: 022-6693 7777
Website: www.cineline.co.in | Email: investor@cineline.co.in

CIN: L92142MH2002PLC135964