

Date: - 12th August, 2021

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 2020-2021

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 2020-2021 along with the Notice of 19th Annual General Meeting of the Members of the Company.

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

This is for your information and record.

Thanking You,
Yours faithfully,
For Cinline India Limited

Rasesh Kanakia
Executive Director and Chairperson of the Company
DIN: 00015857

Encl: As above

CINELINE INDIA LIMITED

Kanakia Future City, Residential Building No. 2, CTS No. 101, Village Tirandaz, Powai, Mumbai - 400 076, India.
Tel: 91-22-3502 3666 / 3502 3777 • Email: investor@cineline.co.in • Corporate Identity Number (CIN): L92142MH2002PLC135964 • www.cineline.co.in

CINELINE

CINELINE INDIA LIMITED

Corporate Identity Number: L92142MH2002PLC135964

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

Contact Number: 91-22-35023666 / 35023777

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 19TH (NINETEENTH) ANNUAL GENERAL MEETING (“AGM”) OF THE MEMBERS OF THE CINELINE INDIA LIMITED (“COMPANY”) WILL BE HELD ON FRIDAY, SEPTEMBER 3, 2021 AT 11 A.M. (IST) THROUGH VIDEO CONFERENCING (“VC”) OR OTHER AUDIO-VISUAL MEANS (“OAVM”), FOR WHICH PURPOSE THE REGISTERED OFFICE OF THE COMPANY SITUATED AT KANAKIA FUTURE CITY, RESIDENTIAL BUILDING NO. 2, CTS NO.101, VILLAGE TIRANDAZ, POWAI. MUMBAI CITY, MAHARASHTRA – 400 076, INDIA SHALL BE DEEMED AS THE VENUE FOR THE AGM AND THE PROCEEDINGS OF THE AGM SHALL BE DEEMED TO BE MADE THEREAT, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

Item No. 1: Adoption of financial statements.

To receive, consider and adopt the Standalone and Consolidated Annual Audited Financial Statements of the Company for the financial year ended March 31, 2021 along with the notes forming part thereof and the Report of the Directors and the Auditors thereon.

Item No. 2: Appointment of Director.

To appoint a Director in place of Mr. Himanshu Kanakia (DIN:00015908) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES

Item No. 3: Issue of upto 14,68,532 (Fourteen Lakhs Sixty-Eight Thousand Five Hundred Thirty-Two) warrants each convertible into, or exchangeable for, one equity shares of the Company within the period of 18 (eighteen months) in accordance with the applicable law to the members of the promoter group of the Company on preferential basis.

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 42, Section 62(1)(c) of the Companies Act, 2013 as amended including rules notified thereunder (“**Act**”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (“**Rules**”) and other applicable provisions, if any (including any statutory modifications(s) or re-enactment thereof, for the time being in force), Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (“**SEBI Listing Regulations**”), enabling provisions of the Memorandum and Articles of Association of the Company, applicable rules, notifications and circulars issued by the Reserve Bank of India and such other acts / rules / regulations as maybe applicable and subject to necessary approvals / consents, if any, from the competent statutory and / or regulatory authorities, as maybe applicable or necessary including the Securities and Exchange Board of India (“**SEBI**”), National Stock Exchange of India Limited (“**NSE**”), BSE Limited (“**BSE**”), Reserve Bank of India (“**RBI**”) and subject to such terms and condition(s), alteration(s), correction(s), change(s) and/or modification(s) as may be prescribed by any of the competent statutory and / or regulatory authorities while granting consent(s), permission(s) or approval(s), and which may be agreed to by the board of directors of the Company (hereinafter referred to as the “**Board**” which terms shall be deemed to include

any committee(s) which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by this resolution) and subject to any other alteration(s), modification(s), condition(s), correction(s), change(s) and variation(s) that may be decided by the Board in its absolute discretion, the consent of the members of the Company be and is hereby accorded to offer, issue and allot, from time to time in one or more tranches, upto 14,68,532 (Fourteen Lakhs Sixty Eight Thousand Five Hundred Thirty Two) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company having face value of ₹5/- (Indian Rupees Five Only) ("**Equity Share**") each ("**Warrants**") at a price (including the warrant subscription price and the warrant exercise price) of ₹71.50/- (Indian Rupees Seventy One and Fifty Paise Only) each payable in cash ("**Warrant Issue Price**"), aggregating upto ₹10,50,00,038/- (Indian Rupees Ten Crores Fifty Lakhs Thirty Eight Only) ("**Total Warrant Issue Size**") on a preferential basis to certain members of the promoter group of the Company listed below ("**Warrant Holder(s)**" / "**Proposed Warrant Allottee(s)**") subject to the maximum entitlement of each Warrant Holder as specified below and upon receipt of ₹17.88/- (Indian Rupees Seventeen and Eighty Eight Paise Only) for each Warrants, which is equivalent to 25% (twenty five per cent) of the Warrant Issue Price as upfront payment ("**Warrant Subscription Price**") entitling the Warrant Holder(s) to apply for and get allotted one Equity Share against every Warrant held, in one or more tranches within a maximum period of 18 (eighteen) months from the date of allotment of Warrants, on payment of ₹53.62/- (Indian Rupees Fifty Three and Sixty Two Paise Only) which is equivalent to 75% (Seventy five per cent) of the Warrant Issue Price, for each Warrant proposed to be converted ("**Warrant Issue**"), in such manner and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the terms of this issue, provisions of SEBI ICDR Regulations, or other applicable laws in this respect.

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

"RESOLVED FURTHER THAT the Company hereby notes and takes on record that in accordance with the provisions of Regulation 161(a) of the SEBI ICDR Regulations, the "**Relevant Date**" for the purpose of calculating the floor price for the Warrants Issue including Equity Shares to be allotted pursuant to the exercise of conversion of the Warrants is determined to be Wednesday, August 4, 2021 being the date thirty days prior to the date on which the AGM will be held to consider and if deem fit to approve the Warrants Issue and the floor price for the preferential issue on the aforesaid Relevant Date pursuant to Regulation 164(1) of the SEBI ICDR Regulations is ₹71.50/- (Indian Rupees Seventy One and Fifty Paise Only)."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, the Warrants Issue shall be subject to the following terms and conditions:

1. In accordance with the provisions of Chapter V of SEBI ICDR Regulations, 25% (Twenty-Five Per Cent) of the Warrant Issue Price, shall be paid by the Warrant Holders to the Company on or before allotment of the Warrants and the balance consideration i.e. 75% (Seventy-Five Per Cent) of the Warrant Issue Price shall be paid at the time of exercise of option to apply for Equity shares of the Company, against each such Warrants held by the Warrant Holder.
2. The Warrant Holders shall be entitled to exercise his option to convert any or all of the warrants into Equity Shares of the Company in one or more tranches after giving a written notice to the Company, specifying the number of warrants proposed to be exercised along with the aggregate Warrant Exercise Price payable thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of equity shares of the Company to the Warrant Holders.
3. The respective Warrant Holders shall make payment of Warrant Subscription Price and Warrant Exercise Price from their own bank account into the designated bank account of the Company.
4. In terms of Regulation 166 of the SEBI ICDR Regulations, the price of Warrants determined above and the number of Equity Shares to be allotted on exercise of the Warrants shall be subject to appropriate adjustments, if applicable. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the Warrants shall continue to be locked- in till the time such amount is paid by the Warrant Holder.

5. Upon exercise of the option by Warrant Holder(s), the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required including to credit the same to the designated securities demat account of the Warrant Holder.
6. The tenure of Warrants shall not exceed 18 (eighteen) months from the date of allotment. If the entitlement against the Warrants to apply for the Equity Shares of the Company is not exercised by the Warrant Holders within the aforesaid period of 18 (eighteen) months, the entitlement of the Warrant Holders to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid by the Warrant Holders on such Warrants shall stand forfeited.
7. The Equity Shares so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu with the then existing Equity Shares of the Company, including entitlement to voting powers and dividend.
8. The Warrants by itself, until exercised and converted into Equity Shares, shall not give to the Warrant Holders thereof any rights with respect to that of an equity shareholder of the Company.
9. The Warrants and Equity Shares issued pursuant to the exercise of the Warrants shall be locked-in as prescribed under Regulation 167(1) of SEBI ICDR Regulations read with proviso thereto.
10. The entire pre-preferential allotment shareholding, if any, of the Warrant Holders in the Company shall also be subject to lock-in as per the provisions of Regulation 167(6) of the SEBI ICDR Regulations.
11. The monies received by the Company from the Warrant Holder(s) for application of the Warrants pursuant to this preferential issue shall be kept by the Company in a separate bank account.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to, do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolutions, including without limitation to issue and allot Warrants and Equity Shares upon exercise/conversion of the Warrants, to issue certificates/clarifications on the issue and allotment of Warrants and thereafter allotment of Equity Shares further to exercise of the Warrants, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the Warrants including deciding the size and timing of any tranche of the Warrants), entering into contracts, arrangements, agreements, memorandum, documents to give effect to the aforesaid resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance of Warrants and listing and trading of Equity Shares issued on exercise of Warrants), including making applications to NSE and BSE for obtaining of in-principle approval and final listing approval, filing of requisite documents with the Registrar of Companies, Mumbai (**“ROC”**), National Securities Depository Limited (**“NSDL”**), Central Depository Services (India) Limited (**“CDSL”**), RBI and/ or such other authorities as may be necessary for the purpose, and to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise / conversion of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants / Equity Shares to the respective dematerialized securities account of the Warrant Holders, and to delegate all or any of the powers conferred on it by this resolution to any director(s) and officer(s) including Key Managerial Personnel of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard, without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Item No. 4: Issue of upto 20,97,902 (Twenty Lakhs Ninety-Seven Thousand Nine Hundred Two) Equity Shares of the Company to an entity on preferential basis.

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 42, Section 62(1)(c) of the Companies Act, 2013 as amended including rules notified thereunder (**“Act”**) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (**“Rules”**) and other applicable provisions, if any (including any statutory modifications(s) or re-enactment thereof, for the time being in force), Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,

2018, as amended (“**SEBI ICDR Regulations**”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (“**SEBI Listing Regulations**”), enabling provisions of the Memorandum and Articles of Association of the Company, applicable rules, notifications and circulars issued by the Reserve Bank of India and such other acts / rules / regulations as maybe applicable and subject to necessary approvals / consents, if any, from the competent statutory and / or regulatory authorities, as maybe applicable or necessary including the Securities and Exchange Board of India (“**SEBI**”), National Stock Exchange of India Limited (“**NSE**”), BSE Limited (“**BSE**”), Reserve Bank of India (“**RBI**”) and subject to such terms and condition(s), alteration(s), correction(s), change(s) and/or modification(s) as may be prescribed by any of the competent statutory and / or regulatory authorities while granting consent(s), permission(s) or approval(s), and which may be agreed to by the board of directors of the Company (hereinafter referred to as the “Board” which terms shall be deemed to include any committee(s) which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by this resolution) and subject to any other alteration(s), modification(s), condition(s), correction(s), change(s) and variation(s) that may be decided by the Board in its absolute discretion, the consent of the members of the Company be and is hereby accorded to offer, issue and allot, from time to time in one or more tranches, upto 20,97,902 (Twenty Lakhs Ninety Seven Thousand Nine Hundred Two) Equity Share, at a price of ₹71.50/- (Indian Rupees Seventy One and Fifty Paise Only) (“**Equity Share Issue Price**”) comprising of face value of ₹5/- (Indian Rupees Five Only) each per Equity Share and at a premium of ₹66.50/- (Indian Rupees Sixty Six and Fifty Paise Only) per Equity Share, aggregating up to ₹15,00,00,000/- (Indian Rupees Fifteen Crores Only) (“**Total Equity Issue Size**”) on a preferential basis to an entity listed below (“**Proposed Equity Share Allottee**”) subject to the maximum entitlement as specified below and upon receipt of ₹71.50/- (Indian Rupees Seventy One and Fifty Paise Only) (“**Equity Issue**”), in such manner and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the terms of this issue, provisions of SEBI ICDR Regulations, or other applicable laws in this respect.”

Sr. No.	Name of the Proposed Equity Share Allottee	Maximum Number of Equity Shares to be allotted
1.	One Up Financial Consultants Private Limited	20,97,902
	Total	20,97,902

“**RESOLVED FURTHER THAT** the Company hereby notes and takes on record that in accordance with the provisions of Regulation 161(b) read with Regulation 161(a) of the SEBI ICDR Regulations, the “**Relevant Date**” for the purpose of calculating the floor price for the issue of Equity Shares proposed to be allotted is determined to be Wednesday, August 4, 2021 being the date thirty days prior to the date on which the AGM will be held to consider the proposed Equity Issue and the floor price for the preferential issue on the aforesaid Relevant Date pursuant to Regulation 164(1) of the SEBI ICDR Regulations is ₹71.50/- (Indian Rupees Seventy One and Fifty Paise Only).”

“**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the issue and allotment of Equity Shares shall be subject to the following terms and conditions:

1. In accordance with the provisions of Regulation 160(a) of Chapter V of SEBI ICDR Regulations the Equity Shares proposed to be allotted be made fully paid-up at the time of the allotment.
2. The Proposed Equity Share Allottee shall make payment of Equity Share Issue Price from its own bank account into the designated bank account of the Company.
3. In terms of Regulation 166 of the SEBI ICDR Regulations, the price of Equity Shares determined above to be allotted shall be subject to appropriate adjustments, if applicable. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations.
4. The Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required including to credit the same to the designated securities demat account of the Proposed Equity Share Allottee.
5. The Equity Shares proposed to be allotted shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu with the then existing Equity Shares of the Company, including entitlement to voting powers and dividend.

6. The Equity Shares issued shall be locked-in as prescribed under Regulation 167(2) of SEBI ICDR Regulations read with proviso thereto.
7. The entire pre-preferential allotment shareholding, if any, of the Proposed Equity Share Allottee in the Company shall also be subject to lock-in as per the provisions of Regulation 167(6) of the SEBI ICDR Regulations.
8. The monies received by the Company from the Proposed Equity Share Allottee for allotment of the Equity Shares pursuant to this preferential issue shall be kept by the Company in a separate bank account.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to, do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolutions, including without limitation to issue and allot Equity Shares, to issue certificates/clarifications on the issue and allotment of Equity Shares, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the issue of Equity Shares including deciding the size and timing of any tranche of the issue of Equity Shares), entering into contracts, arrangements, agreements, memorandum, documents to give effect to the aforesaid resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance and allotment of Equity Shares and listing and trading of Equity Shares), including making applications to NSE and BSE for obtaining of in-principle approval and final listing approval, filing of requisite documents with the Registrar of Companies, Mumbai (“**ROC**”), National Securities Depository Limited (“**NSDL**”), Central Depository Services (India) Limited (“**CDSL**”), RBI and/ or such other authorities as may be necessary for the purpose, and to take all such steps as may be necessary for the admission of the Equity Shares with the depositories, viz. NSDL and CDSL and for the credit of such Equity Shares to the respective dematerialized securities account of the Proposed Equity Share Allottee, and to delegate all or any of the powers conferred on it by this resolution to any director(s) and officer(s) including Key Managerial Personnel of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard, without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

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

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

Place : Mumbai
Date : August 5, 2021

CINELINE INDIA LIMITED
Corporate Identity Number: L92142MH2002PLC135964

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

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

Notes:

- 1. Annual General Meeting through Video Conferencing facility or Other Audio-Visual Means:** In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its General Circular dated 13th January, 2021 allowed the holding of Annual General Meeting in accordance with relevant provisions of circular dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 02/2020 dated 13th January, 2021 (collectively referred to as MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide circular dated 15th January, 2021 and 12th May, 2020 ("SEBI Circular") permitted the holding of the Annual General Meeting ("the Meeting / AGM") through Video Conferencing facility or Other Audio-Visual Means ("VC / OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circular, the Meeting of the Company is being convened and conducted through VC / OAVM. Members participating through the VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013 ("Act").

The deemed venue for the AGM will be place from where the Chairman of the Board conducts the meeting. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

- 2. Proxies, Attendance Slip & route map of the AGM venue:** Pursuant to MCA Circulars and SEBI Circular, since the AGM will be held through VC/ OAVM, the physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form, Attendance Slip and route map of the AGM venue are not annexed to this Notice.
- 3. Authorised Representative:** Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.

The said Resolution/Authorization shall be sent to investor@cineline.co.in not less than 48 (forty eight) hours before the commencement of the AGM i.e. by 11 A.M. on September 1, 2021.

- 4. 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.
- 5.** 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.
- 6.** The Board of Directors have considered and decided to include the resolution nos. 3 & 4 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
- 7. Cut-off Date for Dispatch:** Members of the Company, holding shares either in dematerialised form or physical form, as on Friday, August 06, 2021 (cut-off date for receiving Notice and Annual Report), shall be entitled for receiving of the Annual Report for the period 2020-21, through their registered mail id. Any person, who acquires shares of the Company and become Member of the Company after sending of the Notice and holding shares as on cut-off date i.e. Friday, August 06, 2021, may obtain login ID and password by writing to Registrar & Share Transfer Agent of the Company, Link Intime India Private Limited at e-mail rnt.helpdesk@linkintime.co.in.
- 8. Communication:** Notice of the AGM and the Annual Report for the Financial Year 2020-21 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 2020-21 along with Notice of the AGM is available at the website of the Company at www.cineline.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 of the Company. All the investor related communication and grievances may be addressed to them at their following address:

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

11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Private Limited (LIPL) to provide efficient and better services.
12. Members holding shares in physical form are requested to intimate such changes to LIPL. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or LIPL for assistance in this regard.
13. SEBI vide its notification dated 8th June, 2018 has amended Regulation 40 of the Listing Regulations, 2015 and it has been stated that (except in case of transmission or transposition of securities), the transfer of securities shall be processed only in dematerialized form with effect from 1st April, 2019. In compliance with the aforesaid notifications, the members are advised to dematerialize their shares immediately.
14. Non-Resident Indian Members are requested to inform the R&TA 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. 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. Friday, August 27, 2021.
17. Any person who is not a Member as on the cut-off date i.e. Friday, August 27, 2021 should treat this Notice for information purposes only.
18. 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.
19. **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.
20. **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.

- 21. 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.
- 22.** 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.
- 23.** 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.
- 24.** 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.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND CHAPTER V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

Item No. 3 & Item No. 4: Issue of upto 14,68,532 (Fourteen Lakhs Sixty-Eight Thousand Five Hundred Thirty-Two) warrants each convertible into, or exchangeable for, one equity shares of the Company within the period of 18 (eighteen months) in accordance with the applicable law to the Members of the Promoter Group of the Company on preferential basis.

It is proposed to issue and allot (a) upto 14,68,532 (Fourteen Lakhs Sixty Eight Thousand Five Hundred Thirty Two) warrants each convertible into, or exchangeable for, one equity share within the period of 18 (eighteen months) in accordance with the applicable law at a price of ₹71.50/- (Indian Rupees Seventy One and Fifty Paise Only) each (including the warrant subscription price and the warrant exercise price) aggregating upto ₹10,50,00,038/- (Indian Rupees Ten Crores Fifty Lakhs Thirty Eight Only) to certain Members of the Promoter Group and (b) 20,97,902 (Twenty Lakhs Ninety Seven Thousand Nine Hundred Two) Equity Shares at a price of ₹71.50/- per Equity Share comprising of face value of ₹5/- (Indian Rupees Five Only) each per Equity Share and at a premium of ₹66.50/- (Indian Rupees Sixty Six and Fifty Paise Only) per Equity Share, aggregating up to ₹15,00,00,000/- (Indian Rupees Fifteen Crores Only) to an entity on a preferential basis since raising funds through preferential issue is considered to be most cost & time effective way for raising additional capital.

The issue and allotment of (a) Warrants Issue including resultant equity shares arising out of exercise of option attached to Warrants to the Proposed Warrants Allottees and (b) Equity Issue to the Proposed Equity Share Allottee has been approved by the Board of the Company in its meeting held on Thursday, August 5, 2021, subject to the approval of members of the Company and other necessary approval(s).

The following disclosures for the Warrants Issue and Equity Issue on preferential basis are made in accordance with the Act and the SEBI ICDR Regulations:

1. Objects of the preferential issue:

The proceeds of the preferential issues shall be utilized to meet the funding requirements for the growth in the business of the Company, general corporate purposes and the working capital requirements.

2. Maximum number of specified securities to be issued:

- 2.1. Issuance of up to 14,68,532 (Fourteen Lakhs Sixty Eight Thousand Five Hundred Thirty Two) Warrants at a price of ₹71.50/- (Indian Rupees Seventy One and Fifty Paise Only) each (including the warrant subscription price and the warrant exercise price) aggregating upto ₹10,50,00,038/- (Indian Rupees Ten Crores Fifty Lakhs Thirty Eight Only); and

2.2. Issuance of up to 20,97,902 (Twenty Lakhs Ninety Seven Thousand Nine Hundred Two) Equity Shares at a price of ₹71.50/- (Indian Rupees Seventy One and Fifty Paise Only) (“**Equity Share Issue Price**”) comprising of face value of ₹5/- (Indian Rupees Five Only) each per Equity Share and at a premium of ₹66.50/- (Indian Rupees Sixty Six and Fifty Paise Only) per Equity Share, aggregating up to ₹15,00,00,000/- (Indian Rupees Fifteen Crores Only).

3. Intent of the Promoters, Director(s) or Key Managerial Personnel of the Company to participate in the proposed Warrant Issue and / or Equity Issue:

3.1. Certain members of the promoter group of the Company intent to participate in the Warrants Issue, the details of which are disclosed in below table:

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

3.2. None of the Promoters, Director(s) or Key Managerial Personnel of the Company intent to participate in the Equity Issue.

4. Shareholding pattern of the issuer before and after the preferential issue:

Category of Shareholders		Pre-issue		Post-issue #	
		No. of Equity Shares	%	No. of Equity Shares	%
A.	Promoter & Promoter Group				
1.	Indian	1,96,80,916	70.29%	2,11,49,448	67%
a.	Individuals / HUF	1,96,80,636	70.29%	2,07,82,035	65.83%
b.	Central / State Government	0	0	0	0
c.	Financial Institutions / Banks	0	0	0	0
d.	Bodies Corporate	280	0	280	0
e.	Promoters Trusts	0	0	3,67,133	1.16%
f.	Person Acting in Concert	0	0	0	0
2.	Foreign	0	0	0	0
	Total Promoter & Promoter Group (A)	1,96,80,916	70.29%	2,11,49,448	67%
B.	Public Shareholders	83,19,084	29.71%	1,04,16,986	33%
1.	Institutions	0	0	0	0
2.	Central / State Government	0	0	0	0
3.	Non-Institutions	83,19,084	29.71%	1,04,16,986	33%
	Total Public Shareholding (B)	83,19,084	29.71%	1,04,16,986	33%
	Total (A+B)	2,80,00,000	100%	3,15,66,434	100%

Assuming all the Warrants is converted into Equity Shares of the Company.

5. Time frame within which the preferential issue shall be completed:

Pursuant to Regulation 170 of SEBI ICDR Regulations, preferential allotment of the Warrants Issue and Equity Issue is required to be completed within a period of 15 (fifteen) days from the date of passing of the special resolution of the members of the Company or within the statutory time limits prescribed by the regulatory authorities subject to all the necessary approvals being in place. If any approval or permissions by any regulatory or statutory authority(ies) for allotment is pending, the period of 15 (fifteen) days shall commence from the date of such approval or permission being obtained.

6. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:

Sr. No.	Name of the proposed allottee	Name of Ultimate Beneficial Owner	Pre-issue equity share holding		Number of Warrants/ Equity Shares proposed to be issued	Post-issue equity holding (After allotment of Equity Shares & exercise / conversion of Warrants) @	
			Number of equity shares	%		Number of equity shares	%
A. \$							
1.	Ashish Rasesh Kanakia	Not Applicable	Nil	0%	3,67,133	3,67,133	1.16%
2.	Niyati Rasesh Kanakia	Not Applicable	Nil	0%	3,67,133	3,67,133	1.16%
3.	Vrutant Himanshu Kanakia	Not Applicable	Nil	0%	3,67,133	3,67,133	1.16%
4.	Vrusti Benefit Trust	Name of present trustees: i. Himanshu Babubhai Kanakia ii. Hiral Himanshu Kanakia iii. Vrusti Himanshu Kanakia Name of present beneficiary: i. Hiral Himanshu Kanakia ii. Vrusti Himanshu Kanakia	Nil	0%	3,67,133	3,67,133	1.16%
Total (A)			Nil	0%	14,68,532	14,68,532	4.65%
B. #							
1.	One Up Financial Consultants Private Limited	i. Jagdish Naresh Master ii. Urjita Jagdish Master	Nil	0%	20,97,902	20,97,902	6.65%
Total (B)			Nil	0%	20,97,902	20,97,902	6.65%
Total (A+B)			Nil	0%	35,66,434	35,66,434	11.30%

@ Assuming all the Warrants are converted into Equity Shares of the Company.

\$ Warrants are proposed to be issued.

Equity Shares are proposed to be issued.

7. Relevant Date, Warrant Issue Price and Equity Share Issue Price:

In terms of Regulation 161 of the SEBI ICDR Regulations, the "Relevant Date" for the purpose of calculating the floor price for the Warrants Issue including Equity Shares to be allotted pursuant to the exercise of conversion of the Warrants and Equity Issue is determined to be Wednesday, August 4, 2021 being the date thirty days prior to the date on which the AGM will be held to consider and if deem fit to approve the Warrants Issue and Equity Issue and the floor price for the preferential issue on the aforesaid Relevant Date pursuant to Regulation 164 of the SEBI ICDR Regulations is ₹56.17/- (Indian Rupees Fifty Six and Seventeen Paise Only).

8. Basis or Justification of Warrant issue and Equity Issue price:

- 8.1. While the Equity Shares of the Company are listed on NSE as well as on BSE, however, the Equity Shares were frequently traded on and the trading volume of Equity Shares of the Company was higher on NSE during the preceding 26 weeks prior to the Relevant Date for computation of issue price. Therefore trading volume of the Equity Shares on the NSE has been considered to determine the issue price of Warrant issue and Equity Issue.
- 8.2. In terms of the provisions Regulation 164 of SEBI ICDR Regulations the price at which Warrants and Equity Shares shall be allotted shall not be less than higher of the following:
 - 8.2.1.the average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
 - 8.2.2.the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.
- 8.3. Pursuant to above, the minimum issue price determined in accordance with Regulations 164 read with Regulation 161 of Chapter V of the SEBI ICDR Regulations is ₹56.17/- (Indian Rupees Fifty Six and Seventeen Paise Only). In view of the above, the Board of the Company has fixed the Warrant Issue (i.e. the price including the Warrant Subscription Price and the Warrant Exercise Price) and Equity Issue price of ₹71.50/- (Indian Rupees Seventy One and Fifty Paise Only) which is above the minimum price as determined in compliance with the requirements of the SEBI ICDR Regulations.

9. Undertaking as to re-computation of price and lock-in of specified securities:

If applicable, the Company shall re-compute the price of the Warrants and/or the number of Equity Shares to be allotted on exercise of the Warrants and Equity Shares to be issued under Equity Issue, in terms of the provision of Regulation 166 of the SEBI ICDR Regulations or any other applicable laws, where it is required to do so. The Company further undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the Warrants / Equity Shares shall continue to be locked- in till the time such amount is paid by the proposed allottee(s).

10. Change in control, if any in the Company that would occur consequent to the preferential offer:

There shall be no change in the management or control of the Company pursuant to the proposed issue and allotment of Warrants including their conversion thereof into Equity Shares and Equity Issue.

11. Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

None.

12. Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not applicable.

13. Lock-in period:

- 13.1.The Warrants, Equity Shares issued pursuant to the exercise of the Warrants and Equity Shares proposed to be issued under Equity Issue shall be locked-in as prescribed under the SEBI ICDR Regulations from time to time.
- 13.2.The pre-preferential allotment shareholding of the Proposed Warrant Allottees and Proposed Equity Share Allottee, if any, in the Company shall also be subject to lock-in as per the provisions of the SEBI ICDR Regulations.

14. Listing:

The Company will make an application to NSE and BSE at which the existing Equity Shares are presently listed, for listing of the Equity Shares allotted pursuant to the Equity Issue and Equity Shares that will be issued on conversion of Warrants. Such Equity Shares, once allotted, shall rank pari passu with the then existing Equity Shares of the Company, including voting rights and dividend.

15. Auditor's Certificate:

A copy of the certificate issued by Khimji Kunverji & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company, certifying that the proposed preferential issue of Warrants and Equity Shares are being made in accordance with the requirements contained in Chapter V of the SEBI ICDR Regulations, will be available electronically for inspection by the members during the meeting to be held on Friday, September 3, 2021. Relevant documents referred to in the accompanying notice and the explanatory statement will also be available for electronic inspection without any fee by the members from the date of circulation of this notice up to the date of meeting. Members seeking to inspect such documents can send an email to investor@cineline.co.in.

16. Other Disclosures/Undertaking:

16.1. The proposed allottees of the Warrants and Equity Shares has not sold any Equity Shares during the six months preceding the Relevant Date.

16.2. It is hereby confirmed that neither the Company nor its Directors and to the Company's Knowledge any of its Promoters is a wilful defaulter.

Mr. Rasesh Kanakia, Chairman, Mr. Himanshu Kanakia, Managing Director and Mrs. Hiral Kanakia, Whole Time Director are deemed to be interested in the resolution to the extent of proposed allotment of Warrants to certain members of the promoter group of the company.

Except above mentioned persons and their relatives including Mrs. Rupal Rasesh Kanakia, none of the other Directors or Key Managerial Personnel of the Company including their relatives are in anyway, concerned or interested in the resolution.

In terms of the provisions of Section 42, Section 62(1)(c) of the Act read with Rules and other applicable provisions, if any, Regulation 160 and any other applicable regulations of the SEBI ICDR Regulations the Warrant Issue and Equity Issue requires prior approval of the members / shareholders of the Company by way of a special resolution.

The Board believes that the proposed Warrant issue and Equity Issue are in the best interest of the Company and its members/shareholders and therefore recommends the special resolution as set out herein in the accompanying notice for your approval.

Pursuant to Regulation 23(4) of the SEBI Listing Regulations all related parties shall not vote on all resolutions for approval of material related party transactions, irrespective of the fact whether the entity is a related party to a particular transaction or not. However, section 188 of the Companies Act, 2013 read with relevant rules and other applicable provisions does not list down the proposed preferential issue as a related party transaction and thereby permits the related party to vote on the

transaction which are not covered under section 188(1) of the Companies Act, 2013. This notice is given accordingly in terms of the said Listing Regulations and the said provisions of the Companies Act, 2013 for consideration of the resolution and the related parties votes shall be ignored for compliance with Regulation 23(4) of the SEBI Listing Regulations but shall be taken into consideration for compliance with the provisions of the Companies Act, 2013.

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

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

Place : Mumbai

Date : August 5, 2021

CINELINE INDIA LIMITED

Corporate Identity Number: L92142MH2002PLC135964

Registered Office Address:

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

E-mail ID: investor@cineline.co.in

Website: www.cineline.co.in

Annexure

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

Particulars	Mr. Himanshu Kanakia
Date of Birth	01/01/1964
Date of Appointment	22/05/2002
Qualification	Engineer
Experience in Functional Area	Mr. Himanshu B. Kanakia, Managing Director is the member of the Board since incorporation and has as career spanning of around 33 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 management, operations and the administration of the Company. In his guidance the Kanakia Group has developed and successfully delivered more than 14 million sq. ft. of the commercial, residential, entertainment, education and industrial spaces.
Directorship in other Companies (Public Limited Companies)	NIL
Membership/ Chairmanship of Board Committees of other Companies (Includes only Audit Committee and Stakeholders Relationship Committee)	Member of Stakeholders Relationship Committee.
No. of shares held in the Company	95,11,424
Terms & Conditions of Appointment/ Re-appointment	Appointed as a Director liable to retire by rotation
Relationship with other Directors/ Manager/KMP	Brother of Mr. Rasesh Kanakia, Chairman of the Company
Remuneration	The remuneration details are given in the Corporate Governance Section of the Annual Report.

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

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.
	<ul style="list-style-type: none"> After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote.

Type of shareholders	Login Method
	<ul style="list-style-type: none"> If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	<ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: - <ol style="list-style-type: none"> User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. 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. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <ul style="list-style-type: none"> Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘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). Click on ‘Login’ under ‘SHARE HOLDER’ tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.

Type of shareholders	Login Method
	<p>3. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.</p> <p>4. E-voting page will appear.</p> <p>5. 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).</p> <p>6. 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.</p>

Institutional shareholders:

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

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members 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.

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

- Shareholders/ members 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".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

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 Friday, August 27, 2021.
2. The e-voting period commences on Tuesday, August 31, 2021 (9.00 a.m. IST) and ends on Thursday, September 02, 2021 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, August 27, 2021 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 cutoff date for voting i.e. Friday, August 27, 2021, may obtain the login ID and password by sending a request to enotices@linkintime.co.in. However, if he/she is already registered with LIPL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
5. Mr. Dharmesh Zaveri, proprietor of M/s. D. M. Zaveri & Co., Company Secretaries (FCS No. 5418 CP. No. 4363) has been appointed as the Scrutinizer to scrutinize the remote e-voting and ensure that the voting process at the AGM is conducted in a fair and transparent manner.
6. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour/against, if any, to the Chairperson or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.
7. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company www.cineline.co.in and on the LIPL website <https://instavote.linkintime.co.in> and shall also be forwarded to BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).

PROCESS AND MANNER FOR ATTENDING THE NINETEENTH AGM THROUGH INSTAMEET

For a smooth experience of AGM proceedings, shareholders who are registered for the event are requested to download and install the Webex application in advance on the device that you would be using to attend the meeting by clicking on the link <https://www.webex.com/downloads.html/>. Shareholders also have an option to click on the URL provided to attend the meeting. Please read the instructions carefully and participate in the meeting. For any support, shareholders may also call the RTA on the dedicated number provided in the instructions.

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company.

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

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Members can login and join 1 hour prior to the schedule time of the AGM and window for joining the meeting shall be kept open till the expiry of 15 mins after the scheduled time. The Company shall provide VC/OAVM facility to Members to attend the AGM.

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

Instructions for Shareholders/Members to Speak during the AGM through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the agm2021speakers@cineline.co.in created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company. The Company reserves the right to restrict the number of speakers depending upon the availability of time for the AGM.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

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

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

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

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”.
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.

3. After successful login, you will see “Resolution Description” and against the same the option “**Favour/ Against**” for voting.
4. Cast your vote by selecting appropriate option i.e. “**Favour/Against**” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘**Favour/Against**’.
5. After selecting the appropriate option i.e. **Favour/Against** as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

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

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

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

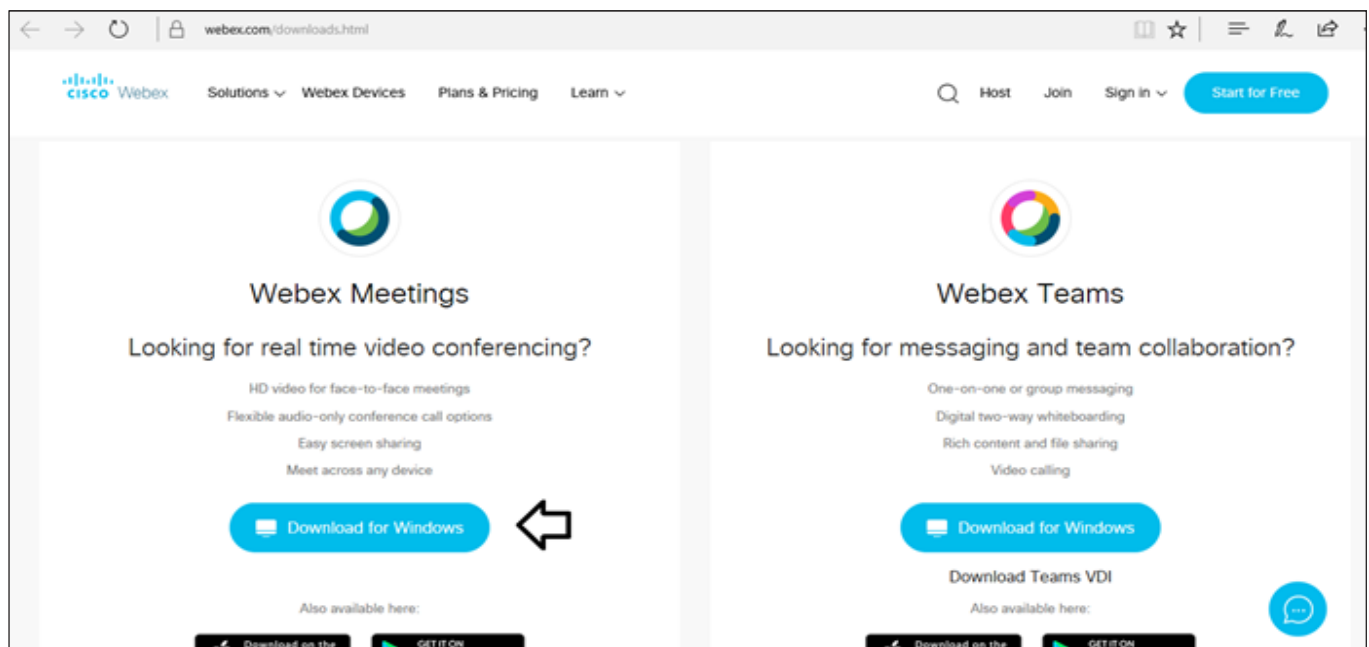
Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

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

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

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

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



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Step 1
Double-click the webexapp.msi file you downloaded



Step 2
The Webex Meetings setup wizard will launch. Follow the instructions to set up.




Step 3
Once installed the app will launch automatically.

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

What do you want to do with webexapp.msi (88.1 MB)?
From: akamaicdn.webex.com

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Step 1
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Step 2
The Webex Meetings setup wizard will launch. Follow the instructions to set up.



Step 3
Once installed the app will launch automatically.

Cisco Webex Meetings - InstallShield Wizard

Welcome to the InstallShield Wizard for Cisco Webex Meetings


The InstallShield(R) Wizard will install Cisco Webex Meetings on your computer. To continue, click Next.

WARNING: This program is protected by copyright law and international treaties.

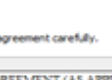
< Back Next > Cancel

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Step 1
Double-click the webexapp.msi file downloaded



Step 2
The Webex Meetings setup wizard will launch. Follow the instructions to set up.



Step 3
Once installed the app will launch automatically.

Cisco Webex Meetings - InstallShield Wizard

License Agreement

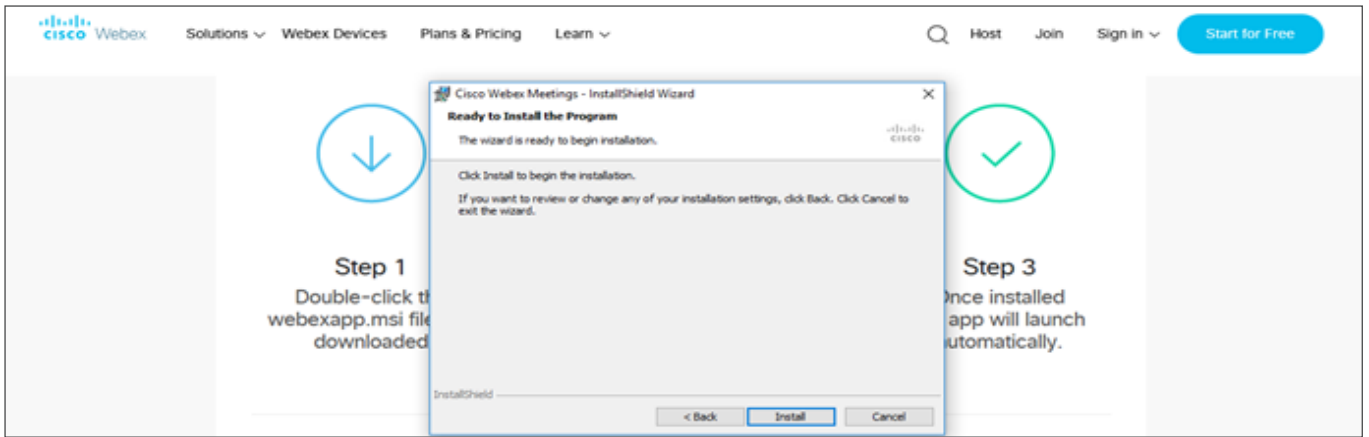
Please read the following license agreement carefully.

CISCO WEBEX LLC LICENSE AGREEMENT (AS APPLICABLE TO THE PARTICULAR DOWNLOAD)

IMPORTANT NOTICE—PLEASE READ PRIOR TO USING THIS SOFTWARE: This license agreement ("License Agreement") is a legal agreement between you (either an individual or an entity) and Cisco Webex LLC ("Webex") for the use of Webex software you may be required to download and install to use certain Webex services (such software, together with the underlying documentation if made available to you, the "Software"). By clicking on the button containing the "I accept" language, by installing the Software or by otherwise using the Software, you agree to be bound by the terms of this License Agreement. **IF YOU DO NOT AGREE TO THE TERMS OF THIS LICENSE AGREEMENT, CLICK ON THE BUTTON**

I accept the terms in the license agreement
 I do not accept the terms in the license agreement

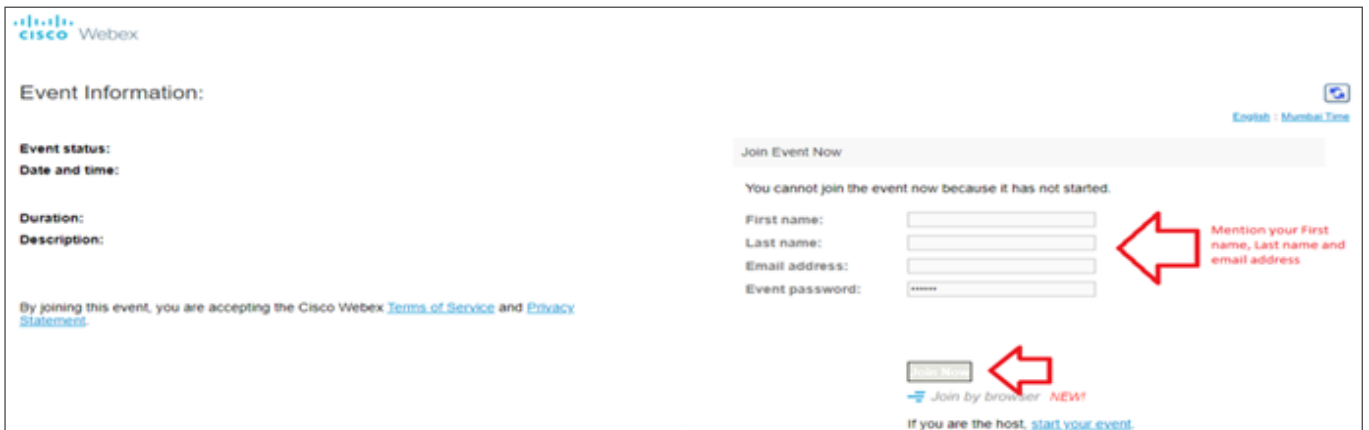
InstallShield < Back Next > Cancel



Or

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

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



Annual Report
2020-21

CINELINE
CINELINE INDIA LIMITED

EXPANDING HORIZONS. DIVERSIFYING OPERATIONS.



INSIDE THE REPORT

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5,440.8

Total revenue (₹ lakhs)



3

Number of business verticals



11

Number of rental assets



2

Number of windmills



1

Number of Hotel



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



**We all live under the same sky,
but we don't have the same horizon.”**

At Cinline, we have always believed in changing, transforming and evolving. In a fast-evolving world, new opportunities are always emerging on the horizon. As an agile organisation, we have always endeavoured to advance ahead. We are open to change – swiftly reinventing our business model – by leveraging our legacy strengths and embracing new avenues for growth.

This has been more than validated during this unprecedented year. We diversified our operations and embarked into the hospitality sector (hotel industry) by acquiring a subsidiary. Not only does this strategic move de-risk our rental business, but it also opens up a significantly new business opportunity.

With large-scale vaccinations around the globe, there is opportunity and optimism on the horizon. And at Cinline, this is what excites us, because we are...

EXPANDING HORIZONS. DIVERSIFYING OPERATIONS.

₹ 1,592.18 lakhs

Revenue contribution by rental assets
(rent+parking+advertisement) in 2020-21

₹ 152.83 lakhs

Revenue contribution by windmills
in 2020-21

₹ 1,128.50 lakhs

Revenue contribution by hospitality
vertical in 2020-21



CHAIRMAN'S MESSAGE

TAKING CONFIDENT STRIDES DURING CHALLENGING TIMES



Dear Shareholders,

It is my pleasure and privilege to share with you highlights of what was an unprecedented year of global crisis. At the outset, my sincere thoughts are with everyone whose lives have been adversely impacted by the menace. I would also like to express my heartfelt gratitude to all the frontline workers who have bravely worked without fear or fatigue in our fight to overcome the pandemic.



Against the backdrop of a challenging operating environment, Cinline India undertook proactive measures to sustain its growth trajectory. We realised the importance of diversifying our operations to new sectors where we could leverage our existing strengths and expertise.

I am pleased to present our 19th Annual Report for the year 2020-21. What clearly stands out is the fact that despite strong challenges, we have been able to sustain growth with our agility and flexibility - by diversifying operations to foray into new verticals, and thus, also expanding horizons.

Operating environment

With the onset of the COVID-19 pandemic, the world saw lockdowns across countries to curtail the speed at which the virus was spreading. Such lockdowns were undertaken in India as well, which not only disrupted trade and restricted travelling, but also brought the Indian economy to a standstill. Owing

to these reasons, the Indian economy contracted by 7.3% in 2020-21 vis-à-vis the growth of 4.2% in 2019-20. These macro scenarios, coupled with the sluggish growth of the real estate sector during 2020-21 and the shutdown of operations at malls and movie theatres, translated into strong headwinds for us.

Expanding horizons

Against the backdrop of a challenging operating environment, Cinline India undertook proactive measures to sustain its growth trajectory, which has been consistent for years. We realised the importance of diversifying our operations to ensure long-term value creation for all our stakeholders.

The fact that diversification is the key to long-term holistic dawned upon us while we were brainstorming on how to overcome an unprecedented year as 2020-21.

Armed with this insight, we swiftly scanned the horizon for new sectors where we could leverage our existing strengths and expertise. The hospitality sector held both the potential and the promise we were looking for. We diversified our business model by foraying into the hospitality vertical. During 2020-21, we acquired R&H Spaces Private Limited, who has an operational hotel in Goa, namely Centric Hyatt, Goa. The hotel is strategically located in the heart of North Goa, proximal to Candolim and Calangute beaches. With an all-day dining multi-cuisine restaurant, 6,000 square feet of banquet area, 2,500 square feet of spa area, and as many as 167 state-of-the-art rooms, the hotel is well equipped to cater to diverse needs of people.

With the COVID-19 conundrum in full swing, we figured that the restrictions on international travel will remain for at least the next 2 years. International trips would be translated into domestic travel, and this would exponentially boost the Indian hospitality sector. Goa is one of the most visited travel destinations of the country, and is poised to make the most of these tailwinds. Our hotel at Goa was operational at a 90% occupancy from January 2021 to March 2021, validating our rationale for foraying into this new vertical.

The expansion of our presence across newer verticals helped us ensure that our business is adequately de-risked. With the malls and movie theatres being shut, our parking and advertisement income was severely impacted. The additional income from the hotel business not only helped us grow our top-line, but also set-off the losses from the parking and advertisement business.

Financial performance

On the back of our successful diversification of operations, we successfully sustained our financial performance during 2020-21. Our total revenues consolidated basis during 2020-21 stood at ₹ 5,440.8 lakhs compared to ₹ 4,221 lakhs in 2019-20, registering a y-o-y growth of 28.9%. Our EBITDA during the year stood at ₹ 3,782.92 lakhs compared to ₹ 3,339.43 lakhs in 2019-20, growth owing to our proactive cost control measures. Further, our profit after tax stood strong at ₹ 478.64 lakhs in 2020-21 compared to ₹ 763.29 lakhs in 2019-20.

During the year under review, our rental income stood at ₹ 1,592.18 lakhs, followed by our interest income at ₹ 2,567.28 lakhs from inter corporate deposits. Our income from the hotel business during the year stood at ₹ 1,128.50 lakhs in 2020-21 from 3 months of operation. Our income from windmill stood at ₹ 152.83 lakhs in 2020-21.

Response to COVID-19

The COVID-19 pandemic impacted our performance in the first quarter of 2020-21, before heading for a recovery from the second quarter of 2020-21. With our malls and theatres not in operations for a long tenure during the fiscal, our parking and advertisement income suffered extensively. However, the rental income was only marginally impacted owing to the long-term lease with the customers.

As I have adequately covered, the big learning of this pandemic for us has been diversification of operations. During the relaxation phases, we operated in compliance with the state and central government guidelines and protocols to ensure health and safety of our employees, customers and the people visiting movie theatres and malls. We adhered to periodic sanitisation of our rental assets, conducted thermal screening of people entering the facilities, supervised people

to ensure they are wearing masks at all times and promoted social distancing. We also restricted the number of people entering the facilities to a limit set by the state government. We adopted a 'work from home' culture for all our corporate employees, and also conducted thermal screening and sanitisation of office.

Outlook

After contracting at 7.3% in 2020-21, the Indian economy is expected to grow at 9.5% in 2021-22 on the back of a recovering economy, mass vaccinations and with the country gradually heading towards normalcy. Such macro tailwinds coupled with the rapid diversification of our business, we are optimistic of our growth prospects in the medium- and long-term future. Owing to our proactive measures undertaken during 2020-21 to strengthen the business, we are expecting to grow our revenues generated by hospitality vertical substantially, in addition to sustaining our revenue contribution from rental assets. Our parking and advertisement income is expected to clock a 25% y-o-y growth in 2021-22, helping us grow both our top-line and bottom-line. Being driven by the sheer will to create incremental value for all our stakeholders, we will proactively keep looking for attractive investment avenues.

Acknowledgement

I would like to thank the members of the Board for their support and counsel. I would also want to express my warm regards to our entire team, who has empowered and enabled the diversification of the business in the year gone by. I would like to express my appreciation for the unstinted faith and trust shown by our customers, shareholders and investors.

Regards,

Rasesh Kanakia

Chairman

SUMMING UP AN EVENTFUL YEAR



Diwali Celebration



Diwali Celebration



Ganesh Chaturthi Celebration



Janmashtami Celebration



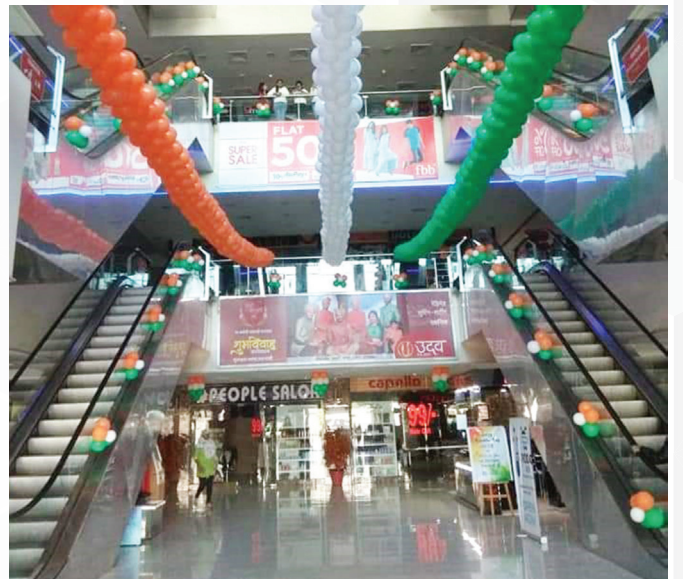
Navratri



Navratri



Republic Day



Republic Day

PROPERTIES



Goregaon (West)



Sona Shopping Centre, Kandivali (West)



Wonder Mall, Thane



Cineline, Nashik



Eternity Mall, Nagpur



Cineline, Sion



Eternity Mall, Thane



Prime Mall, Mira Road



Eagle's Flight, Andheri (East)



Hyatt Centric, Goa



FINANCIAL HIGHLIGHTS

In ₹ Lacs (except per share data)

For the year ended 31 st March	2021	2020
Total Income	4,366.56	4,221.01
Expenditure	906.16	880.74
EBDITA	3,460.40	3,340.27
Depreciation	396.99	542.48
Interest & Financial Charges	1,910.32	1,834.43
Exceptional Items	-	-
Profit Before Tax (PBT)	1,153.09	963.36
Tax Expense	360.73	199.23
Profit After Tax (PAT)	792.36	764.13
Other comprehensive income / (loss) for the year (net of tax)	2.16	1.01
Total comprehensive income for the year	794.51	765.14
Share Capital	1,400.00	1,400.00
Reserves and Surplus	11,593.48	10,798.97
Total Debt (including Current Maturity)	18,594.59	17,138.00
Gross Block	1,004.33	1,011.75
Net Block	623.07	695.15
Current Assets	1,999.66	1,135.24
Current Liabilities	780.62	2,072.02
Cash & Cash Equivalents	162.80	48.68
No. of Equity Shares	2,80,00,000.00	2,80,00,000.00
Earnings Per Share (In ₹) = Basic & Diluted	2.83	2.73

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. Vipul Parekh

Chief Financial Officer

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Rashmi Shah

STATUTORY AUDITORS

Khimji Kunverji & Co. LLP

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

INTERNAL AUDITORS

Deloitte Haskins & Sells

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

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Private Limited

C-101, 247 Park
L.B.S. Marg, Vikhroli (W),
Mumbai - 400 083

REGISTERED OFFICE

Kanakia Future City

Residential Building No. 2, CTS No.101,
Village Tirandaz, Powai,
Mumbai - 400 076.
Tel No: 91-22-35023666/35023777
Website: www.cineline.co.in

FINANCIAL INSTITUTION

Aditya Birla Finance Limited

DIRECTOR'S REPORT

To,
The Members of
Cineline India Limited

Your Directors have pleasure in presenting their Nineteenth Annual Report together with the Audited Accounts and Auditors Report of the Company for the Year ended March 31, 2021.

1. FINANCIAL RESULTS:

Particulars	Standalone(Rs. In Lacs)		Consolidated(Rs. In Lacs)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Gross Income	4366.56	4221.01	5440.80	4221.01
Profit before Interest, Depreciation and tax	3460.40	3340.27	3782.92	3339.43
Interest & Financial Charges	1910.32	1834.43	2225.70	1834.43
Depreciation/ Amortisation	396.99	542.48	793.64	542.48
Profit/(loss) before tax	1153.09	963.36	763.58	962.52
Provision for Tax (including Deferred)	360.73	199.23	284.94	199.23
Profit/(loss) after Tax	792.36	764.13	478.64	763.29
Less: Profit/(Loss) attributable to Non-Controlling Interest	-	-	-	-
Add: Surplus brought forward from previous year	7162.94	6397.81	7161.40	6397.10
Amount available for Appropriation	7955.31	7161.94	7640.04	7160.39
Appropriation:				
Other comprehensive income / (loss)*	2.16	1.01	2.19	1.01
Transfer to Furniture & Fixtures Reserve	-	-	(47.27)	-
Surplus Carried to Balance Sheet	7957.46	7162.94	7594.95	7161.40

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

OPERATIONAL REVIEW:

Gross revenues of the Company for the Financial Year 2020-21 stood at Rs. 4366.56 Lacs. Profit before interest, depreciation and taxation stood at Rs. 3460.40 Lacs. After providing for depreciation and taxation of Rs. 396.99 Lacs and Rs. 1910.32 Lacs respectively, the net profit of the Company for the year were placed at Rs. 1153.09 Lacs as against Rs. 963.36 Lacs in the previous year.

2. DIVIDEND:

With a view to conserve the resources for future operations, your Directors have thought it prudent not to recommend dividend on equity shares for the financial year 2020-21.

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 March 31, 2021 was Rs. 1400 Lacs. 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 March 31, 2021 were Rs. 963.73 Lacs. The Company continues to focus on

judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

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 <http://www.cineline.co.in/Annualreport.html>

7. SUBSIDIARY COMPANIES:

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

Cineline Realty Private Limited and Cineline Industries Private Limited were incorporated as wholly owned subsidiary during the year.

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.cineline.co.in

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

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

9. PUBLIC DEPOSIT:

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

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

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

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

11.1 Directors:

Your Company has Six (6) Directors consisting of Whole Time Director, Managing Director, Executive Director and Three (3) Independent Directors as on 31.03.2021.

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

During the financial year 2020-21, there is no change in the Board of Directors of the Company.

11.2 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

*During the year, Mr. Jatin Shah resigned as Company Secretary & Compliance officer of the Company with effect from 30th September, 2020 and Mrs. Rashmi Shah was appointed as Company Secretary & Compliance officer of the company with effect from 11th November, 2020.

12. 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 01st March, 2021 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.

13. 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.

14. COMPLIANCE WITH SECRETARIAL STANDARDS:

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

15. 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 31-03-2021, 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.

16. 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

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.

17. 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.

18. PERFORMANCE EVALUATION OF THE BOARD:

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

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

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

19. FAMILIARIZATION PROGRAMME:

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

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

20. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company has an Internal Control system, commensurate with the size, scale and complexity of its operations. The Internal and operational audit is entrusted to M/s Deloitte Haskins & Sells, a reputed firm of Chartered Accountants. Internal controls were reviewed by designated firm and based on their evaluation, it was concluded that the Company's internal controls are adequate and were operating effectively as of March 31, 2021. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

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

21. STOCK OPTIONS:

Your Company does not have any stock options scheme.

22. 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.

23. 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.cineline.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. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed form AOC-2, and are appended as **Annexure 2** to this report.

24. 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 3**.

25. WHISTLE BLOWER POLICY:

Your Company has formed a Whistle Blower Policy for establishing a vigil mechanism for directors and employee to report genuine concerns regarding unethical behaviour

and mismanagement, if any. The said mechanism also provides for strict confidentiality, adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate cases. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy. The Whistle Blower policy has been posted on the Company's website www.cineline.co.in

26. 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.

27. 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.cineline.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 - 4** and forms an integral part of this Report.

28. 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.

29. 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 **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.

30. AUDITORS:

30.1 Statutory Auditors

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

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

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

30.2 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 2020-21. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Secretarial Audit Report is included as **Annexure-5** 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.

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

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors on the Financial Statements of the Company, in their report for the financial year ended 31st March, 2021.

32. 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 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.

33. SEXUAL HARASSMENT DISCLOSURE:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. During the year no complaints of sexual harassment were received by the Company and hence there are no Complaints pending as on 31st March 2021.

34. HUMAN CAPITAL AND PARTICULARS OF EMPLOYEES:

Your Company had 27 (including Directors) employees as of March 31, 2021. 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- 6** and forms part of this Report.

35. 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.cineline.co.in

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

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

36. PREVENTION OF INSIDER TRADING:

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

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

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

37. APPLICABILITY OF COST RECORDS:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the activity of your Company falls under Non-

regulated sectors and hence, maintenance of cost record is not applicable to the Company for the Financial Year 2020-21.

38. APPRECIATION

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

39. ACKNOWLEDGEMENTS:

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

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

Rasesh Kanakia
Chairman
(DIN: 00015857)

Date: 10th June, 2021
Place: Mumbai

Annexure 1 to Board's Report Form AOC-1

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

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

Part "A": Subsidiary

Sr. No.	Particulars	Rs. In Lakhs	Rs. In Lakhs
1	Name of the subsidiary	Transquare Realty Private Limited	R&H Spaces 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
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
4	Share capital	1.00	1.00
5	Reserves & surplus	8957.76	(7679.05)
6	Total assets	8963.22	19126.99
7	Total Liabilities	4.46	26806.05
8	Investments	6267.74	0
9	Turnover	0	2030.79
10	Profit before taxation	(0.68)	(2016.39)
11	Provision for taxation	0	(142.34)
12	Profit after taxation	(0.68)	(2158.73)
13	Proposed Dividend	NIL	NIL
14	% of shareholding	100%	70.01%

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

- Names of subsidiaries which are yet to commence operations: Cinline Realty Private Limited and Cinline Industries Private Limited
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

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

Rasesh Kanakia
Chairman
(DIN: 00015857)

Date: 10th June, 2021
Place: Mumbai

Annexure 2 to Board's Report
Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

There were no contracts or arrangement or transactions entered into during the year ended 31st March 2021, which were not at arm's length basis.

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

The details of material contract or arrangement or transactions at arm's length basis for the year ended 31st March 2021, are as follows:

Sr. No	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Kanakia Hotels & Resorts Private Limited Related Party under Section 2(76) of the Companies Act, 2013
b)	Nature of contracts/arrangements/ transactions:	The acquisition of 100% equity shares of RHSPPL by Company's Wholly Owned Subsidiary "Transquare Realty Private Limited" on arm's length basis.
c)	Duration of the contracts / arrangements/ transactions	One time
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	<p>The acquisition of 100% equity shares of RHSPPL by Company's Wholly Owned Subsidiary "Transquare Realty Private Limited" from KHRPL, for a consideration of an amount not exceeding Rs. 94 crores (Rupees Ninety Four Crores Only), including adjustments, if any, on such terms and conditions as may be specified in the draft Share Purchase Agreement to be executed between Transquare Realty Private Limited, KHRPL and RHSPPL.</p> <p>Subject to the approval of shareholders of the Company, the enterprise value of RHSPPL as agreed between the wholly-owned subsidiary of the Company and the existing shareholders of RHSPPL is Rs. 334 Crores (Rupees Three Hundred and Thirty Four Crores Only).</p> <p>The final equity value of shares to be acquired shall be based on the acquisition date net debt position. It is currently estimated that the equity value of 100% of RHSPPL shall be Rs. 94 crores (Rupees Ninety Four Crores Only).</p> <p>Over and above the equity value being paid to the selling shareholders of RHSPPL, post acquisition of RHSPPL the Company plans to infuse a further sum of upto INR 140 crores (Rupees One Hundred and Forty Crores Only) into RHSPPL towards repayment of certain secured and unsecured debt, as well as for working capital as and when required. The existing shareholders/beneficiaries of RHSPPL (also being promoters and promoter group of the Company) have infused unsecured loan into RHSPPL which is proposed to be repaid by the said infusion from the Company.</p>

Sr. No	Particulars	Details
e)	Date(s) of approval by the Board	27.11.2020
f)	Amount paid, if any	Rs. 89,25,00,000/-

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

Rasesh Kanakia
Chairman
(DIN: 00015857)

Date: 10th June, 2021
Place: Mumbai

Annexure 3 to Board's Report

POLICY ON DIRECTORS NOMINATION AND REMUNERATION

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

I. PREAMBLE:

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

II. OBJECTIVE:

The objective of the Policy is to ensure that:

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

III. COMPLIANCE WITH APPLICABLE LAWS:

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

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

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

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

I. QUALIFICATIONS:

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

II. POSITIVE ATTRIBUTES:

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

- (b) He/ She should be able to commit to his/her responsibilities and devote sufficient time and attention to his/her professional obligation as a director.
- (c) He/ She should be having courtesy, humility and positive thinking.
- (d) He/ She should be knowledgeable and diligent in updating his/her knowledge.
- (e) He/ She should have skills, experience and expertise by which the Company can benefit.
- (f) In respect of Executive/Whole time Director/ Managing Director, in addition to I (a) & (b) and II (a) to (e) above, he/she should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented and ability to enhance reputation of the organization.

III. INDEPENDENCE:

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

V. REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

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

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

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - The Services are rendered by such Director in his capacity as the professional; and
 - In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from 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.

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

VI. POLICY IMPLEMENTATION

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

VII. REVIEW OF THE POLICY

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

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

Rasesh Kanakia
Chairman
(DIN: 00015857)

Date: 10th June, 2021
Place: Mumbai

Annexure 4 to Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES For The Financial Year Ended on March 31, 2021

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

1. Brief outline on CSR Policy of the Company :

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

2. The Composition of the CSR Committee

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Anand Bathiya	Non-Executive Independent Director (Chairman-CSR Committee)	1	1
2.	Mr. Rasesh Kanakia	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 : <http://cineline.co.in/Files/CSRPolicy.pdf>
- CSR Policy: <http://cineline.co.in/Files/CSRPolicy.pdf>
- CSR projects approved by the board: <http://cineline.co.in/Files/CSRPolicy.pdf>

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

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

6. Average net profit of the company as per section 135(5) : Rs. 1241.16/- lacs

7. (a) Two percent of average net profit of the company as per section 135(5) : Rs. 24.82/- lacs
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: N.A
 (c) Amount required to be set off for the financial year, if any : N.A
 (d) Total CSR obligation for the financial year (7a+7b-7c) : Rs. 24.82/- lacs

8. (a) CSR amount spent or unspent for the financial year: Spent-Rs. 26.00/- lacs Unspent -Nil
 (b) Details of CSR amount spent against ongoing projects for the financial year: Nil
 (c) Details of CSR amount spent against other than ongoing projects for the financial year:

1 Sr No.	2 Name of the Project	3 Item from the list of activities in Schedule VII	4 Local area (Yes/ No)	5 Location of the project		6 Amount spent for the project	8 Mode of Implementation- Through Implementing Agency		
				State	District		7 Mode of Implementation - Direct (Yes/No)	Name	CSR Registration number
1	Promoting Healthcare	Promoting Healthcare through Thalassemia patients	No	Bangalore	Koramangala,	Rs. 1.00 Lacs	No.	Through Sankalp India Foundation	N. A. for FY 2020-21
2	Housing for children suffering from chronic diseases presently focusing on cancer.	Promoting Home for orphans & Health Care	Yes	Maharashtra	Mumbai	Rs. 5.00 Lacs	No.	Through St. Jude India Childcare Centers	N. A. for FY 2020-21
3	Promoting Education	Promoting Education	Yes	Mumbai, Maharashtra	Mumbai	Rs. 19.00 Lacs	No.	Through Babubhai Kanakia Foundation	N. A. for FY 2020-21
4	Empowerment of differently abled people	Promoting education, Healthcare of Deaf blind	No	Maharashtra	Nashik,	Rs. 0.50 lacs	No.	Through Society for Empowerment of the Deafblind	N. A. for FY 2020-21
5	Promoting Healthcare	Promoting Healthcare and providing medical facilities	No	Rajasthan	Udaipur	Rs. 0.25 lacs	No.	Through Narayan Seva Sansthan	N. A. for FY 2020-21
6.	Promoting Education	Promoting Education	Yes	Maharashtra	Mumbai,	Rs. 0.25 lacs	No.	Through North East Zone Chemists Educational & Welfare Trust	N. A. for FY 2020-21
						Rs. 26.00 Lacs			

(d) Amount spent in Administrative Overheads - NIL

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

(f) Total amount spent for the Financial Year - Rs. 26.00 Lacs (8b+8c+8d+8e)

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

Sr. No.	Particulars	(Rs. in lakhs)
i.	Two percent of average net profit of the company as per Section 135(5)	24.82
ii.	Total amount spent for the Financial Year	26.00
iii.	Excess amount spent for the financial year [(ii)-(i)]	1.18
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
v.	Amount available for set-off in succeeding financial years [(iii)-(iv)]	1.18

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

Anand Bathiya

Chairman- CSR Committee
(Din: 0001643)

Rasesh Kanakia

Member- CSR Committee
(Din: 00015857)

Date: 10th June, 2021

Place: Mumbai

Annexure 5 to Board's Report
Secretarial Audit Report

Form No. MR-3

For the Financial year ended 31st March, 2021

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

To,
The Members,
Cineline India Limited

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 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) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(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, 2009; **(Not relevant / applicable during the year under review)**

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not relevant / applicable during the year under review)**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Since the Company is in service industry there are no laws that are specifically applicable to the Company.

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

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

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

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non – Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all 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.

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

Dharmesh Zaveri
(Proprietor)

FCS. No.: 5418
CP No.: 4363

Place: Mumbai
Date: 10th June 2021
ICSI UDIN:- F005418C000427895

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.
7. Due to the pandemic caused by Covid-19 and prevailing lockdowns/restrictions on movement of people imposed by the Government, for the purpose of issuing this report, we have conducted our audit remotely based on the records and information made available to us by the Company electronically.

For D. M. Zaveri & Co
Company Secretaries

Dharmesh Zaveri
(Proprietor)

FCS. No.: 5418
CP No.: 4363

Place: Mumbai
Date: 10th June 2021
ICSI UDIN:- F005418C000427895

Annexure 6 to Board's Report

[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, 2021:

Sr. No.	Director	Remuneration (Rs. In lacs)	Median Remuneration (Rs. In lacs)	Ratio
1	Mr. Rasesh Kanakia, Chairman	0.33	1.85	Nil
2	Mr. Himanshu Kanakia, Managing Director	0.33	1.85	Nil
3	Mrs. Hiral Kanakia, Whole-time Director	0.31	1.85	Nil
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	Nil
2	Mr. Himanshu Kanakia	Nil
3	Mrs. Hiral Kanakia	Nil
4	Mr. Anand Bathiya	NA
5	Mr. Naushad Panjwani	NA
6	Mr. Shantilal Haria	NA

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

3. Percentage increase in median remuneration of employees in the financial year: Nil
4. The number of permanent employees on the rolls of the company as on 31 March, 2021: 27 (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. 2020-21 was 0% whereas there is 0% change in the remuneration of two executive directors and managerial remuneration of 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 –3 to the Directors' Report.

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

Top 10 employees in terms of remuneration drawn

Sr. No.	Name	Designation	Qualification	Date of Birth	Date of Joining	Remuneration Received (Rs.)	Experience (In years)	Particulars of last employment held - Designation & Organisation
1	Ashish Barai	General Manager – Mall	MBA in Marketing & Finance, DBM, BSC.	05.05.1977	21.04.2007	772220	22	Store Manager, Big Bazaar, Future Group,
2	Nikhil Ashvin Mehta	Manager - Accounts & Audit	MBA in Finance	05.08.1984	20.05.2015	447624	19	Accounts Manager - Décor Exclusive Granites Pvt. Ltd.
3	Ajay Amarjeet Vishwakarma	Manager-Accounts & Taxation	Master in Finance Management. B.com	15.05.1988	01.12.2019	440301	13	DB Reality
4	Vishal More	Senior Manager - Administration	Post Graduation Diploma in Financial Management	04.10.1982	01.06.2020	378020	15	Assistant Manager –Admin, Patni Computer Ltd, Senior Manager Administration, Kanakia Spaces Realty Pvt Ltd.
5	Parasnath Jaiswal	Duty Manager – Mall	ITI Diploma	03.08.1975	07.07.2007	325762	19	Executive Maintenance- Big Bazaar, Future Group
6	Ketan Chitnis	Manager-Operations	Bachelor in Hotel Management. MBA - Operations	20.08.1987	05.08.2019	321273	13	Account Executive - Global Eng, Butibori
7	Rashmi Shah	Company Secretary & Compliance Officer	Company Secretary & LLB	28.05.1987	11.11.2020	282240	13	Company Secretary, Kanakia Spaces Realty Pvt Ltd.
8	Sanjay Ghotkukle	Security Officer	HSC	11.06.1989	29.02.2016	262740	13	Security Team Leader -Inox Cinemas
9	Pradeep Roy	Executive- Mall	M.Com Part-1	05.09.1984	01.07.2013	262134	15	Executive -Global Enginner,
10	Vinayak Ghadge	Driver	HSC	25.04.1977	01.02.2013	233205	25	Driver -Cinemax

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

Rasesh Kanakia
Chairman
(DIN: 00015857)

Date: 10th June, 2021

Place: Mumbai

ANNEXURE-A TO DIRECTOR'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC REVIEW

Global economy

The year 2020 was marked by the spread of the novel coronavirus (COVID-19), which was declared as a global pandemic by the World Health Organisation (WHO). To contain the spread of this virus, countries across the world opted to close down their international borders, which not only disrupted global trade but also brought the global economy to its knees. The global trade volumes in 2020 contracted by 8.5%, leading to the contraction of the world economy by 3.3%. Major economies across the world saw a slowdown in economic activities, leading to a contraction of GDP to as low as 9.9% in 2020 in countries like UK.

Region-wise growth estimates (%)

Region	2019	2020 (E)	2021 (P)
World	2.8	(3.3)	6
Advanced Market Economies (AMEs)	1.6	(4.7)	5.1
Emerging Markets and Developing Economies (EMDEs)	3.6	(2.2)	6.7

During 2020, Brent crude oil prices averaged US\$ 41.69 per barrel compared to US\$ 64 per barrel in 2019, clocking a steep y-o-y decline of ~35%. However, the crude prices are projected to recover to US\$ 62.26 and US\$ 60.74 per barrel in 2021 and 2022 respectively, on the back of consistent demand.

With the beginning of vaccine roll-outs across the world by the end of 2020, and lockdowns being lifted in a phased manner across various countries, the world economy is expected to recover in the foreseeable future. Though the second wave of the COVID-19 pandemic has proved to be challenging across some countries, the world is better prepared to withstand the challenges and counter the pandemic, on the back of the experiences gained in 2020.

With the global fiscal support up to US\$ 12 trillion and extensive rate cuts, coupled with liquidity injections, the global economy is expected to recover faster. On the back of this optimism, the global GDP growth for 2021 and 2022 is projected at 6% and 4.4% respectively. In line with the recovery of economy, the global trade volumes are expected to grow by 8.4% in 2021. (Source: IMF, WEO, EIA)

Indian economy

India opted for a nationwide lockdown in late-March 2020 to contain the spread of the COVID-19 pandemic. This lockdown brought the economic activities to a standstill and disrupted the trade across the country. However, on the back of various financial stimulus announced by the government, the economy gradually started recovering post the lifting of lockdown restrictions. The government provided two specific financial stimulus during 2020-21 – ₹20 trillion of COVID-19 relief package and ₹2.65 trillion of comprehensive financial package. Further, the Reserve Bank of India opted for rate cuts twice during the fiscal and announced the moratorium extension and deferment of loan repayments, to counter the liquidity crunch across the country. The Government also announced the 'One nation, one ration card' scheme in 2020-21, enabling migrant labourers to access basic necessities from any part of the country.

On the back of this abovementioned measures, the Indian economy saw a fast recovery in the second half of 2020-21. The country's GDP is estimated to have contracted by 7.3% during 2020-21 compared to a growth of 4.2% during the previous fiscal. Further, due to increasing food prices, the consumer price inflation of India was estimated at 6.2% for 2020-21 compared to 4.8% in 2019-20.

GDP growth – year wise

GDP growth (%)	2017-18	2018-19	2019-20	2020-21 (E)	2021-22 (P)
India	6.7	6.1	4.2	(7.3)	9.5

The year 2020-21 saw the exchange rate of US dollars stand at an average between ₹72 and ₹73 per US dollar. Coupled with steady dollar prices, and increasing gold reserves and foreign currency assets, India's foreign exchange reserves stood at a record high of US\$ 590.18 billion in 2020-21.

The last quarter of FY 2020-21 saw a huge uproar from the second wave of the COVID-19 pandemic, which wreaked havoc across the country. To counter this, the country focused on rapid vaccination of the masses. However, starting the next fiscal at a lower GDP quantum, the country is expected to see a decent growth of 9.5% in its GDP in 2021-22, which was projected at 12.5% before the significant impact of the second wave. Further, the consumer price inflation of India is also

expected to moderate from 6.2% in 2020-21 to 4.9% in 2021-22, owing to recovery of global trade and moderated pricing across food and all consumer durable products.

(Source: RBI, WEO)

INDUSTRY OVERVIEW

Indian real estate industry

The year 2020 was expected to be the dawn of the real estate market, post a sluggish growth for the past 3 years caused by demonetization, GST, RERA and the NBFC crisis. However, with the onset of the COVID-19 pandemic, India saw series of nationwide and state-wise lockdowns, which impacted the real estate sector across the country. Further, the migration of labour to their individual hometowns posed as another major challenges amidst the lockdowns, which delayed and postponed most real estate projects during 2020-21. The first half of 2020 was adversely impacted by the pandemic. However, in the second half of the year 2020, the country's real estate market started showing signs of revival on the back of proactive interventions from the government.

Residential real estate industry

The number of new launches in the Indian residential real estate sector stood at 1,46,628 units in 2020, contracting by 34% on a y-o-y basis, which validates the delay in completion of projects in 2020 owing to several headwinds propagated by the COVID-19 pandemic. Similarly, the sales in the Indian residential real estate sector stood at 1,54,434 units in 2020, contracting by 37% on a y-o-y basis owing to decline in demand primarily owing to the decline in the per capita disposable income coupled with a liquidity crunch across the country.

The number of launches in the Indian residential real estate market in Mumbai Metropolitan Region (MMR) in 2020 stood at 50,303 units, registering a y-o-y decline of 37%. Further, the sales of residential real estate projects in the MMR region stood at 48,688 units in 2020, registering a y-o-y decline of 20%. The average price of residential projects in MMR in 2020 stood at ₹6,787 per square feet, which moderated by 3.2% on a y-o-y basis. Low home loan rates, regulatory interventions such as the further relaxations in RERA completion deadlines and more aggressive measures such as the stamp duty cut by the Maharashtra government would help the market survive and sustain amidst these trying times. The near-term outlook on sales remains cautiously optimistic, owing to the fact that buyers are increasingly looking for good deals against the backdrop of a slowly stabilising economic environment.

With the increasing traction in work from home, the demand for a study/working space has increased in the last one year extensively. This has reversed the trend of shrinking apartment sizes.

Micro-market	2014 (in sq. ft.)	2019 (in sq. ft.)	Shrinkage (2014-19)	H2 2020 (in sq ft)	Increase (2019-H2 2020)
Navi Mumbai	857	685	-20%	722	5%
Peripheral Central Suburbs	768	611	-24%	671	10%

Affordability matrix

Affordability matrix is the ratio of EMI to income for households across various markets. During 2020, not only has the housing prices across markets reduced but also the home loan interest rates, in turn, moderating the housing affordability matrix of India.

City	2010	2015	2020
Mumbai	93%	94%	61%
NCR	53%	51%	38%
Bengaluru	48%	48%	28%
Pune	39%	38%	26%
Chennai	51%	43%	26%
Hyderabad	47%	39%	31%
Kolkata	45%	44%	30%
Ahmedabad	46%	36%	24%

Commercial real estate industry

The completions of Indian office market in 2020 stood at 35.5 million square feet, a contraction of nearly 42% on a y-o-y basis owing to the delay in completion of projects amidst the COVID-19 disruptions. Further, the quantum of office space sold in the country in 2020 stood at a 6-year low of 39.4 million square feet, a contraction of 35% on a y-o-y basis. The year 2020 ended with a vacancy rate of 15.5%. The net absorption of office spaces across the top seven cities in India in 2020 stood at 25.82 million square feet compared to 46 million square feet in 2019, registering a 44% contraction on a y-o-y basis. In Q1 of 2020, the net absorption was pegged at 8.80 million square feet, which declined drastically to 3.32 million square feet and 5.43 million square feet in Q2 and Q3 of 2020. However, on the back of operation heading towards normalcy coupled with the availability of vaccines, the net absorption improved to 8.27 million square feet in Q4 2020.

The new completions in MMR office market in 2020 stood at 5.3 million square feet, contracting by a minor 2%. However, the sale of office space in MMR in 2020 stood at 6 million square feet, a contraction of 38.3% y-o-y. This decline was largely on account of 2 primary reasons – employees were dependent on the road and rail network to reach their respective workplaces, which was an issue amidst the lockdown and the partial lockdowns; offices in MMR were permitted to operate at a maximum workforce capacity of 30%. On account of these two major hindrances, companies have been forced to keep a majority of their workforce on work-from-home (WFH). Further, the weighted average rental in MMR for 2020 stood at ₹116 per square feet per month, declining by 5.6% on a y-o-y basis, indicating cautiously optimistic outlook in the near future. The vacancy rate in MMR at the end of 2020 was pegged at 19.8%.

Retail real estate industry

The retail market of real estate sector has been adversely impacted by the disruptions induced by the COVID-19 pandemic in 2020. With various states across the country on partial and full lockdowns, the retail real estate of each state has been suffering. With the restrictions on shopping mall operations across various states, and the footfall in malls being capped, the sector has been in the doldrums throughout the year. Owing to these challenges the launch of new malls stood at mere 5 in 2020, against a pre-COVID estimate of 54 new malls in 2020 with an area of 22.2 million square feet, of which, 35 were expected to be seen in the top 7 cities. However, on the back of drop in rentals and prices, the outlook for retail real estate space looks good, wherein it is expected to recover. By the end of 2021, 14 new malls covering an area of 5.9 million square feet is expected to be operational in India.

Growth drivers

Population

The population of India stood at 1.38 billion in 2020, accounting for 17.7% of the total world population. This quantum is expected to increase to 1.64 billion by 2050, thus driving the need of residential space, thus, contributing towards the growth of the real estate space in the country.

Urbanisation

India's urbanisation rate stood strong at 35% in 2020, which is expected to grow 50 bps on a y-o-y basis to reach 40% by 2030. The consistent increase in the urbanisation rate of the country is expected to consistently drive the demand for residential, commercial and retail real estate in the country.

Nuclearisation

As per the Census of 2011, the size of India's households is gradually declining owing to the increase in nuclear families. This phenomenon is more visible in rural areas with a 29% increase, against the backdrop of 9% growth in urban areas. Nuclearisation is expected to add about 6-7 million households per year, in turn, driving the real estate market of the country.

Government impetus

Housing for All

With the objective of reviving the residential real estate market of the country, the Government has increasingly focused on its 'Housing for All' mission by 2022, wherein the objective is to provide affordable housing by constructing ~1 crore urban houses and 1.95 crore rural households by 2021-22. The government also supported housing demand by incentivising home buyer through the Credit Linked Subsidy Scheme (CLSS), providing an interest subsidy up to ₹2.67 lakhs.

Budget allocation

The Union Budget 2021-22, the total budget expenditure and capital allocation towards the Ministry of Housing and Urban Affairs are as follows:

	2019-20 Actuals	2020-21 RE	2021-22 BE	Change (Annualised) (Actuals 2019-20 to BE 2021-22)
Revenue	22,749	36,482	28,822	13%
Capital	19,305	10,309	25,759	16%
Total	42,054	46,791	54,581	14%

(₹ in crore)

Notes: BE – Budget Estimate; RE – Revised Estimate

Tax deduction

With consistent focus on affordable housing, the Government extended the additional deduction of interest up to ₹1.5 lakh for purchase of affordable housing property, to 31st March 2022. This is further expected to drive the real estate growth in the market.

BUSINESS REVIEW

As a part of the Kanakia Group, Cinline India Limited is one of the most renowned real estate players in Mumbai, on the back of its ability to identify properties with robust returns across markets such as Mumbai and Nagpur. The Company's modus operandi comprises identifying and acquiring such commercial properties, and renting out retailing, parking and advertising spaces. Cinline India Limited has a diversified business model with presence in the renewable energy business as well, wherein the Company owns and operates 1 windmill at Gujarat and 1 in Maharashtra with a power generation capacity of 0.6 MWA and 1.6 MWA respectively. This business vertical not only ensures a de-risked business but also aids the Company in making its mark in its sustainability focus.

Our rental assets comprise the following:

- 7 theatres in Mumbai, 1 theatre in Nasik and 1 theatre in Nagpur, leased to PVR Limited on a long-term basis, ensuring revenue sustenance.
- 1 mall in Nagpur, namely Eternity Mall, with high footfall owing to the spread of brands available coupled with the frequent engagement initiatives by the Company. This helps the Company earn from not just rentals, but also car parking and advertising.
- 2 commercial properties in Mumbai, which attract good rental income

Financial performance

The Company's revenue during FY 2020-21 stood at ₹4,366.56 lakhs compared to ₹4,221 lakhs in FY 2019-20, registering a growth of 3.45% y-o-y. The EBITDA of Cinline India Limited stood at ₹3,460.40 lakhs in FY 2020-21 compared to ₹3,340.27 lakhs in FY 2019-20, clocking a y-o-y growth of 3.60% on the back of improved cost reduction. Further, our profit after tax (PAT) stood at ₹792.36 lakhs in FY 2020-21 compared to ₹764.13 lakhs in FY 2019-20, registering a 3.69% y-o-y growth.

Key financial ratios

Particular	FY 2020-21	FY 2019-20
Debtor Turnover Ratio	7.36	11.12
Interest Coverage Ratio	1.81	1.82
Current Ratio	2.56	0.55
Debt Equity Ratio	1.43	1.40
Operational Profit Margin	73.06%	72.99%
Net Profit Margin	18.15%	18.10%
Return on Net Worth	6.51%	6.69%

OPTORTUNITIES AND OUTLOOK

With the Indian economy heading towards recovery in 2020-21 and the increasing investment towards improving the real estate across the country coupled, the country's real estate sector is expected to finally expected to head for a recovery as well. On the back of various growth drivers such as increasing population and rapid nuclearisation coupled with increasing need of affordable housing and rising aspirations of the masses, the real estate sector is poised to grow in the medium and long term.

Against the backdrop of this outlook for the sector, the Company is positioned well to take advantage of the recovery in the medium and long term. On the back of decisive measures, the Company is not only deleveraging its balance sheet, but is also ensuring long term revenue and margin sustenance. The Company is also undertaking various cost optimisation measures to ensure sustained flow of funds.

RISK MANAGEMENT

Being a very capital-intensive sector, and with the country suffering from liquidity crisis, the Company was subject to adverse impact from these challenges. Further, owing to the lockdowns and trade disruptions across the country owing to the COVID-19 pandemic, the risk of project delays and unavailability of labour and materials were some other risks that we faced during the year. However, owing to the long-term lease of the Company in the retail space, the Company was relatively cushioned from the adversities. The revenues earned from the parking and advertising in its mall operations were impacted owing to the restriction on malls being operational and restrictions on footfall at malls. However, we are optimistic of these operations bringing in incremental revenues with the country heading towards normalcy in the near future. Further, the Company also ensured right investments on right assets in right locations, on the back of its capable and experienced team.

Human Resources

The Company believes in people being the most crucial asset in running a successful business. The Company focuses on treating the employees with utmost fairness and are on a constant endeavour to align their personal goals with that of the organisation. In doing so, the Company has focused on providing adequate opportunities for professional and personal growth of its employees, in addition to training and enhancing the skills and capabilities of the employees. The Company strives to create and maintain a safe, conducive, and engaging work environment to enhance employee morale and boost

their productivity. Amidst the headwinds of a global pandemic, Cinline has also been proactively engaging with its employees to keep them motivated. The Company also has in place a well-designed appraisal system to align individual efforts with long-term strategy and growth objectives of the Company. The Company's employee strength stood at 27 people as on March 31, 2021.

Internal control system

The company has established a well-maintained internal control framework that covers various aspects of governance, compliance, audit, control and reporting. These internal controls play an integral role in adhering to various regulatory compliance, preventing frauds, safeguarding finances, and maintaining the reliability of financial reporting. The Company's internal audit team periodically conducts an audit of internal control systems and shares the findings with the Company's

management who in turn initiates prompt corrective/mitigating measures to maintain accuracy and adequacy of the internal controls.

Cautionary Statement

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

CORPORATE GOVERNANCE

ANNEXURE-B TO DIRECTOR'S REPORT

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2021, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Regulations and Disclosure Requirements), 2015 ("Listing Regulation").

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

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

Our corporate governance philosophy is based on the following principles:

1. Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
2. Be transparent and maintain a high degree of disclosure levels.

3. Communicate externally, in a truthful manner, about how the Company is run internally.
4. Have a simple and transparent corporate structure driven solely by business needs.

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

II. BOARD OF DIRECTORS

Composition and category of Directors as on 31st March, 2021:

The Board of Directors of your Company comprises of Six (6) Directors as on 31st March, 2021 representing the optimum combination of professionalism, knowledge and experience. Of these six members, three of them are non-independent executive Directors out of which one is a woman director and are forming part of the promoters group of the Company and other three are independent non-executive directors.

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

Directorship / Committee Membership as on 31st March, 2021 (including CINELINE):

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

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

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

Matrix of expertise and skill of Directors

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

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

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

Independent Directors:

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

Personal Shareholding of Non- Executive Directors, in the Company as on 31st March, 2021 is as follows:

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

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

Board Meetings

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

Board's approval is taken through circular resolutions. The circular resolutions are noted at subsequent Board meeting.

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

In the financial year 2020-21, the Board met Seven times. The meetings were held on 29th June, 2020, 15th September, 2020, 11th November, 2020, 27th November, 2020, 08th January, 2021, 12th February, 2021 and 01st March, 2021. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulation.

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

Sr. No.	Name of Director	No. of Board meetings held	No. of Board meetings attended	Attendance at AGM held on 22nd December, 2020
1	Mr. Rasesh Kanakia	7	7	Present
2	Mr. Himanshu Kanakia	7	7	Present
3	Mrs. Hiral Kanakia	7	7	Present

Sr. No.	Name of Director	No. of Board meetings held	No. of Board meetings attended	Attendance at AGM held on 22nd December, 2020
4	Mr. Anand Bathiya	7	7	Present
5	Mr. Naushad Panjwani	7	7	Present
6	Mr. Shantilal Haria	7	5	Present

Information given to the Board:

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

Post Meeting Mechanism:

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

Board Support:

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

Familiarization Program for Directors:

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

Disclosure of relationship between Directors inter-se:

Mr. Himanshu Kanakia is younger brother of Mr. Rasesh Kanakia, being the Chairman of the Company and Mrs. Hiral Kanakia is wife of Mr. Himanshu Kanakia 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 31st March, 2021 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 Six (6) times during the Financial Year 2020-21. The maximum gap between two meetings was not more than 120 days. The Committee met on 29th June, 2020, 15th September, 2020, 11th November, 2020, 27th November, 2020, 08th January, 2021 and 12th February, 2021.. 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	6	6
Mr. Rasesh Kanakia	Member, Executive Director	6	6
Mr. Naushad Panjwani	Member, Independent Director	6	6
Mr. Shantilal Haria	Member, Independent Director	6	4

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

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

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

- Other powers as may be mandated by any Law for time being force or as per Listing Agreement.

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

- 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;
- 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;
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - 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.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- 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;
- Review and monitor the auditor’s independence and performance and effectiveness of audit process;
- 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;
22. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

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

1. Management discussion and analysis of financial condition and results of operations;

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

(B) NOMINATION AND REMUNERATION COMMITTEE

Composition:

The Nomination and Remuneration Committee as on 31st March, 2021 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 2020-21. The Committee met on 11th November, 2020.

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	Member, Independent Director	1	1
Mr. Naushad Panjwani	Member, Independent Director	1	1
Mr. Shantilal Haria	Member, Independent Director	1	0

Terms of Reference:

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

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

Performance evaluation criteria for Independent Directors:

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

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

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

(C) REMUNERATION OF DIRECTORS

In accordance with the provision of section 178(3) of the Act, the Nomination and Remuneration Committee

recommended the remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees which was approved and adopted by the Board and the same is annexed as **Annexure 3** to the Director’s Report.

Criteria of making payments to non-executive directors are disclosed in **Annexure 3** to the Director’s Report and also available on the web link www.cineline.co.in

Details of Remuneration to Directors during the financial year 2020-21:

Name of the Director	Sitting Fees for Board & Committees Meeting (Amount in ₹)	Salary & Perquisites (including PF, etc.) (Amount in ₹)
Mr. Rasesh Kanakia	N.A.	33,000
Mr. Himanshu Kanakia	N.A.	33,000
Mrs. Hiral Kanakia	N.A.	31,000
Non-Executive Director		
Mr. Anand Bathiya, Independent Director	1,45,000	N.A.
Mr. Naushad Panjwani, Independent Director	1,35,000	N.A.
Mr. Shantilal Haria, Independent Director	90,000	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.

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

(D) STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulation, as on 31st March, 2021 the Stakeholder Relationship Committee comprised of three Directors. Mr. Anand Bathiya, Non-Executive, Independent Director is the Chairman of this Committee.

Meeting:

The Stakeholders' Relationship Committee met two (2) times during the Financial Year 2020-21. The Committee met on 29th June, 2020 and 11th November, 2020.

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

Name of Committee Member	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Anand Bathiya	Chairman, Independent Director	2	2
Mr. Rasesh Kanakia	Member, Executive Director	2	2
Mr. Himanshu Kanakia	Member, Executive Director	2	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 dematerialization / rematerialisation of shares and all matters incidental or related thereto;
- g) to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- h) to perform any other function, duty as stipulated by the Companies Act, Securities & Exchange Board of India, Stock Exchanges and any other regulatory authority or under any applicable laws, as amended from time to time.

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

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

Details of Shareholder's Complaints:

The total numbers of complaints received and replied to the shareholders during the year ended 31st March, 2021 was nil, as per details given below. There were no complaints outstanding as on March 31, 2021.

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

(E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee as on 31st March, 2021 comprised of three (3) Directors. Mr. Anand Bathiya, Non-Executive, Independent Director is the Chairman of the Committee. The other members of the CSR Committee include Mr. Rasesh Kanakia and Mr. Himanshu Kanakia. The Company has formulated CSR Policy which is uploaded on the website of the Company.

Terms of Reference:

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

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

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

The CSR Committee meeting was held on 29th June, 2020 during the Financial Year 2020-2021. All members of the Committee were present and no leave of absence was granted.

(F) INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on 01st March, 2021 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.

IV. GENERAL BODY MEETING:

ANNUAL GENERAL MEETING

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

Year	Venue/Location	Day, Date and Time	Special resolutions passed
2020	Video Conferencing	Tuesday, 22nd December, 2020 at 11:45 A.M.	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Rasesh Kanakia (DIN: 00015857) as Executive Chairman of the Company 2. Re-appointment of Mr. Himanshu Kanakia (DIN: 00015908) as Executive Managing Director of the Company. 3. To give loan, guarantees, provide securities and make investments in Wholly Owned Subsidiary. 4. Approval of loans, guarantee or security under section 185 of Companies act, 2013
2019	Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road, Andheri (East). Mumbai-400093	Thursday, 26th September, 2019 at 10.30 AM	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Anand Bathiya (DIN: 03084831) as an Independent Director of the Company. 2. Appointment of Mr. Naushad Panjwani (DIN: 06640459) as an Independent Director of the Company. 3. Appointment of Mr. Shantilal Haria (DIN: 00295097) as an Independent Director of the Company. 4. Re-appointment of Mrs. Hiral Kanakia (DIN: 00015924) as Executive Director of the Company. 5. To approve sale of undertaking under Section 180 (1) (a) of the Companies Act, 2013. 6. To make investments, give loan, guarantees and provide securities under section 186 of the Companies Act, 2013. 7. To approve the loan to related party under Section 185 of Companies Act, 2013. 8. To approve material related party transaction.
2018	Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road, Andheri (East). Mumbai-400093	Thursday, 27th September, 2018 at 10.30 AM	No special resolution was passed in the Annual General Meeting.

Postal Ballot:

For the year ended March 31, 2021 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

V. AFFIRMATIONS AND DISCLOSURES

1. Compliances with Governance Framework:

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

2. Related Party Transactions:

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

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

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

3. 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.

4. Whistle Blower Policy/ Vigil Mechanism Policy:

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

5. 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.

6. 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.

7. 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.cineline.co.in

The Board of Directors and members of Senior Management team have affirmed compliance to the Code

as on 31st March, 2021. A declaration to this effect signed by the Chairman and Managing Director of the Company and is annexed separately to this report.

8. 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.

9. 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.cineline.co.in

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

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

The MD and CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of the financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the financial year ended March 31, 2021.

11. 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.

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

This Regulation is not applicable to the Company as the Company has not raised any funds through preferential allotment or qualified institutions placement.

13. 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.

14. 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

15. 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 2020-21 are as follows. Neither Company nor its wholly owned subsidiary company has paid fees to network firm / network entity of the statutory auditor:-

Type of Services	Fees (in Rs)
Fees for Audit	Rs. 5,00,000/-
Other professional fees	Rs. 3,03,548/-

16. 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 2020-21 Nil
2. Number of complaints disposed of during the financial year 2020-21: N.A.
3. Number of complaints pending as on end of the financial year 2020-21: 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.cineline.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 2020-21: 03rd September, 2021

2. Tentative Calendar for Financial Year 2021-22:-

Sr. No.	The Financial year of the company ends on every 31st March.	Tentative date
i)	Un-audited results for the quarter ended June 30, 2021	First Week of August, 2021
ii)	Un-audited results for the quarter/half year ending September 30, 2021	Second Week of November 2021
iii)	Un-audited results for the quarter/nine months ending December 31, 2021	Second Week of February 2022
iv)	Audited results for the year ending March 31, 2022	Last week of May 2022

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 2020-21.

4. Depositories Information:

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

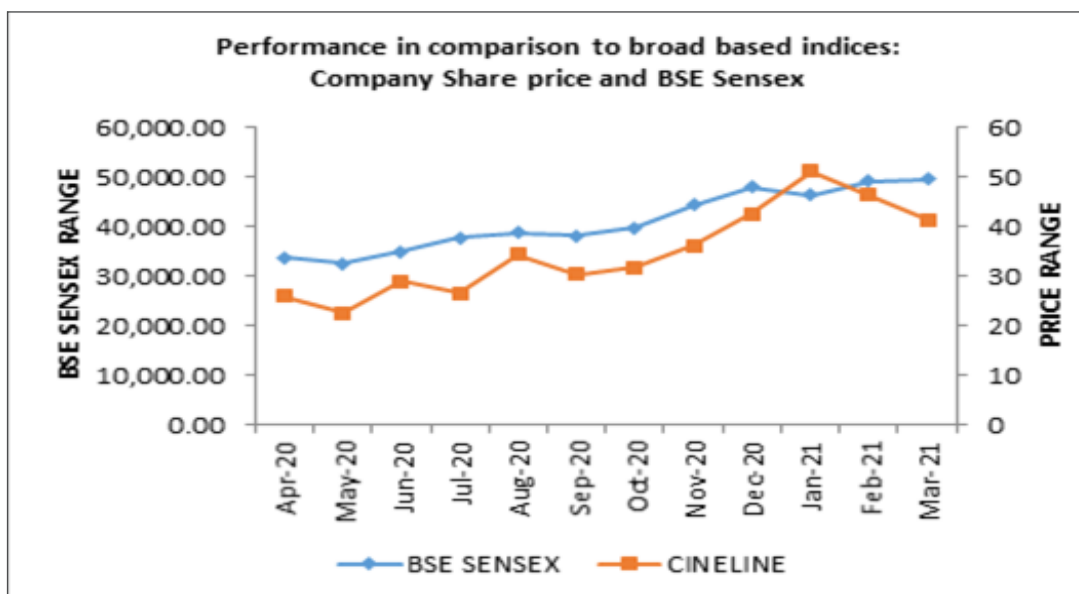
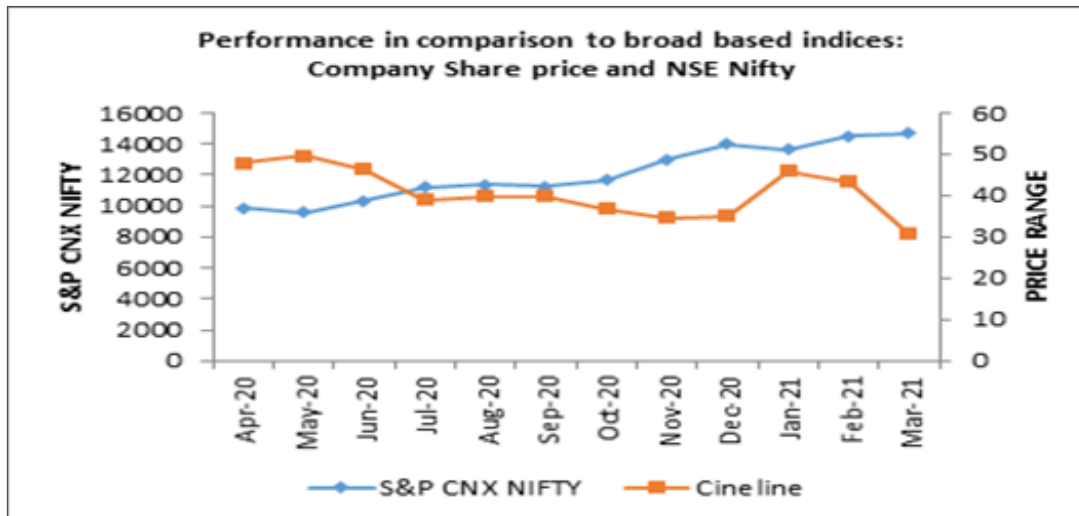
Name of the Depository	ISIN Number
Central Depository Services (India) Ltd. (CDSL)	INE704H01022
National Securities Depository Limited (NSDL)	INE704H01022

The Company has depository connectivity with NSDL and CDSL and has paid Annual Custody Fees for the financial year 2020-21.

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

Month	BSE				NSE			
	Month's High (In Rs.)	Month's Low (In Rs.)	Volume (No. in Lacs)	Sensex	Month's High (In Rs.)	Month's Low (In Rs.)	Volume (No. in Lacs)	Nifty
Apr-20	25.9	17.55	5.75	33,717.62	26.00	17.20	81.50	9859.90
May-20	22.35	18.15	4.04	32,424.10	22.45	18.05	50.39	9580.3
Jun-20	28.8	19.85	32.89	34,915.80	28.80	19.05	363.53	10302.1
Jul-20	26.5	22.75	42.17	37,606.89	26.55	22.60	384.82	11202.85
Aug-20	34.15	23.15	186.53	38,628.29	34.15	23.15	1747.32	11387.5
Sep-20	30.15	23.5	28.20	38,067.93	31.00	24.60	264.52	11247.55
Oct-20	31.6	24.65	38.07	39,614.07	31.80	25	480.42	11642.4
Nov-20	36.05	24.9	356.49	44,149.72	35.90	24.40	2638.08	12968.95
Dec-20	42.5	29.65	349.83	47,751.33	42.50	29.20	2332.17	13981.75
Jan-21	51	36.8	1372.63	46,285.77	50.45	36.50	5797.61	13634.6
Feb-21	46.15	37	400.07	49,099.99	46.50	38.00	1101.805	14529.15
Mar-21	41.2	30.5	98.30	49,509.15	41.25	30.30	477.36	14690.7
		Total:	2914.96			Total:	15719.52	

6. Stock Performance vis-à-vis Index (NSE & BSE) as on 31.03.2021:



7. Shareholding Pattern as on 31st March, 2021:

Sr. No.	Category	Holders	%	No. of Shares	%
1	Corporate Bodies (Promoter Co)	2	0.008	280	0.0010
2	Clearing Members	56	0.245	75516	0.2697
3	Other Bodies Corporate	90	0.393	881111	3.1468
4	Hindu Undivided Family	776	3.396	416135	1.4862
5	Non Resident Indians	197	0.862	245489	0.8767
6	Non Resident (Non Repatriable)	115	0.503	43333	0.1548
7	Public	21597	94.53	6635725	23.6990
8	Promoters	11	0.048	19680636	70.2880
9	Trusts	1	0.004	2286	0.0082
10	Investor Education And Protection Fund	1	0.004	19489	0.0696
	Total :	22846	100	28000000	100

8. Distribution Schedule as of 31st March, 2021:

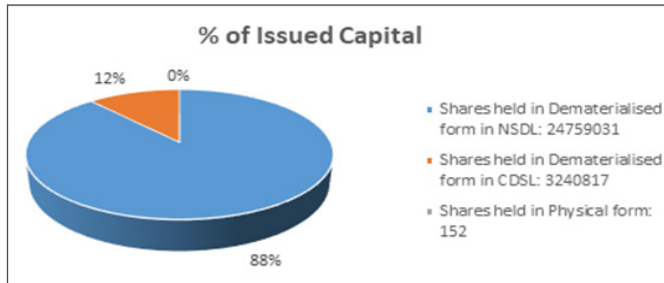
Distribution	No. of Shareholders	No of Shares	% of Shareholding
1 to 500	20610	2052597	7.3307
501 to 1000	1188	984362	3.5156
1001 to 2000	551	844986	3.0178
2001 to 3000	174	454647	1.6237
3001 to 4000	74	266604	0.9522
4001 to 5000	63	300490	1.0732
5001 to 10000	97	757588	2.7057
Above 10001	89	22338726	79.7812
Total	22846	28000000	100.00

9. Share Transfer System:

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of 30 days from the date of receipt thereof provided all documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the System of transfer and a certificate to that effect is issued. On March 31, 2021, there were no unprocessed transfers pending.

10. Dematerialization of Shares and liquidity:

99.99% of the Company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2021. The Company has entered into agreements with NSDL/CDSL whereby shareholders have an option to dematerialise their shares with either of the Depositories.



11. Reconciliation of Share Capital Audit Report:

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

12. ECS Mandate:

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

13. Address of correspondence:

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: 10th June, 2021

Rasesh Kanakia
Chairman
(DIN: 00015857)

DECLARATION

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

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for the year ended 31st March, 2021.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 10th June, 2021

Rasesh Kanakia
Chairman
(DIN: 00015857)

Himanshu Kanakia
Managing Director
(DIN: 00015908)

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

To,
The Board of Directors
Cineline India Limited

Subject: Certificate on financial statements for the financial year ended March 31, 2021 pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

We, Himanshu B. Kanakia, MD and Vipul Parekh, CFO, have reviewed the financial statements and the cash flow statement of the Company for the financial year ended March 31, 2021 and that to the best of our knowledge and belief, we hereby certify that:

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

For Cineline India Limited

Himanshu B. Kanakia
MD

Vipul Parekh
CFO

Place: Mumbai
Date: 10th June, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of,

Cineline India Limited

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 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: 10th June, 2021

ICSI UDIN:- F005418C000427928

ANNEXURE C TO DIRECTOR'S REPORT**PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,
The Members of
CINELINE INDIA LIMITED

I have examined the compliance of conditions of Corporate Governance by Cinline India Limited ('the Company'), for the Financial Year ended 31st March 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the year ended 31st March 2021.

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: 10th June, 2021
ICSI UDIN: F005418C000427939

INDEPENDENT AUDITOR'S REPORT

To the Members of Cinline India Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

- 1 We have audited the accompanying Standalone Ind AS financial statements of Cinline India Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ('Standalone Ind AS financial statements').
- 2 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 state of affairs of the Company as at March 31, 2021, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

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 Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 Ind AS 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.

Emphasis of Matter

- 4 Attention is drawn to Note 43 of the Standalone Ind AS financial statements which describes the impacts of COVID-19 Pandemic on the Standalone Ind AS financial statements as also on business operations of the Company, assessment thereof made by the management of the Company based on its internal, external and macro factors, involving certain estimation uncertainties. Our opinion is not modified in respect of this matter.

Key Audit Matters

- 5 Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the year under audit. We have determined that there is no key audit matter to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- 6 The Company's management and Board of Directors is responsible for the preparation of the other information, comprising of the information such as Directors' Report including Annexures to Directors' Report, and such other disclosures included in the company's annual report, excluding the standalone Ind AS financial statements and auditors report thereon ('Other Information'). The other information is expected to be made available to us after the date of this auditors' report. Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities in relation to other Information'.

Responsibility of Management for Standalone Ind AS Financial Statements

- 7 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under prescribed 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; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

- 8 Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements. Our audit process in accordance with the SAs is narrated in "Annexure 1" to this report.

Other Matters

- 9 In view of restricted movements and partial lockdown imposed by the authorities to prevent the spread of COVID-19 Pandemic, the audit finalization processes were carried out from remote locations i.e., other than the Office of the Company, where books of account and other records are kept, based on the data/details made available and based on financial information/records remitted by the management through digital medium. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain sufficient and appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 10 As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 2", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 11 As required by section 143(3) of the Act, we report that:
- 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.
 - 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.
 - The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

- e. On the basis of the written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure 3”.
- g. In terms of provisions of section 197(16), in our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors is not in excess of the limits laid down under section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report as under:
- (i) The Company has disclosed the impact of pending litigations on the financials position in its standalone Ind AS financial statements - Refer Note 44 to the Standalone Ind AS financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For Khimji Kunverji & Co LLP

Chartered Accountants

Firm’s Registration No.: 105146W / W-100621

Hasmukh B Dedhia

Partner (F - 033494)

UDIN: 20033494AAAAFL6697

Place: Mumbai

Date: June 10, 2021

Annexure 1 to the Independent Auditors’ Report

[referred to in para 8 titled “Auditor’s Responsibilities for the Audit of the Standalone Ind AS Financial Statements”]

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 - From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- iii. The company has granted unsecured loans to parties covered in the register maintained under section 189 of the Companies Act, 2013
 - (a) According to information and explanations given to us, the terms and conditions of the aforesaid loans are prima facie not prejudicial to the interest of the Company.
 - (b) (i) Loan amounting to Rs. 1,349.72 lakhs as at year end given to a related party has stipulations for repayment of principal and interest.
 - (ii) Loan amounting to Rs. 12,409.51 lakhs as at year end given to a subsidiaries is repayable on demand.
 - (c) There are no overdue amounts of interest and principal in case of the aforesaid loans.
 - iv. According to the information and explanations given to us and the representations made in course of audit, in our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act, 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 from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
 - vi. The Central Government has not specified maintenance of cost records under section 148(1) of the Act in respect of the services provided by the company. Accordingly, the paragraph 3(vi) of the Order is not applicable to the company.
 - vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-tax, Sales-tax, Service tax, Goods and Service Tax, Cess and other statutory dues generally have been regularly deposited during the year by the Company with the appropriate authorities. There are no undisputed statutory dues payable in respect to the above statues, outstanding as at March 31, 2021 for a period exceeding six months from the date they became payable.

Annexure 2 to the Independent Auditors' Report

[referred to in para 11 under 'Report on Other Legal and Regulatory Requirements']

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a programme of physical verification of its fixed assets under which all fixed assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets, according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (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 immovable properties (included under the head Investment Property) verified by us in course of audit, are held in the name of the Company.
- ii. The Company does not have any inventory. Accordingly, the paragraph 3(ii) of the Order is not applicable to the Company.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Goods and Service Tax, Service tax, Value added tax, excise duty and duty of Customs which have not been deposited as on March 31, 2021 on account of any disputes.
- viii. In our opinion and according to the information and explanations given to us, and based on the records of the Company, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.
- ix. According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year under report.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, it has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, reporting under paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with the related parties are in compliance with the Sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, it has not entered into non-cash transactions with directors or persons connected with them. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations provided to us based on the expert opinion obtained by the company, it is not required to be registered under Section 45 - IA of the Reserve Bank of India Act, 1934.

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm's Registration No.: 105146W / W-100621

Hasmukh B Dedhia

Partner

Membership No.: 033494

UDIN: 21033494AAAAIB8434

Place: Mumbai

Date: June 10, 2021

Annexure 3 to the Independent Auditors' Report

[referred to in paragraph 11(f) under 'Report on Other Legal and Regulatory Requirements']

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Cinline India Limited ("the Company") as at March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Opinion

In our opinion considering the nature and size of the operations, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on

our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS 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

- (c) 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm's Registration No.: 105146W / W-100621

Hasmukh B Dedhia

Partner

Membership No.: 033494

UDIN: 21033494AAAAIB8434

Place: Mumbai

Date: June 10, 2021

STANDALONE BALANCE SHEET

as at 31st March, 2021

(₹ in lakhs)

	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
(a) Property, Plant and Equipment	4	623.07	695.15
(b) Investment Property	5	7,307.15	9,588.56
(c) Right to use Asset	6	91.27	115.61
(d) Financial assets			
(i) Investments	7	8,963.00	1.00
(ii) Loans	8	13,767.46	18,921.79
(e) Other non-current assets	9	76.92	83.72
(f) Non-current tax assets (net)	10	563.43	494.98
Total non current assets		31,392.31	29,900.81
Current assets			
(a) Financial Assets			
(i) Trade receivables	11	289.76	184.70
(ii) Cash and bank balances	12	162.80	48.68
(iii) Bank balance other than (ii) above	13	800.93	0.93
(iv) Loans	8	4.04	12.44
(v) Other current financial assets	14	107.89	743.00
(b) Other current assets	9	634.24	145.49
Total current assets		1,999.66	1,135.24
Assets held for sale	15	-	1,482.32
Total assets		33,391.97	32,518.37
Equity and Liabilities			
Equity			
(a) Equity Share capital	16	1,400.00	1,400.00
(b) Other Equity	17	11,593.48	10,798.97
Total equity		12,993.48	12,198.97
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	18,196.38	16,842.00
(ii) Other non current financial liabilities	19	609.72	659.39
(b) Provisions	20	21.18	25.73
(c) Deferred tax liabilities (net)	21	608.00	451.05
(d) Other non-current liabilities	22	182.60	269.21
Total non current liabilities		19,617.88	18,247.38
2) Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	23	-	-
- Total outstanding dues of Micro Enterprise & Small Enterprise		-	-
- Total outstanding dues of Other Creditors		164.76	99.39
(ii) Other current financial liabilities	19	541.84	1,854.77
(b) Other current liabilities	22	67.27	110.14
(c) Provisions	20	6.74	7.72
Total current liabilities		780.62	2,072.02
Total equity and liabilities		33,391.97	32,518.37

Notes 1 to 47 form an integral part of these financial statements

As per our audit report of even date

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

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 10 June 2021

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: 10 June 2021

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended

(₹ in lakhs, except per share data)

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Revenue			
Revenue from operations	24	1,745.01	2,566.15
Other income	25	2,621.55	1,654.86
Total		4,366.56	4,221.01
Expenses			
Operating expenses	26	389.66	521.37
Employee benefits expense	27	80.47	171.63
Finance costs	28	1,910.32	1,834.43
Depreciation expense	29	396.99	542.48
Other expenses	30	436.03	187.74
Total		3,213.47	3,257.65
Profit before tax		1,153.09	963.36
Tax expense / (credit)			
Current tax	31	203.53	181.18
MAT credit reversal		255.98	-1.58
Deferred tax charge / (credit)	31	-99.91	24.75
Prior year's tax adjustments		1.13	-5.12
		360.73	199.23
Profit for the year		792.36	764.13
Other comprehensive income / (loss)			
Items that will not be reclassified to statement of profit or loss			
Remeasurement of post employment benefit obligations		3.04	1.40
Income tax effect on above		-0.89	-0.39
		2.16	1.01
Total comprehensive income for the year		794.51	765.14
Earnings per equity share (Face value of ₹ 5 each)			
Basic earnings per share	32	2.83	2.73
Diluted earnings per share		2.83	2.73

Notes 1 to 47 form an integral part of these financial statements

As per our audit report of even date

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

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 10 June 2021

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: 10 June 2021

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2021

A Equity share capital

(₹ in lakhs)

Particulars	Note	No. of shares	Amount
Issued, subscribed and fully paid up			
Equity shares of ₹ 5 each			
Balance as at 31 March 2019	16	2,80,00,000	1,400.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2020	16	2,80,00,000	1,400.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2021	16	2,80,00,000	1,400.00

B Other equity

(₹ in lakhs)

Particulars	Reserves and surplus				
	Securities premium reserve	General reserve	Capital redemption reserve	Retained earnings	Total
Balance as at 31 March 2019	3,564.00	55.00	17.02	6,397.81	10,033.83
Profit for the year	-	-	-	764.13	764.13
Other comprehensive income	-	-	-	1.01	1.01
Balance as at 31 March 2020	3,564.00	55.00	17.02	7,162.94	10,798.96
Profit for the year	-	-	-	792.36	792.36
Other comprehensive income	-	-	-	2.16	2.16
Balance as at 31 March 2021	3,564.00	55.00	17.02	7,957.46	11,593.48

As per our audit report of even date

For Khimji Kunverji & Co LLP

Chartered Accountants

Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia

Partner

Membership No. : 033494

Place: Mumbai

Date: 10 June 2021

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: 10 June 2021

STANDALONE CASH FLOW STATEMENT

for the year ended 31 March 2021

(₹ in lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Cash flow from operating activities		
Profit before tax	1,156.13	963.36
Adjustments for:		
Depreciation expense	396.99	542.48
(Profit)/Loss on sale of assets	108.89	(31.55)
Provision for doubtful debts	-	64.40
Provisions and balances no longer required written back	-	(0.80)
Finance costs	1,901.32	1,825.83
Interest income	(2,474.10)	(1,541.73)
(Gain) / Loss due to modification of lease liability	-	(11.97)
Operating profit before working capital changes	1,089.23	1,810.02
Changes in working capital		
Increase in Trade receivables	(105.06)	27.79
Increase in Other assets	(481.95)	(45.02)
Increase in Financial assets	(8,275.64)	(738.21)
Increase in Trade payables	65.36	82.91
Decrease in Provisions	(5.53)	0.29
Decrease in Other liabilities	(111.26)	(1.62)
Decrease in Financial liabilities	(1,459.79)	1,362.69
Cash generated from operations	(9,284.64)	2,498.87
Income taxes (paid) / refunds (net)	(273.11)	(369.61)
Net cash generated from operating activities	(9,557.75)	2,129.26
Cash flow from investing activities:		
Sale of property, plant and equipment & investment property	3,354.28	11,844.01
Interest received	2,420.97	1,813.01
Loan given to subsidiary company	(12,405.47)	(3.00)
Loan received back from related party	17,570.09	(17,461.92)
Net cash generated from / (used) in investing activities	10,939.87	(3,807.90)
Cash flow from financing activities:		
Interest paid	(1,892.83)	(1,800.56)
Interest paid on lease liability	(13.54)	(18.17)
Repayment of principal towards lease liability	(18.22)	(13.60)
Net proceeds / (repayments) of long term borrowings	1,456.59	1,346.49
Net cash used in financing activities	(468.00)	(485.84)
Net decrease / (increase) in cash and cash equivalents	914.11	(2,164.50)
Cash and cash equivalents as at the beginning of the year	48.68	2,213.18
Cash and cash equivalents as at the end of the year	962.80	48.68
Notes to cash flow statement	As at 31 March 2021	As at 31 March 2020
Cash on hand	0.51	0.58
Balances with banks - in current accounts	162.29	48.10
Other Bank Balance in fixed deposits	800.00	-
	962.80	48.68

As per our audit report of even date

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

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 10 June 2021

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: 10 June 2021

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

1. Corporate information

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

2. Significant accounting policies

a. Statement of Compliance:

The Company has prepared the financial statements which comprise the balance sheet as at 31 March 2021, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the year ended 31 March 2021, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "financial statements").

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

b. Basis of preparation

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

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

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

Functional and presentation currency

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

Current versus non-current classification

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

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

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

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

c. Critical estimates and judgements

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

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

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

- **Useful lives of property, plant and equipment and investment property** - Property, plant and equipment and investment property represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management, based on those prescribed under Schedule II to the Act, at the time the asset is acquired and reviewed periodically, including at each financial year end.
- **Defined benefit obligation** - The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty. The assumptions used are disclosed in the notes to these financial statements.

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

- **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.

d. Revenue recognition

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

i. Leased operations and windmill income

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

ii. Other income

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

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

e. Leases

i. The Company as Lessee

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

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

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

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

ii. The Company as Lessor

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

Income taxes

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

Current tax

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

Deferred tax

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

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

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.

f. Financial instruments

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

i. Recognition, initial measurement and derecognition

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

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

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

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

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

ii. Subsequent Measurement

Non-Derivative Financial Instruments

Financial assets carried at amortised cost

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

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

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

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

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

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

Financial liabilities

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

iii. Impairment of financial assets

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

g. Investment in subsidiary

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

h. Equity shares

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

i. Cash and cash equivalents and cash flows

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 (including capital work-in-progress)

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

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

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.

Assets acquired but not ready for use or assets under construction are classified under capital work in progress and are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

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. Depreciation

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

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

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

l. Investment property

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

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

m. 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.

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

n. 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

o. 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.

p. 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.

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

- **Defined benefit plans**

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

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

- **Other long-term employee benefits**

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

- **Short-term employee benefits**

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

q. **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.

r. **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.

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

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.

s. 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.

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

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

3. Recent accounting pronouncements

Ministry of Corporate Affairs notifies amendments to the existing standards. There is no such notification which would have been applicable from 1st April 2020.

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 4: Property, plant and equipment

(₹ in lakhs)

Particulars	Plant and equipment	Theatre furniture and fixtures	Other furniture, fixtures and office equipments	Computers	Vehicles	Wind energy generator **	Total
Balance as at 31 March 2019	1.00	0.49	51.65	1.14	14.71	942.76	1,011.75
Additions	-	-	-	-	-	-	-
Sale during year	-	-	-	-	-	-	-
Balance as at 31 March 2020	1.00	0.49	51.65	1.14	14.71	942.76	1,011.75
Additions	-	-	-	-	-	-	-
Sale during year	-	-	-	-	(7.42)	-	(7.42)
Balance as at 31 March 2021	1.00	0.49	51.65	1.14	7.29	942.76	1,004.33
Accumulated depreciation							
Balance as at 31 March 2019	1.00	0.32	36.89	0.79	8.03	197.78	244.81
Depreciation charge for the year	-	0.08	2.84	0.26	2.67	65.92	71.77
Balance as at 31 March 2020	1.00	0.40	39.73	1.05	10.70	263.70	316.58
Depreciation charge for the year	-	0.06	2.64	0.08	2.64	65.94	71.37
Reversal on disposals	-	-	-	-	(6.71)	-	(6.71)
Balance as at 31 March 2021	1.00	0.47	42.37	1.13	6.63	329.64	381.24
Net block							
Balance as at 31 March 2021	-	0.02	9.28	0.01	0.66	613.12	623.07
Balance as at 31 March 2020	-	0.09	11.92	0.09	4.01	679.06	695.15

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

Note 5: Investment property

(₹ in lakhs)

Particulars	Freehold lands	Theatre and mall buildings **	Other buildings **	Total
Balance as at 31 March 2019	1,971.68	3,118.92	17,227.81	22,318.41
Additions	-	-	80.21	80.21
Sales during the year	-	-	10,884.26	10,884.26
Transferred to asset held for sale	-	-	1,482.32	1,482.32
Depreciation charge for the year	-	191.17	252.31	443.48
Balance as at 31 March 2020	1,971.68	2,927.75	4,689.13	9,588.56
Additions	-	-	8.57	8.57
Sales during the year	-	-	1,988.70	1,988.70
Depreciation charge for the year	-	191.21	110.07	301.28
Balance as at 31 March 2021	1,971.68	2,736.54	2,598.93	7,307.15

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Notes:

(a) Fair value of investment property

(₹ in lakhs)

Particulars	As at 31 March 2021
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.

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

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

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Rental income from investment property (refer note 24)	1,565.14	2,224.11
Direct operating expenses arising from investment property that generated rental income during the period (refer note 26)	372.55	521.37
Direct operating expenses arising from investment property that did not generate rental income during the period	17.11	-

** (b) Investment properties have been lien marked towards loan facility availed from Aditya Birla Finance Limited (also refer note 18)

Note 6: Right of use asset

(₹ in lakhs)

Particulars	Lease asset
Balance as at 31 March 2019	-
Additions	142.84
Sales during the year	-
Depreciation charge for the year	27.23
Balance as at 31 March 2020	115.61
Additions	-
Sales during the year	-
Depreciation charge for the year	24.34
Balance as at 31 March 2021	91.27

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 7: Investments

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	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	-
Ciineline Realty Private Limited (10,000 equity shares of ₹10/- each, previous year NIL) (Refer Note 42)	1.00	-	-	-
Ciineline Industries Private Limited (10,000 equity shares of ₹10/- each, previous year NIL) (Refer Note 42)	1.00	-	-	-
Investment in compulsory convertible debentures (CCD) of subsidiary company				
Transquare Realty Private Limited (8,960 CCD's of ₹1,00,000/- each, previous year NIL) (Refer Note 41)	8,960.00	-	-	-
Total	8,963.00	-	1.00	-
Aggregate value of unquoted investments	8,963.00	-	1.00	-

Note 8: Loans

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Loans receivable considered good –Secured	-	-	-	-
Loans receivable considered good –Unsecured				
Loan to related party	1,349.73	-	18,919.81	-
Loan to subsidiary (refer note 41)	12,405.47	4.04	-	3.00
Security deposits	12.26	-	1.98	9.44
Loans receivable which has significant increase in credit risk	-	-	-	-
Loans receivable – credit impaired	-	-	-	-
Total	13,767.46	4.04	18,921.79	12.44

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 9: Other assets

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Prepaid expenses	-	26.13	-	12.90
Deferred rent expense	-	5.02	-	6.36
Unamortised processing fees for loan	76.92	6.79	83.72	6.79
Lease equalisation reserve	-	596.29	-	99.86
Advance to suppliers	-	-	-	19.58
Balances with government authorities	-	5.63	-	5.63
Less: Provision for doubtful advances	-	(5.63)	-	(5.63)
Total	76.92	634.24	83.72	145.49

Note 10: Non-current tax assets

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Advance tax (net of provision for tax of ₹ 1,269.45 Lakhs (PY ₹ 1,375.87 Lakhs))	563.43	494.98
Total	563.43	494.98

Note 11: Trade receivables

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Trade receivables considered good –Secured	-	-
Trade receivables considered good –Unsecured	289.76	184.70
Trade receivables which has significant increase in credit risk	-	-
Trade receivables – credit impaired	73.40	73.40
Less: Provision for doubtful debts	(73.40)	(73.40)
Total	289.76	184.70

Note 12: Cash and cash equivalents

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Balances with banks - in current accounts	162.29	48.11
Cash on hand	0.51	0.57
Total	162.80	48.68

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 13: Other bank balances

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Unclaimed dividend account	0.93	0.93
Deposit accounts (maturity up to 12 months)	800.00	-
Total	800.93	0.93

Note 14: Other financial assets

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
(Unsecured, considered good)		
Interest receivable	53.13	-
Other assets	54.76	743.00
Total	107.89	743.00

Note 15: Assets held for sale

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Assets held for sale	-	1,482.32
Total	-	1,482.32

Note 16: Equity share capital

(₹ in lakhs)

	Number of shares	Amount
a) Authorised share capital		
Equity shares of ₹ 5 each		
Total authorised equity share capital as at 31 March 2020	8,00,00,000	4,000.00
Change during the year	-	-
Total authorised equity share capital as at 31 March 2021	8,00,00,000	4,000.00
Preference shares of ₹ 10 each		
Total authorised preference share capital as at 31 March 2020	2,50,000	25.00
Change during the year	-	-
Total authorised preference share capital as at 31 March 2021	2,50,000	25.00

Issued, subscribed and paid-up equity share capital:

(₹ in lakhs)

	Number of shares	Amount
Equity shares of ₹ 5 each		
Balance as at 31 March 2019	2,80,00,000	1,400.00
Change during the year	-	-
Balance as at 31 March 2020	2,80,00,000	1,400.00
Change during the year	-	-
Shares issued and fully paid as at 31 March 2021	2,80,00,000	1,400.00

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

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 2021		As at 31 March 2020	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 5 each				
Himanshu B. Kanakia	95,11,424	33.97%	95,11,424	33.97%
Rashesh B. Kanankia	95,11,524	33.97%	95,11,524	33.97%
	1,90,22,948	67.94%	1,90,22,948	67.94%

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

Note 17: Other equity

(₹ in lakhs)

	Sub-note	As at 31 March 2021	As at 31 March 2020
Securities premium reserve	(i)	3,564.00	3,564.00
Capital redemption reserve	(ii)	17.02	17.02
General reserve	(iii)	55.00	55.00
Retained earnings	(iv)	7,957.46	7,162.95
Total		11,593.48	10,798.97

(₹ in lakhs)

(i) Securities premium reserve	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	3,564.00	3,564.00
Change during the year	-	-
Balance at the end of the year	3,564.00	3,564.00

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

(₹ in lakhs)

(ii) Capital redemption reserve	As at 31 March 2021	As at 31 March 2020
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

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

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	As at 31 March 2021	As at 31 March 2020
	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.

(₹ in lakhs)

(iv)	Retained earnings	As at 31 March 2021	As at 31 March 2020
	Balance at the beginning of the year	7,162.95	6,397.81
	Add : Profit for the year	792.36	764.13
	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	2.16	1.01
	Balance at the end of the year	7,957.46	7,162.95

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

Note 18: Non-current financial liabilities - borrowings

(₹ in lakhs)

	Interest rate	Maturity date	As at 31 March 2021	As at 31 March 2020	Remarks
Secured					
Term loan from financial institution	10%	January 2034	13,128.26	12,733.00	Refer note (a) below
Line of credit from financial institution	10%	January 2034	4,584.34	4,405.00	Refer note (a) below
Emergency credit line guarantee scheme (ECLGS)	11%	March 2026	882.00	-	Refer note (b) below
Total borrowings			18,594.59	17,138.00	
Less: Current maturities of term loan (refer note 19)			(398.21)	(296.00)	
Total			18,196.38	16,842.00	

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

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

- i) First and exclusive charge / hypothecation of:
 - 1) All rental receivables arising out of leasing of following properties:
 - a) Theatre buildings
 - b) Boomerang properties
 - c) Commercial spaces to multiple brands at Eternity mall, Nagpur
 - 2) All income / receivables from sale of power from two windmills
- ii) First and exclusive charge on movable tangible and intangible assets including all stocks, work-in-progress, receivables, inventories, goodwill, patents, trade licenses, permits and all other intellectual property rights and all plant, machinery and equipment employed and over all the contracts and insurance policies/proceeds under the insurance contract in relation to the above properties
- iii) First and exclusive charge by way of hypothecation of the escrow account with all monies credited / deposited therein and all investments in respect thereof (in whatever form the same may be)
- iv) Personal / corporate guarantee of Rasesh B. Kanakia and Himanshu B. Kanakia.
- v) First and exclusive charge by way of registered mortgage on the above detailed properties together with all the buildings and structures thereon, both present and future.

(b) Emergency credit line guarantee scheme (ECLGS) credit taken during the year from Aditya Birla Finance Limited is secured against:

Second charge by way of registered mortgage on the properties mentioned in above note 18 (a) (i) & (ii)

Net debt reconciliation

	(₹ in lakhs)	
	As at 31 March 2021	As at 31 March 2020
Non-current borrowings (including current maturities)	18,594.59	17,138.00
Cash and cash equivalents	962.80	48.68
Net debt	17,631.79	17,089.32

	(₹ in lakhs)	
	Cash and cash equivalents	Non-current borrowings
Balance as at 31 March 2020	48.68	17,138.00
Cash flows (net)	914.12	1,456.59
Balance as at 31 March 2021	962.80	18,594.59

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 19: Other financial liabilities

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Current maturities of term loan (refer note 18)	-	398.21	-	296.00
Current maturities of vehicle loan (refer note 18)	-	-	-	-
Interest accrued but not due on borrowings	-	78.57	-	83.59
Unclaimed dividends	-	0.93	-	0.93
Earnest money deposit	-	6.81	-	1,380.49
Other payables	-	27.85	-	49.83
Salary and reimbursements	-	6.08	-	15.62
Security deposits	609.72	16.77	659.39	24.94
Deposits refundable	-	6.62	-	3.37
Total	609.72	541.84	659.39	1,854.77

Note 20: Provisions

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Provision for employee benefits obligations (refer note 33)	21.18	6.74	25.73	7.72
Total	21.18	6.74	25.73	7.72

Note 21: Deferred tax liabilities (net)

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Deferred tax liability		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	878.37	905.46
Amortisation of Processing fees for term loan	24.37	25.18
Lease equalisation reserve	173.64	27.78
	1,076.38	958.42
Deferred tax assets		
Provision for:		
Doubtful debts	23.01	21.98
Gratuity	7.29	6.77
Compensated absences	0.84	2.54
Bonus	0.02	0.97
Net lease expense on right of use asset	2.26	0.46
43B disallowance	216.29	-
MAT credit entitlement	218.67	474.65
	468.38	507.37
Deferred tax liability (net)	608.00	451.05

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 22: Other liabilities

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Deferred income	83.55	-	151.94	-
Lease liability on right of use asset	99.05	-	117.27	-
Advances from customers	-	28.73	-	35.64
Lease equalisation reserve	-	-	-	-
Statutory dues payable	-	38.54	-	74.50
Total	182.60	67.27	269.21	110.14

Note 23: Trade payables

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Dues to Mirco enterprises & small enterprises (refer note 38)	-	-
Dues to creditors other than Mirco enterprises & small enterprises	164.76	99.39
Total	164.76	99.39

Note 24: Revenue from operations

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Rental income		
Space rentals	1,332.81	1,930.96
Rental income ATS/BTS	68.26	72.95
Common area maintenance	164.07	220.20
	1,565.14	2,224.11
Advertisement income	4.38	34.63
Income from car parking	22.67	132.88
Sale of power (refer note.45)	152.82	174.53
	179.87	342.04
Total	1,745.01	2,566.15

Note 25: Other income

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Interest income	2,474.10	1,541.73
Sundry balances written back	-	0.80
Provisions no longer required written back	2.27	-
Gain due to modification of lease liability	-	11.97
Profit on sale of assets	-	31.55
Financial liabilities measured at amortised cost	40.99	63.64
Miscellaneous income	104.19	5.17
Total	2,621.55	1,654.86

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 26: Operating expenses

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Power and fuel	18.12	49.56
Rates and taxes		
Property tax	175.60	196.36
Others	31.75	22.45
	207.35	218.81
Repairs and maintenance		
Building	44.41	60.25
Common area maintenance	44.78	67.67
Cleaning charges	7.08	23.38
Plant and equipments	0.33	4.24
Others	60.83	69.32
	157.43	224.86
Security charges	6.00	25.05
Other operating expenses	0.76	3.09
Total	389.66	521.37

Note 27: Employee benefits expense

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Salaries and bonus	72.55	150.92
Contribution to provident and other funds (refer note 33)	5.93	11.28
Staff welfare expenses	1.99	9.43
Total	80.47	171.63

Note 28: Finance costs

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Interest expense		
on term loan	1,830.51	1,736.28
on others	57.27	71.38
Finance charges	9.00	8.60
Interest on lease liability	13.54	18.17
Total	1,910.32	1,834.43

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 29: Depreciation and amortisation expense

	(₹ in lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation and amortisation on property, plant and equipment (refer note 4)	71.37	71.77
Depreciation on investment property (refer note 5)	301.28	443.48
Depreciation on right of use asset (refer note 6)	24.34	27.23
Total	396.99	542.48

Note 30: Other expenses

	(₹ in lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Rent (refer note 39)	1.49	1.25
Travelling and conveyance	4.60	3.72
Communication expenses	0.55	2.07
Insurance	17.57	8.80
Legal and professional fees	55.44	36.85
Loss on sale of assets	108.89	-
Directors' sitting fees	3.05	2.90
Advertising and publicity	1.46	3.03
Marketing and sales promotion	1.42	4.10
Auditor's remuneration (refer note (a) below)	8.04	8.14
Bank charges	0.08	0.05
Printing and stationery	0.66	4.23
Provision for doubtful debts	-	64.40
Contribution towards corporate social responsibility (refer note 40)	26.00	41.76
Donation	-	0.63
Commission & brokerage	98.37	1.50
Modification of lease income straightlining	99.86	-
Miscellaneous expenses	8.57	4.33
Total	436.03	187.74
a) Auditor's remuneration (exclusive of taxes)		
- Statutory audit fees	8.00	8.00
- Out of pocket expenses	0.04	0.14
Total	8.04	8.14

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 31: Current tax

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

(₹ in lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current tax		
Current tax on profits for the year	203.53	181.18
Adjustments for current tax of prior periods	1.13	(5.12)
Reversal of MAT credit	255.98	(1.58)
	460.64	174.48
Deferred tax charge / (credit)		
In respect of current year origination and reversal of temporary differences	(99.91)	24.75
Total tax expense	360.73	199.23

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

(₹ in lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Accounting profit before income-tax	1,153.09	963.36
Applicable Indian statutory income-tax rate	29.12%	27.82%
Computed tax expense	335.78	268.01
Tax effect of items deductible in calculating tax income (net)	(223.00)	(48.22)
Effect of income that is exempt from tax	(9.15)	(13.85)
MAT credit reversal / (creation)	255.98	(1.58)
Adjustment of current tax of prior periods	1.13	(5.12)
Income-tax expense reported in the statement of profit and loss	360.73	199.23

Note 32: Earnings per share

(₹ in lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
The numerators and denominators used to calculate the basic and diluted earnings per share are as follows:		
Net profit attributable to shareholders for basic/diluted earnings per share (₹ in lakhs)	792.36	764.13
Weighted average number of equity shares for basic/diluted earnings per share (₹ in lakhs)	280.00	280.00
Basic earnings per share (₹)	2.83	2.73
Diluted earnings per share (₹)	2.83	2.73

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 33: Employee benefits

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Gratuity	19.06	5.98	18.93	5.40
Compensated absences	2.12	0.76	6.80	2.32
Total	21.18	6.74	25.73	7.72

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)

	Gratuity benefits	
	As at 31 March 2021	As at 31 March 2020
Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	24.32	23.28
Interest cost	1.53	1.63
Service Cost	3.75	3.37
Benefits paid	(2.21)	(2.56)
Actuarial losses/(gains) on obligation	(2.34)	(1.40)
Closing defined benefit obligation	25.05	24.32
Amount recognised in the balance sheet:		
Liability at the beginning of the year	24.32	23.28
Current year's expense	5.29	5.00
Transferred to OCI	(2.34)	(1.40)
Contributions by employer	(2.21)	(2.56)
Liability recognised in the Balance Sheet	25.05	24.32
Expense recognised in the statement of profit and loss:		
Service cost	3.75	3.37
Interest cost	1.53	1.63
	5.29	5.00

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Expense/(income) recognised in the other comprehensive income:		
Actuarial loss / (gain) on defined benefit obligations	(2.34)	0.31
Net expense / (income) recognised in the total comprehensive income	(2.34)	0.31

Breakup of actuarial gain/loss

Actuarial (gain) / loss arising from change in financial assumption	0.15	(1.44)
Actuarial (gain) / loss arising from experience adjustment	(2.49)	0.04
	(2.34)	(1.40)

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Actuarial assumptions used

	As at 31 March 2021	As at 31 March 2020
Discount rate (per annum)	6.60%	6.60%
Salary growth rate (per annum)		
-for first year	NIL	NIL
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%

Demographic assumptions used

	As at 31 March 2021	As at 31 March 2020
Mortality table	IALM(2012-14)	IALM(2012-14)
Retirement age	60 years	60 years
Average remaining life (years)	7.06	7.21
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 2021.

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
Increase/ (decrease) in the defined benefit liability	(1.40)	1.58	(1.47)	1.66
Salary escalation rate				
Increase/ (decrease) in the defined benefit liability	1.33	(1.21)	1.38	(1.25)
Withdrawal rates				
Increase/ (decrease) in the defined benefit liability	(0.23)	0.26	(0.23)	0.26

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

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Compensated absences

The Company has a defined benefit compensated absences plan. Employees are eligible to avail the unutilised accumulated compensated absences subject to the maximum of forty five days. Leaves accumulated are not encashable. The obligation for compensated absences is recognised in the same manner as gratuity and net charge to the statement of profit and loss for the year is ₹ 5.98 lakhs (Previous year: net charge of ₹ 0.06 lakhs).

Actuarial assumptions used

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate	6.60%	6.60%
Expected salary escalation rate		
-for first year	NIL	NIL
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%
Mortality table	IALM(2012-14)	IALM(2012-14)
Withdrawal rate	12% per annum	12% per annum

Note 34: Related party transactions

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

a) List of related parties

Relationship	Name of the related party
Directors	Rasesh B. Kanakia Himanshu B. Kanakia Hiral H. Kanakia
Relative of director	Manisha Vora
Key management personnel (KMP)	Vipul Parekh Jatin Shah (upto Sep 20) Rashmi Shah (from Nov 20)
Entities under common control	Kanakia Spaces Realty Private Limited Kanakia Residential Private Limited RBK Education Solutions Private Limited
Subsidiary company	Transquare Realty Private Limited R&H Spaces Private Limited (Refer note 41) Cinline Industries Private Limited (Refer note 42) Cinline Realty Private Limited (Refer note 42)

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

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 2021	Year ended 31 March 2020
Loan given to			
R&H Spaces Private Limited	Subsidiary company	12,405.47	-
Transquare Realty Private Limited	Subsidiary company	0.94	3.00
Cineline Industries Private Limited	Subsidiary company	0.05	
Cineline Realty Private Limited	Subsidiary company	0.05	
Kanakia Spaces Realty Private Limited	Entity under common control	536.48	18,468.29
Deposit Given			
Kanakia Spaces Realty Private Limited	Entity under common control	-	5.03
Investment in Debentures			
Transquare Realty Private Limited	Subsidiary company	8,960.00	-
Investment in Equity			
Cineline Industries Private Limited	Subsidiary company	1.00	-
Cineline Realty Private Limited	Subsidiary company	1.00	-
Loan given received back			
Kanakia Spaces Realty Private Limited	Entity under common control	-	1,729.17
Loan given received back			
Kanakia Spaces Realty Private Limited	Entity under common control	17,578.61	81.87
Interest received from			
Kanakia Spaces Realty Private Limited	Entity under common control	2,405.69	1,148.14
R&H Spaces Private Limited	Subsidiary company	54.27	-
Cost Reimbursement Received			
Kanakia Spaces Realty Private Limited	Entity under common control	-	396.51
Rent expense			
Kanakia Spaces Realty Private Limited	Entity under common control	31.77	31.77
Property tax & CAM expense			
Kanakia Residential Private Limited	Entity under common control	88.75	-
Rent income			
RBK Education Solutions Private Limited	Entity under common control	2.64	-

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Particulars	Nature of relationship	Year ended 31 March 2021	Year ended 31 March 2020
Advertisement Income			
Babubhai Kanakia Foundation	Entity under common control	-	1.92
RBK Education Solutions Private Limited	Entity under common control	-	1.13
Reimbursement of expenses paid			
Kanakia Spaces Realty Private Limited	Entity under common control	7.71	3.63
Rashmi Shah	KMP	1.34	-
Manisha Vora	Relative of director	0.95	3.26
Jatin Shah	KMP	-	1.10
Professional fees paid			
Vipul Parekh	KMP	1.50	-
Manisha Vora	Relative of director	8.04	10.08
Remuneration paid			
Rasesh B. Kanakia	Director	0.33	16.00
Himanshu B. Kanakia	Director	0.33	16.00
Hiral H. Kanakia	Director	0.31	15.00
Jatin Shah (upto 30th September 2020)	KMP	5.38	10.05
Rashmi Shah (from 01st November 2020)	KMP	2.82	-
Manisha Vora	Relative of director	-	3.19

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

c) Balances outstanding at the year end

(₹ in lakhs)

Particulars	Nature of relationship	As at 31 March 2021	As at 31 March 2020
Loan given			
Kanakia Spaces Realty Private Limited	Entities under common control	1,349.73	18,919.81
R&H Spaces Private Limited	Susibidary Company	12,405.47	-
Transquare Realty Private Limited	Susibidary Company	3.94	3.00
Cineline Industries Private Limited	Susibidary Company	0.05	-
Cineline Realty Private Limited	Susibidary Company	0.05	-
Trade receivable			
Babubhai Kanakia Foundation	Entities under common control	-	0.08
RBK Education Solutions Private Limited	Entities under common control	-	0.28

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Particulars	Nature of relationship	As at 31 March 2021	As at 31 March 2020
Investment			
Transquare Realty Private Limited	Susibidiary Company	1.00	1.00
Cineline Industries Private Limited	Susibidiary Company	1.00	-
Cineline Realty Private Limited	Susibidiary Company	1.00	-
Interest receivable			
R&H Spaces Private Limited	Susibidiary Company	50.20	-
Kanakia Spaces Realty Private Limited	Entities under common control	2.87	-
Security deposit given			
Kanakia Spaces Realty Private Limited	Entities under common control	15.88	15.88
Property tax & CAM payable			
Kanakia Residential Private Limited	Entities under common control	45.07	-
Rent payable			
Kanakia Spaces Realty Private Limited	Entities under common control	8.78	-
Trade payable			
Manisha Vora	Relative of director	0.81	1.13
Vipul Parekh	KMP	0.46	-
Rashmi Shah	KMP	0.56	-
Kanakia Spaces Realty Private Limited	Entities under common control	-	1.37
Other payable			
Rashmi Shah	KMP	0.26	-
Kanakia Spaces Realty Private Limited	Entities under common control	-	8.34

Note 35: Segment information

Operating segments

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

	As at 31 March 2021		As at 31 March 2020	
	Amount	% of revenue from operations	Amount	% of revenue from operations
Total revenue from operations from:				
Major Customer	562.40	32.23%	1,282.10	49.96%

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 36.1: Financial instruments

i) Financial instruments by category

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Financial assets		
Measured at amortised cost		
Investments - Non current	8,963.00	1.00
Loans - Non current	13,767.46	18,921.79
Loans - Current	4.04	12.44
Trade Receivables	289.76	184.70
Cash and cash equivalents	162.80	48.68
Other Bank balances	800.93	0.93
Other financial assets	107.89	743.00
Total	24,095.88	19,912.53
Financial liabilities		
Measured at amortised cost		
Borrowings (including current maturity)	18,594.59	17,138.00
Trade payables	164.76	99.39
Other financial liabilities - Non current	609.72	659.39
Other financial liabilities - Current	143.63	1,558.77
Total	19,512.70	19,455.57

- (a) The carrying value of trade and other receivables, security deposits, cash and bank balances and other financial assets recorded at amortised cost, is considered to be a reasonable approximation of fair value.
- (b) The carrying value of borrowings, trade payables, other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

ii) Fair values heirarchy and method of valuation

Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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 entity specific estimates.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Valuation process and technique used to determine fair value

The fair values for instruments at amortised cost are based on discounted cash flows using a discount rate determined based on market interest rate for an equivalent instrument.

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 36.2: Risk Management

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

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

A) Credit risk

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

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

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

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

B) Liquidity risk

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

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

Contractual maturities of financial liabilities

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

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

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

(₹ in lakhs)				
31 March 2020	Upto 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	296.00	2,336.00	14,506.00	17,138.00
Trade payables	99.39	-	-	99.39
Other financial liabilities	1,558.77	659.39	-	2,218.16
Total	1,954.16	2,995.39	14,506.00	19,455.55

C) Market risk - foreign exchange

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

D) Market risk - interest rate risk

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

Interest rate risk exposure

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

(₹ in lakhs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Variable rate borrowing	18,594.59	17,138.00

Interest rate sensitivity

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

(₹ in lakhs)		
Particulars	Gain / (loss) on profit before tax	
	31 March 2021	31 March 2020
Interest rate increases by 50 basis points	(92.97)	(85.69)
Interest rate decreases by 50 basis points	92.97	85.69

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 37: Capital management

The Company's capital management objectives are:

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

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

The Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in the economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Net debts	17,631.79	17,089.32
Total equity	12,993.48	12,198.97
Gearing ratio	135.70%	140.09%

Note 38: Micro, Small and Medium Enterprises

The disclosures relating to Micro and Small Enterprises (MSME) has been furnished to the extent such parties have been identified on the basis of intimation received from suppliers regarding their status under the Micro and Small Enterprises Act, 2006 .

Disclosure U/s 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

(₹ in lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
a) the principal amount and the interest due thereon remaining unpaid	-	-
b) the amount of interest paid , along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
c) the amount of interest due and payable for the period of delay in making payment without interest	-	-
d) the amount of interest accrued and remaining unpaid at the end of financial year	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
Total	-	-

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 39: Leases INDAS

a) As Lessee:

Effective April 1, 2019, the Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

Following is the information pertaining to leases for the year ended:

Particulars	As at 31 March 2021	As at 31 March 2020
(a) Depreciation charge for Right of Use asset	24.34	27.23
(b) Interest expense on lease liability	13.54	18.17
(c) Expense relating to short term leases accounted in profit & loss	-	-
(d) Total cash outflow for leases for the period	31.77	31.77
(e) Additions to Right of Use asset	-	142.84
(f) Carrying amount of Right of use Asset at the year end	91.27	115.61

Table showing contractual maturities of lease liabilities on undiscounted basis:

(₹ in lakhs)

Due	As at 31 March 2021	As at 31 March 2020
Due not later than one year	31.77	31.77
Due later than one year but not later than five years	96.88	128.65

b) As Lessor:

The Company has given certain part of its property on operating lease. These lease arrangements are for a period of 9 years and cancellable solely at discretion of the lessees. Rental income from leasing of property of Rs. 1,565.14 lakhs (P.Y. Rs. 2,224.11 lakhs) is recognized in the Statement of Profit and Loss. The initial direct cost (if any) is charged off to expenses in the year in which it is incurred.

The Company has not given any property under non -cancellable operating lease.

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Note 40: Corporate social responsibility

The Company has spent Rs.26.00 lakhs (previous year Rs.27.49 lakhs) towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof.

a) Gross amount required to be spent by Company during the year	24.82
b) Amount spent during the year:	
In cash	26.00
Yet to be paid in cash	-
Total	26.00
(i) Construction / acquisition of any asset	-
(ii) On purposes other than (i) above	-

Balance of sundry debtors, sundry creditors, loan & advances and certain bank balances are subject to confirmation and reconciliation if any

Note 41:

Pursuant to the approval of share holders of the Company at the Company's Eighteenth Annual General Meeting held on 22 December 2020

On 15 January 2021, Transquare Realty Private Limited (TRPL) (a wholly owned subsidiary of Cinline India Limited) has executed a share purchase agreement to acquire 100% of equity shares in R&H Spaces Private Limited a Hotel & Hospitality segment Company having a operating hotel 'Hyatt Centric' at Goa, for a total cash consideration of Rs 8,925.00 lakhs with 1 January 2021 as acquisition date. As at 31 March 2021, 70% of the equity shares in R&H Spaces Private Limited has been transferred and balance has been transferred in April 2021. Thus R&H Spaces Private Limited has become subsidiary of TRPL with effect from 1 January 2021.

Company has subscribed for 8960 Compulsory Convertible Debentures with zero coupon rate having face value of Rs 1,00,000 each amounting to Rs 8,960.00 lakhs issued by its subsidiary Transquare Realty Private Limited to acquire equity shares of R&H Spaces Private Limited. Debentures subscribed are for initial term of 5 years from date of allotment.

Company has entered into an agreement with R & H Spaces Private Limited (RHSPL) for providing loan of Rs.14,000.00 lakhs to "RHSPL".

Note 42: The Company has invested in following wholly owned subsidiaries during the year

Cinline Realty Private Limited - 10,000 equity shares having face value of Rs. 10/- each amounting to Rs. 1,00,000/-
Cinline Industries Private Limited - 10,000 equity shares having face value of Rs. 10/- each amounting to Rs. 1,00,000/-

Note 43:

The Operations and the Financial Results of the Company during the year ended 31 March 2021 were marginally impacted due to the lockdown 2.0 imposed by the Government to restrict the further spread of COVID-19. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and investments in properties. In assessing the impacts of the pandemic, the Company has used internal and various external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The leases that the Company has entered with lessors are long term in nature and no

Summary of significant accounting policies and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

major changes in terms of those leases are expected due to the COVID-19. Despite the uncertainties arising due to said pandemic as to the period and impacts, having regard to the business environment, the management does not foresee major impacts on its reported numbers and business operations.

Note 44:

- (i) The company does not have any pending litigation which would impact its financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Note 45: Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	31 March 2021
Revenue as per contract price	152.82
Less: Discounts and incentives	-
Revenue as per statement of profit and loss	152.82

Note 46:

Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification / disclosure.

Note 47: Authorisation of financial statements

These financial statements as at and for the year ended 31 March 2021 (including comparatives) have been approved by the Board of Directors on 10 June 2021.

For Khimji Kunverji & Co LLP

Chartered Accountants

Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia

Partner

Membership No. : 033494

Place: Mumbai

Date: 10 June 2021

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

Place: Mumbai

Date: 10 June 2021

Rashmi Shah

Company Secretary

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INDEPENDENT AUDITOR'S REPORT

To the Members of Cinline India Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

1. We have audited the accompanying Consolidated Ind AS financial statements of Cinline India Limited ('hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 state of affairs of the Group as at March 31, 2021, and its profits (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

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 Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS 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 Ind AS 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.

Emphasis of Matter

4. Attention is drawn to Note 43 of the Consolidated Annual Financial Statements which describes the impacts of COVID19 Pandemic on the financial results as also on business operations of the Group, assessment thereof made by the management of the Holding Company based on its internal, external and macro factors, involving certain estimation uncertainties. Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the year under audit. We have determined that there is no key audit matter to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

6. The Holding Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, and such other disclosures included in the company's annual report, excluding the Standalone as well as Consolidated Ind AS financial statements and auditors report thereon ('Other Information'). The other information is expected to be made available to us after the date of this auditors' report. Our opinion on the Consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'

Responsibility of Management for Consolidated Ind AS Financial Statements

7. The Holding 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 Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under prescribed 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 Group 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; 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 Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 Ind AS financial statements. Our audit process in accordance with the SAs is narrated in "Annexure 1" to this report.

Other Matters

9. In view of restricted movements and partial lockdown imposed by the authorities to prevent the spread of COVID-19 Pandemic, the audit finalization processes were carried out from remote locations i.e., other than the Office of the Company, where books of accounts and other records are kept, based on the data/details made available and based on financial information/records remitted by the management through digital medium. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain sufficient and appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.
10. We did not audit the Financials Statements of a subsidiary included in the Group, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 19,126.99 Lakh as at March 31, 2021, total revenue (before consolidation adjustments) of Rs 1,128.50 Lakh, net cash inflow (before consolidation adjustments) of Rs. 1,325.67 Lakh, Group's share of Net loss after tax of Rs. 192.39 and total comprehensive loss of Rs. 192.39 for the year ended on that date, as considered in the consolidated financial results for the year ended March 31, 2021. These Financial Statements have been audited by another auditor whose report has been furnished to us by the Management of the Company. Our opinion on the Consolidated Annual Financial Results, in so far as it relates to the amounts and disclosures included pertaining to the subsidiary, is based solely on the report of another auditor. Our opinion is not modified in respect of this matter.
11. We did not audit the Financial Statements of two subsidiaries which were recently incorporated and included in the Group, whose financial statements reflect total assets of Rs. 2.10 Lakhs as at March 31, 2021, total revenues of Rs. NIL, net cash inflow of Rs. 2.10 Lakhs, Group's share of Net loss after tax of Rs. 0.14 lakhs and other comprehensive loss of Rs. 0.14 lakhs for the year ended on that date, as considered in the consolidated financial statements for the year ended March 31, 2021. These Financial Statements are certified and given to us by the management. Our opinion on the Consolidated Annual Financial Results, in so far as it relates to the

amounts and disclosures included pertaining to these subsidiaries, is based solely on management certified numbers thereof. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

12. As required by section 143(3) of the Act, based on our audit and based on the report of another auditors in respect of the subsidiary not audited by us, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.
- e. On the basis of the written representations received from the directors of the Group as on March 31, 2021, taken on record by the respective Board of Directors, none of the Directors of the Group is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2".
- g. In terms of provisions of section 197(16), in our opinion and according to the information and explanations given to us, the remuneration paid by the Holding company and subsidiaries to its directors

is not in excess of the limits laid down under section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report as under:
 - (i) The Group has disclosed the impact of pending litigations on the financials position in its Consolidated Ind AS financial statements. Refer Note 45 to the Consolidated Ind AS financial statements.
 - (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Group during the year ended March 31, 2021.

For Khimji Kunverji & Co LLP

Chartered Accountants

Firm's Registration No.: 105146W / W-100621

Hasmukh B Dedhia

Partner

Membership No.: 033494

UDIN: 21033494AAAAIA3845

Place: Mumbai

Date: June 10, 2021

Annexure 1 to the Independent Auditors' Report to the Members of Cinline India Limited

[referred to in para 9 titled 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements']

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk

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

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

most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Annexure 2 to the Independent Auditors' Report

[referred to in paragraph 13(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the Consolidated Ind AS financial statements of the Holding Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Cinline India Limited ("hereinafter referred to as "the Holding Company") and its Subsidiary company (the Holding Company and its Subsidiary together referred to as "the Group"), as of that date.

Opinion

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

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its Subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate

internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 the Companies Act, 2013 ("the Act").

Auditors' Responsibility

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

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

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 Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance

with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS 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
- (c) 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 Consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For Khimji Kunverji & Co LLP

Chartered Accountants

Firm's Registration No.: 105146W / W-100621

Hasmukh B. Dedhia

Partner

Membership No.: 033494

UDIN: 21033494AAAAIA3845

Place: Mumbai

Date: June 10, 2021

CONSOLIDATED BALANCE SHEET

as at 31st March, 2021

(₹ in lakhs)

	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
a) Property, plant and equipment	4	31,699.56	695.15
b) Investment property	5	7,307.15	9,588.56
c) Intangible Assets	6	15.80	-
c) Right of use Asset	7	91.27	115.61
d) Financial assets			
i) Loans	8	1,361.99	18,921.79
ii) Other non-current financial assets	9	270.10	-
e) Other non-current assets	10	294.43	83.71
f) Non-current tax assets (net)	11	563.43	494.98
h) Deferred Tax Assets (net)	12	2,080.26	-
Total non-current assets		43,683.99	29,899.80
Current assets			
a) Inventories	13	17.52	-
a) Financial assets			
i) Trade receivables	14	438.90	184.70
ii) Cash and cash equivalents	15	323.63	51.30
iii) Bank balances other than (ii) above	16	2,148.84	0.93
iv) Loans	8	5.32	9.44
v) Other financial assets	9	57.70	743.00
b) Other current assets	10	750.86	145.49
Total current assets		3,742.77	1,134.86
Assets held for sale	17	-	1,482.32
Total assets		47,426.76	32,516.98
Equity and Liabilities			
Equity			
a) Equity share capital	18	1,400.00	1,400.00
b) Other equity	19	11,278.24	10,797.42
Total equity		12,678.24	12,197.42
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	20	31,088.61	16,842.00
ii) Other financial liabilities	21	609.72	659.39
b) Provisions	22	40.79	25.73
c) Deferred tax liabilities (net)	23	608.00	451.05
d) Other non-current liabilities	24	182.59	269.21
Total non-current liabilities		32,529.71	18,247.38
Current liabilities			
a) Financial liabilities			
i) Trade payables	25	-	-
- Dues to Mirco enterprises & small enterprises		628.11	99.39
- Dues to creditors other than Mirco enterprises & small enterprises		1,395.05	1,854.94
ii) Other financial liabilities	21	183.77	110.14
b) Other current liabilities	24	11.88	7.72
c) Provisions	22	-	-
Total current liabilities		2,218.81	2,072.19
Total liabilities		34,748.52	20,319.57
Total equity and liabilities		47,426.76	32,516.98

Notes 1 to 48 form an integral part of these financial statements

As per our audit report of even date

For Khimji Kunverji & Co LLP

Chartered Accountants
Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 10 June 2021

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: 10 June 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended

	Notes	As at 31 March 2021	As at 31 March 2020
Revenue			
Revenue from operations	26	2,857.14	2,566.15
Other income	27	2,583.66	1,654.86
Total		5,440.80	4,221.01
Expenses			
Operating expenses	28	841.71	521.37
Employee benefits expense	29	237.93	171.63
Finance costs	30	2,225.70	1,834.43
Depreciation and amortisation expense	31	793.64	542.48
Other expenses	32	578.24	188.58
Total		4,677.22	3,258.49
Profit before tax		763.58	962.52
Tax expense / (credit)			
Current tax	33	203.53	181.18
MAT credit reversal		255.98	(1.58)
Deferred tax charge / (credit)	33	(175.70)	24.75
Prior year's tax adjustments		1.13	(5.12)
		284.94	199.23
Profit for the year		478.64	763.29
Other comprehensive income / (loss)			
Items that will not be reclassified to statement of profit or loss			
Remeasurement of post employment benefit obligations		3.04	1.40
Income tax effect on above		(0.85)	(0.39)
Other comprehensive income / (loss) for the year (net of tax)		2.19	1.01
Total comprehensive income for the year		480.83	764.30
Earnings per equity share (Face value of ₹ 5 each)	34		
Basic earnings per share		1.71	2.73
Diluted earnings per share		1.71	2.73

Notes 1 to 48 form an integral part of these financial statements

As per our audit report of even date

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

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 10 June 2021

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: 10 June 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2021

A Equity share capital

(₹ in lakhs)

Particulars	Note	No. of shares	Amount
Issued, subscribed and fully paid up			
Equity shares of ₹ 5 each			
Balance as at 31 March 2019	15	28,000,000	1,400.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2020	15	28,000,000	1,400.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2021	15	28,000,000	1,400.00

B Other equity

(₹ in lakhs)

Particulars	Reserves and surplus					Total
	Securities premium reserve	General reserve	Capital redemption reserve	Furniture Fixture & Expenditure Reserve	Retained earnings	
Balance as at 31 March 2019	3,564.00	55.00	17.02	-	6,397.10	10,033.12
Profit for the year	-	-	-	-	763.29	763.29
Other comprehensive income	-	-	-	-	1.01	1.01
Balance as at 31 March 2020	3,564.00	55.00	17.02	-	7,161.40	10,797.42
Profit for the year	-	-	-	-	478.64	478.64
Other comprehensive income	-	-	-	-	2.20	2.20
Transferred to Furniture Fixture & Expenditure Reserve	-	-	-	50.15	(50.15)	-
Expenses from Furniture Fixture & Expenditure Reserve	-	-	-	(2.88)	2.88	-
Balance as at 31 March 2021	3,564.00	55.00	17.02	47.27	7,594.95	11,278.25

As per our audit report of even date

For Khimji Kunverji & Co LLP

Chartered Accountants
Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 10 June 2021

For and on behalf of the Board of Directors

Rasesh B. Kanakia **Himanshu B. Kanakia**
Chairman Managing Director
DIN: 00015857 DIN: 00015908

Vipul N. Parekh **Rashmi Shah**
Chief Financial Officer Company Secretary

Place: Mumbai
Date: 10 June 2021

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2021

(₹ in lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Cash flow from operating activities		
Profit before tax	766.62	962.52
Adjustments for:		
Depreciation expense	793.64	542.48
(Profit)/Loss on sale of assets	108.89	(31.55)
Provision for doubtful debts	-	64.40
Provisions and balances no longer required written back	-	(0.80)
Finance costs	2,223.49	1,825.83
Interest income	(2,424.01)	(1,541.73)
(Gain) / Loss due to modification of lease liability	-	(11.97)
Operating profit before working capital changes	1,468.63	1,809.18
Changes in working capital		
Inventories	(0.80)	-
Trade receivables	(27.79)	27.79
Other assets	208.73	(783.21)
Trade payables	2.48	82.91
Provisions	(4.83)	0.29
Financial liabilities	(1,579.38)	1,360.53
Cash generated from operations	67.04	2,497.49
Income taxes paid / refunds (net)	(273.11)	(369.61)
Net cash generated from operating activities	(206.07)	2,127.88
Cash flow from investing activities:		
Sale of property, plant and equipment (including capital advances and capital work in progress)	3,354.29	11,844.01
Interest received	2,426.95	-
Other assets	17,570.09	(15,648.91)
Acquisition of subsidiary	(8,782.25)	-
Net cash generated from / (used) in investing activities	14,569.07	(3,804.90)
Cash flow from financing activities:		
Interest paid	(2,183.40)	(1,800.58)
Interest paid on lease liability	(35.08)	(18.17)
Repayment of principal towards lease liability	(24.34)	(13.60)
Net proceeds / (repayments) of long term borrowings	(9,699.94)	1,346.49
Net cash used in financing activities	(11,942.76)	(485.86)
Net decrease / (increase) in cash and cash equivalents	2,420.24	(2,162.88)
Cash and cash equivalents as at the beginning of the year	51.30	2,214.18
Cash and cash equivalents as at the end of the year	2,471.54	51.30
Notes to cash flow statement	As at 31 March 2021	As at 31 March 2020
Cash on hand	8.36	0.58
Balances with banks - in current accounts	315.27	50.72
Other Bank Balance in fixed deposits	2,147.91	-
	2,471.54	51.30

As per our audit report of even date

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

Hasmukh B. Dedhia
Partner
Membership No. : 033494

Place: Mumbai
Date: 10 June 2021

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: 10 June 2021

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

1. Corporate information

Cineline India Limited (the 'Company') is a company domiciled in India, incorporated under the Companies Act, 1956 on 22 May 2002. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company and its consolidated subsidiary (collectively referred to as "Group") are principally engaged into the business of renting out premises and operating windmills.

2. Significant accounting policies

a. Statement of Compliance:

The Holding Company has prepared the consolidated financial statements of the Group which comprise the balance sheet as at 31 March 2021, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the year ended 31 March 2021, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "consolidated financial statements").

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

b. Basis of consolidation

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

The consolidated financial statements incorporate the results of Cineline India Limited and its subsidiary, being the entity that it controls. The financial statements of the subsidiary is prepared for the same reporting year as the Parent Company, using consistent accounting policies to the extent applicable. The financial statements of the Group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. The intra-group balances, intra-group transactions and resulting unrealised profits and losses have been fully eliminated.

- **Following company has been considered in the preparation of Consolidated financial statements:**

Name of the Subsidiary Company	% holding as at	
	March 31, 2021	March 31, 2020
Transquare Realty Private Limited	100%	100%
R&H Spaces Private Limited (w.e.f 01 January 2021)	100%	-
Cineline Industries Private Limited (w.e.f 19 February 2021)	100%	-
Cineline Realty Private Limited (w.e.f 04 February 2021)	100%	-

c. Basis of preparation

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

- Certain financial assets and liabilities have been measured at fair value (refer accounting policy regarding financial instruments); and

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

- **Defined benefit plans** – measured using actuarial valuation.

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

Functional and presentation currency

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

Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

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

d. Critical estimates and judgements

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

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

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

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

e. Revenue recognition

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

i. Leased operations and windmill income

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

ii. Other income

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

f. Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease.

i. The Group as lessee

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

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

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

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

ii. The Group as lessor

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

g. Income taxes

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

Current tax

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

Deferred tax

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

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

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

Minimum alternate tax

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

h. Financial instruments

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

i. Recognition, initial measurement and derecognition

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

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

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

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

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

ii. Subsequent Measurement

Non-Derivative Financial Instruments

Financial assets carried at amortised cost

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

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

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

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

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

Financial liabilities

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

iii. Impairment of financial assets

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

i. Equity shares

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

j. Cash and cash equivalents and Cash Flows

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

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

k. Property, plant and equipment (including capital work-in-progress)

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.

Assets acquired but not ready for use or assets under construction are classified under capital work in progress and are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

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

l. Depreciation

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

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

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.

m. 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.

n. 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.

o. 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 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.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

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

p. 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.

q. 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 recognized in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss in the subsequent period

- **Other long-term employee benefits**

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

- 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.

r. Provisions, contingent liabilities and contingent assets

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

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

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

s. 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.

t. 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.

u. 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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

v. Foreign Currency transactions

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

w. Inventories

Stock of food and beverages are valued at lower of cost, (computed on a moving weighted average basis, net of taxes) or net realizable value. Cost includes all expenses incurred in bringing the goods to their present location and condition.

x. Derivative financial instruments and hedge accounting

The Group enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost. The Company formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognized financial liabilities ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Group's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a fair value hedge under Ind AS 109, 'Financial Instruments'.

Recognition and measurement of fair value hedge

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

Hedged item (recognized financial liability) is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The hedging gain or loss on the hedged item is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effect is recognized in the Statement of Profit and Loss.

Derecognition

On Derecognition of the hedged item, the unamortized fair value of the hedging instrument adjusted to the hedged item, is recognized in the Statement of Profit and Loss.

3. Recent accounting pronouncements

Ministry of Corporate Affairs notifies amendments to the existing standards. There is no such notification which would have been applicable from 1st April 2020.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

(₹ in lakhs)

Particulars	Land at Goa	Building	Plant and equipment	Consumables	Kitchen Equipments	Theatre furniture and fixtures	Electricals Fittings	Other furniture, fixtures and office equipments	Computers	Vehicles	Wind energy generator	Total
Gross block												
Balance as at 31 March 2019	-	-	1.00	-	-	0.49	-	51.65	1.14	14.71	942.76	1,011.76
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	-	1.00	-	-	0.49	-	51.65	1.14	14.71	942.76	1,011.75
Opening balance of assets acquired during the year	10,090.23	21,748.00	1,740.32	997.14	785.43	-	937.62	630.07	557.29	49.39	-	37,535.48
Additions	-	-	-	-	-	-	1.37	2.88	-	-	-	4.25
Sale during year	-	-	-	-	-	-	-	-	-	(7.42)	-	(7.42)
Balance as at 31 March 2021	10,090.23	21,748.00	1,741.32	997.14	785.43	0.49	939.00	684.60	558.43	56.68	942.76	38,544.06
Accumulated depreciation												
Balance as at 31 March 2019	-	-	1.00	-	-	0.32	-	36.89	0.79	8.03	197.78	244.81
Depreciation charge for the year	-	-	-	-	-	0.08	-	2.84	0.26	2.67	65.92	71.78
Balance as at 31 March 2020	-	-	1.00	-	-	0.40	-	39.73	1.05	10.70	263.70	316.58
Accumulated depreciation on assets acquired	-	2,294.98	938.53	829.32	430.29	-	602.08	434.73	505.96	31.40	-	6,067.28
Depreciation charge for the year	-	251.34	41.98	26.65	18.59	0.06	26.95	22.79	8.55	4.47	65.94	467.33
Reversal on disposals	-	-	-	-	-	-	-	-	-	(6.71)	-	(6.71)
Balance as at 31 March 2021	-	2,546.32	981.51	855.97	448.88	0.47	629.03	497.25	515.56	39.86	329.64	6,844.48
Net block												
Balance as at 31 March 2021	10,090.23	19,201.68	759.81	141.17	336.55	0.02	309.97	187.35	42.87	16.82	613.12	31,699.56
Balance as at 31 March 2020	-	-	-	-	-	0.09	-	11.92	0.09	4.01	679.06	695.15

** 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 20)

Note 4: Property, plant and equipment

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 5: Investment property

(₹ in lakhs)

Particulars	Freehold lands	Theatre and mall buildings **	Other buildings **	Total
Balance as at 31 March 2019	1,971.68	3,118.92	17,227.81	22,318.41
Additions	-	-	80.21	80.21
Sales during the year	-	-	10,884.26	10,884.26
Transferred to asset held for sale	-	-	1,482.32	1,482.32
Depreciation charge for the year	-	191.17	252.31	443.48
Balance as at 31 March 2020	1,971.68	2,927.74	4,689.14	9,588.56
Additions	-	-	8.57	8.57
Sales during the year	-	-	1,988.70	1,988.70
Depreciation charge for the year	-	191.21	110.07	301.28
Balance as at 31 March 2021	1,971.68	2,736.53	2,598.93	7,307.15

Notes:

(a) Fair value of investment property

(₹ in lakhs)

Particulars	As at 31 March 2021
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.

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

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

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Rental income from investment property (refer note 26)	1,565.14	2,151.16
Direct operating expenses arising from investment property that generated rental income during the period (refer note 28)	372.55	521.37
Direct operating expenses arising from investment property that did not generate rental income during the period (refer note 28)	17.11	-

** (b) Investment properties have been lien marked towards loan facility availed from Aditya Birla Finance Limited (also refer note 20).

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 6: Intangible assets

(₹ in lakhs)

Particulars	Computer Software
Balance as at 31 March 2020	-
Additions/Acquisition	16.49
Sales during the year	-
Depreciation charge for the year	0.68
Balance as at 31 March 2021	15.80

Note 7: Right of use asset

(₹ in lakhs)

Particulars	Lease asset
Balance as at 31 March 2019	-
Additions	142.84
Sales during the year	-
Depreciation charge for the year	27.23
Balance as at 31 March 2020	115.61
Additions	-
Sales during the year	-
Depreciation charge for the year	24.34
Balance as at 31 March 2021	91.27

Note 8: Loans

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Loans receivable considered good –Secured	-	-	-	-
Loans receivable considered good –Unsecured				
Loan to related party	1,349.73	-	18,919.81	-
Security deposits	12.26	5.32	1.98	9.44
Loans receivable which has significant increase in credit risk	-	-	-	-
Loans receivable – credit impaired	-	-	-	-
Total	1,361.99	5.32	18,921.79	9.44

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 9: Other financial assets

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Security Deposits	-	54.76	-	-
Others	-	-	-	-
Derivative Assets	270.10	-	-	-
Interest Receivable on Loans	-	2.94	-	-
Receivable against sale of Property, Plant & Equipment (Wallstreet Unit)	-	-	-	743.00
Total	270.10	57.70	-	743.00

Note 10: Other assets

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Prepaid expenses	-	67.51	-	12.90
Deferred rent expense	-	5.02	-	6.36
Unamortised processing fees for loan	294.43	37.94	83.71	6.79
Lease equalisation reserve	-	596.29	-	99.86
Advance to suppliers	-	15.00	-	19.58
Balances with government authorities	-	34.72	-	5.63
Less: Provision for doubtful advances	-	(5.63)	-	(5.63)
Total	294.43	750.86	83.71	145.49

Note 11: Non-current tax assets

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Advance tax (net of provision for tax of ₹ 1,269.45 Lakhs (PY ₹ 1,375.87 Lakhs))	563.43	494.98
Total	563.43	494.98

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 12: Deferred tax assets

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Deferred tax liability		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	383.64	-
	383.64	-
Deferred tax assets		
Provision for:		
Gratuity	5.62	-
Compensated absences	1.58	-
Accumulated unabsorbed depreciation	2,158.24	-
Accumulated business loss	170.06	-
Foreign exchange fluctuation	36.49	-
43B disallowance	91.90	-
	2,463.90	-
Deferred tax Assets	2,080.26	-

Note 13: Inventories

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Food & Beverages	17.52	-
Total	17.52	-

Note 14: Trade receivables

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Trade receivables considered good –Secured	-	-
Trade receivables considered good –Unsecured	438.90	184.70
Trade receivables which has significant increase in credit risk		
Trade receivables – credit impaired	73.40	73.40
Less: Provision for doubtful debts	(73.40)	(73.40)
Total	438.90	184.70

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 15: Cash and cash equivalents

	(₹ in lakhs)	
	As at 31 March 2021	As at 31 March 2020
Balances with banks - in current accounts	315.27	50.72
Cash on hand	8.36	0.58
Total	323.63	51.30

Note 16: Other bank balances

	(₹ in lakhs)	
	As at 31 March 2021	As at 31 March 2020
Unclaimed dividend account	0.93	0.93
Deposits with original maturity of less than twelve months	2,147.91	-
Total	2,148.84	0.93

Note 17: Assets held for sale

	(₹ in lakhs)	
	As at 31 March 2021	As at 31 March 2020
Assets held for sale	-	1,482.32
Total	-	1,482.32

Note 18: Equity share capital

	(₹ in lakhs)	
	Number of shares	Amount
Authorised share capital		
Equity shares of ₹ 5 each		
Total authorised equity share capital as at 31 March 2020	8,00,00,000	4,000.00
Change during the year	-	-
Total authorised equity share capital as at 31 March 2021	8,00,00,000	4,000.00
Preference shares of ₹ 10 each		
Total authorised preference share capital as at 31 March 2020	2,50,000	25.00
Change during the year	-	-
Total authorised preference share capital as at 31 March 2021	2,50,000	25.00

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Issued, subscribed and paid-up equity share capital:

	(₹ in lakhs)	
	Number of shares	Amount
Equity shares of ₹ 5 each		
Balance as at 31 March 2019	2,80,00,000	1,400.00
Change during the year	-	-
Balance as at 31 March 2020	2,80,00,000	1,400.00
Change during the year	-	-
Shares issued and fully paid as at 31 March 2021	2,80,00,000	1,400.00

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

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 5 each				
Himanshu B. Kanakia	95,11,424	33.97%	95,11,424	33.97%
Rasesh B. Kanankia	95,11,524	33.97%	95,11,524	33.97%
	1,90,22,948	67.94%	1,90,22,948	67.94%

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

Note 19: Other equity

	Sub-note	(₹ in lakhs)	
		As at 31 March 2021	As at 31 March 2020
Securities premium reserve	(i)	3,564.00	3,564.00
Capital redemption reserve	(ii)	17.02	17.02
General reserve	(iii)	55.00	55.00
Furniture Fixture & Expenditure Reserve	(iv)	47.27	-
Retained earnings	(v)	7,594.96	7,161.40
Total		11,278.24	10,797.42

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

(₹ in lakhs)

(i) Securities premium reserve	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	3,564.00	3,564.00
Change during the year	-	-
Balance at the end of the year	3,564.00	3,564.00

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

(₹ in lakhs)

(ii) Capital redemption reserve	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	17.02	17.02
Change during the year	-	-
Balance at the end of the year	17.02	17.02

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

(₹ in lakhs)

(iii) General reserve	As at 31 March 2021	As at 31 March 2020
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.

(₹ in lakhs)

(iv) Furniture Fixture & Expenditure Reserve	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	-	-
Add: Additions during the year	50.15	-
Less: Expenses during the year	2.88	-
Balance at the end of the year	47.27	-

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

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.

(₹ in lakhs)

(v)	Retained earnings	As at 31 March 2021	As at 31 March 2020
	Balance at the beginning of the year	7,161.40	6,397.10
	Add : Profit for the year	478.64	763.29
	Less: Transferred to Furniture Fixture & Expenditure Reserve	(50.15)	-
	Add: Expenses from Furniture Fixture & Expenditure Reserve	2.88	-
	Items of other comprehensive income / (loss) recognised directly in retained earnings		
	- Remeasurement of net defined benefit liability	2.19	1.01
	Balance at the end of the year	7,594.96	7,161.40

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

Note 20: Non-current financial liabilities - borrowings

(₹ in lakhs)

	Interest rate	Maturity date	As at 31 March 2021	As at 31 March 2020	Remarks
Secured					
Term loan from financial institution-ABFL	10%	January 2034	13,128.26	12,733.00	Refer note (a) below
Line of credit from financial institution-ABFL	10%	January 2034	4,584.34	4,405.00	Refer note (a) below
Emergency credit line guarantee scheme (ECLGS)-ABFL	11%	March 2026	882.00	-	Refer note (b) below
External commercial borrowing (ECB) from banks-Axis Bank	5%	December 2025	3,291.89	-	Refer note (c) below
Term Loan from Bank-Axis Bank	10%	March 2033	8,485.24	-	Refer note (c) below
Emergency credit line guarantee scheme (ECLGS)-Axis Bank	9%	February 2026	1,721.23	-	Refer note (d) below
Vehicle Loan from financial institution	9%	October 2023	5.98	-	Refer note (e) below
Total borrowings			32,098.93	17,138.00	
Less: Current maturities of loan			(1,010.32)	(296.00)	
Total			31,088.61	16,842.00	

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

- (a) Term loan & line of credit taken from Aditya Birla Finance Limited is secured against:
- i) First and exclusive charge / hypothecation of:
 - 1) All rental receivables arising out of leasing of following properties:
 - a) Theatre buildings
 - b) Boomerang properties
 - c) Commercial spaces to multiple brands at Eternity mall, Nagpur
 - 2) All income / receivables from sale of power from two windmills
 - 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 20 (a) (i) & (ii)
- (c) External commercial borrowing (ECB) and term loan taken from Axis Bank is secured against:
- i) Exclusive EM / RM charge on the land & building of the company
 - ii) Exclusive hypothecation charge on the entire moveable fixed assets
 - iii) Exclusive charge on the entire current assets
 - iv) Hypothecation on all receivables
 - v) Pledge of shares to the extent of 29.99% of the total paid up capital of the R & H Spaces Private Limited
 - 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 20 (c) (i) to (vi)
- (e) Vehicle loans taken from banks and financial institutions are secured against mortgaged vehicles

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Net debt reconciliation

	(₹ in lakhs)	
	As at 31 March 2021	As at 31 March 2020
Non-current borrowings (including current maturities)	32,098.93	17,138.00
Cash and cash equivalents	2,472.48	51.30
Net debt	29,626.46	17,086.70

	(₹ in lakhs)	
	As at 31 March 2021	As at 31 March 2020
Balance as at 31 March 2020	51.30	17,138.00
Cash flows (net)	2,421.18	14,960.93
Balance as at 31 March 2021	2,472.48	32,098.93

Note 21: Other financial liabilities

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Current maturities of loans (refer note 20)	-	1,010.32	-	296.00
Interest accrued but not due on borrowings	-	78.57	-	83.59
Unclaimed dividends	-	0.93	-	0.93
Earnest money deposit	-	6.81	-	1,380.49
Other payables	-	242.98	-	50.00
Salary and reimbursements	-	32.05	-	15.62
Security deposits	609.72	16.77	659.39	24.94
Deposits refundable	-	6.62	-	3.37
Total	609.72	1,395.05	659.39	1,854.94

Note 22: Provisions

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Provision for employee benefits obligations (refer note 35)	40.79	11.88	25.73	7.72
Total	40.79	11.88	25.73	7.72

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 23: Deferred tax liabilities

	(₹ in lakhs)	
	As at 31 March 2021	As at 31 March 2020
Deferred tax liability		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	878.37	905.46
Amortisation of Processing fees for term loan	24.38	25.18
Lease equalisation reserve	173.64	27.78
	1,076.39	958.42
Deferred tax assets		
Provision for:		
Doubtful debts	23.01	21.98
Gratuity	7.29	6.77
Compensated absences	0.84	2.54
Bonus	0.02	0.97
Net lease expense on right of use asset	2.26	0.46
43B disallowance	216.29	-
MAT credit entitlement	218.67	474.65
	468.38	507.37
Deferred tax liabilities	608.00	451.05

Note 24: Other liabilities

	(₹ in lakhs)			
	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Deferred income	83.55	-	151.94	-
Lease liability on right of use asset	99.05	-	117.27	-
Advances from customers	-	64.55	-	35.64
Statutory dues payable	-	119.22	-	74.50
Total	182.59	183.77	269.21	110.14

Note 25: Trade payables

	(₹ in lakhs)	
	As at 31 March 2021	As at 31 March 2020
Dues to Mirco enterprises & small enterprises (refer note 40)	-	-
Dues to creditors other than Mirco enterprises & small enterprises	628.11	99.39
Total	628.11	99.39

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 26: Revenue from operations

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Rental income		
Space rentals	1,332.81	1,930.96
Rental income ATS/BTS	68.26	72.95
Common area maintenance	164.07	220.20
	1,565.14	2,224.11
Advertisement income	4.38	34.63
Income from car parking	22.67	132.88
Sale of power (refer note 46)	152.83	174.53
Room & banquet income	927.06	-
Food & beverages income	185.07	-
	1,292.00	342.04
Total	2,857.14	2,566.15

Note 27: Other income

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Interest income	2,424.01	1,541.73
Sundry balances written back	-	0.80
Gain due to modification of lease liability	-	11.97
Profit on sale of assets	-	31.55
Financial liabilities measured at amortised cost	40.99	63.64
Provision no longer required written back	2.28	-
Miscellaneous income	116.37	5.17
Total	2,583.66	1,654.86

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 28: Operating expenses

	(₹ in lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Power and fuel	18.12	49.56
Rates and taxes		
Property tax	175.60	196.36
Others	31.75	22.45
	207.34	218.81
Repairs and maintenance		
Building	44.41	60.25
Common area maintenance	44.78	67.67
Cleaning charges	7.08	23.38
Plant and equipments	0.33	4.24
Others	60.83	69.32
	157.43	224.86
Security charges	6.00	25.05
Other operating expenses	0.76	3.09
Food, beverages and other hotel expenses	452.05	-
Total	841.71	521.37

Note 29: Employee benefits expense

	(₹ in lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Salaries and bonus	210.10	150.92
Contribution to provident and other funds (refer note 35)	16.54	11.28
Staff welfare expenses	11.29	9.43
Total	237.93	171.63

Note 30: Finance costs

	(₹ in lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Interest expense		
on term loan	2,121.97	1,736.28
on vehicle loan	0.12	-
on others	59.53	71.38
Finance charges	30.54	8.60
Interest on lease liability	13.54	18.17
Total	2,225.70	1,834.43

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 31: Depreciation and amortisation expense

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation and amortisation on property, plant and equipment (refer note 4)	467.33	71.77
Depreciation on investment property (refer note 5)	301.28	443.48
Depreciation on right of use asset (refer note 7)	24.34	27.23
Amortisation of Intangible Assets (refer note 6)	0.68	-
Total	793.64	542.48

Note 32: Other expenses

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Rent (refer note 41)	1.49	1.25
Travelling and conveyance	4.98	3.72
Communication expenses	0.55	2.07
Insurance	20.43	8.80
Legal and professional fees	122.74	37.52
Loss on Sale of Assets	108.89	-
Directors' sitting fees	3.05	2.90
Advertising and publicity	1.46	3.03
Marketing and sales promotion	1.42	4.10
Auditor's remuneration (refer note (a) below)	8.45	8.26
Bank charges	0.64	0.06
Printing and stationery	0.66	4.23
Provision for doubtful debts	-	64.40
Contribution towards corporate social responsibility (refer note 42)	26.00	41.76
Donation	-	0.63
Commission & brokerage	98.37	1.50
Foreign Exchange Fluctuation Loss	25.46	-
Modification on Lease Income Straightlining	99.86	-
Business Promotion Expenses	4.18	-
Repairs & Maintainance	41.36	-
Miscellaneous expenses	8.25	4.38
Total	578.24	188.58
a) Auditor's remuneration (exclusive of taxes)		
- Statutory audit fees	8.41	8.12
- Out of pocket expenses	0.04	0.14
Total	8.45	8.26

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 33: Current tax

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

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Current tax		
Current tax on profits for the year	203.53	181.18
Adjustments for current tax of prior periods	1.13	(5.12)
Reversal of MAT credit	255.98	(1.58)
Deferred tax charge / (credit)		
In respect of current year origination and reversal of temporary differences	(175.70)	24.75
Total tax expense	284.94	199.23

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

(₹ in lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Accounting profit before income-tax	763.58	962.52
Applicable Indian statutory income-tax rate	29.12%	27.82%
Computed tax expense	222.35	267.77
Tax effect of items deductible in calculating tax income (net)	(185.37)	(47.99)
Effect of income that is exempt from tax	(9.16)	(13.85)
MAT credit reversal / (creation)	255.98	(1.58)
Adjustment of current tax of prior periods	1.13	(5.12)
Income-tax expense reported in the statement of profit and loss	284.94	199.23

Note 34: Earnings per share

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
The numerators and denominators used to calculate the basic and diluted earnings per share are as follows:		
Net profit attributable to shareholders for basic/diluted earnings per share (₹ in lakhs)	478.64	763.29
Weighted average number of equity shares for basic/diluted earnings per share (in lakhs)	280.00	280.00
Basic earnings per share (₹)	1.71	2.73
Diluted earnings per share (₹)	1.71	2.73

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 35: Employee benefits

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Gratuity	35.82	8.53	18.93	5.40
Compensated absences	4.97	3.35	6.80	2.32
Total	40.79	11.88	25.73	7.72

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

(₹ in lakhs)

	Gratuity benefits	
	As at 31 March 2021	As at 31 March 2020
Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	36.02	23.28
Interest cost	2.15	1.63
Service Cost	16.37	3.37
Benefits paid	(2.21)	(2.56)
Actuarial losses/(gains) on obligation	(7.98)	(1.40)
Closing defined benefit obligation	44.35	24.32
Amount recognised in the balance sheet:		
Liability at the beginning of the year	36.02	23.28
Current year's expense	18.52	5.00
Transferred to OCI	(7.98)	(1.40)
Contributions by employer	(2.21)	(2.56)
Liability recognised in the Balance Sheet	44.35	24.32
Expense recognised in the statement of profit and loss:		
Service cost	16.37	3.37
Interest cost	2.15	1.63
	18.52	5.00

(₹ in lakhs)

	As at 31 March 2021	As at 31 March 2020
Expense/(income) recognised in the other comprehensive income:		
Actuarial loss / (gain) on defined benefit obligations	(7.98)	(1.40)
Net expense / (income) recognised in the total comprehensive income	(7.98)	(1.40)
Breakup of actuarial gain/loss		
Actuarial (gain) / loss arising from change in financial assumption	0.93	(1.43)
Actuarial (gain) / loss arising from experience adjustment	(8.91)	0.04
	(7.98)	(1.40)

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Assumptions used in Cinline India Limited

Actuarial assumptions used

	As at 31 March 2021	As at 31 March 2020
Discount rate (per annum)	6.60%	6.60%
Salary growth rate (per annum)		
-for first year	NIL	NIL
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%

Demographic assumptions used

	As at 31 March 2021	As at 31 March 2020
Mortality table	IALM(2012-14)	IALM(2012-14)
Retirement age	60 years	60 years
Average remaining life (years)	7.06	7.21
Withdrawal rates for all ages	12% per annum	12% per annum

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

Assumptions used in R & H Spaces Private Limited

Actuarial assumptions used

	As at 31 March 2021	As at 31 March 2020
Discount rate (per annum)	4.60%	5.30%
Salary growth rate (per annum)		
-for first year	NIL	NIL
-for second year	5.00%	5.00%
-thereafter	10.00%	7.00%

Demographic assumptions used

	As at 31 March 2021	As at 31 March 2020
Mortality table	IALM(2012-14)	IALM(2012-14)
Retirement age	58 years	58 years
Average remaining life (years)	2.51	2.50
Withdrawal rates for all ages	40% 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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

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 2021.

(₹ in lakhs)

	As at 31 March 2021		As at 31 March 2020	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
Increase/ (decrease) in the defined benefit liability	(1.94)	2.15	(1.47)	1.66
Salary escalation rate				
Increase/ (decrease) in the defined benefit liability	1.71	(1.57)	1.38	(1.25)
Withdrawal rates				
Increase/ (decrease) in the defined benefit liability	(0.39)	0.43	(0.23)	0.26

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

Compensated absences of Cinline India Limited

The Company has a defined benefit compensated absences plan. Employees are eligible to avail the unutilised accumulated compensated absences subject to the maximum of forty five days. Leaves accumulated are not encashable. The obligation for compensated absences is recognised in the same manner as gratuity and net charge to the statement of profit and loss for the year is ₹5.98 lakhs (Previous year: net charge of ₹0.06 lakhs).

Actuarial assumptions used

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate	6.60%	6.60%
Expected salary escalation rate		
-for first year	NIL	NIL
-for second year	5.00%	5.00%
-thereafter	10.00%	10.00%
Mortality table	IALM(2012-14)	IALM(2012-14)
Withdrawal rate	12% per annum	12% per annum

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 ₹7.13 lakhs (Previous year: net charge of ₹1.79 lakhs).

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Actuarial assumptions used

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate	4.60%	5.30%
Expected salary escalation rate		
-for first year	NIL	NIL
-for second year	5.00%	5.00%
-thereafter	10.00%	7.00%
Mortality table	IALM(2012-14)	IALM(2012-14)
Withdrawal rate	40% per annum	40% per annum

Note 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 Jatin Shah (upto Sep 20) Rashmi Shah (from Nov 20)
Entities under common control	Kanakia Spaces Realty Private Limited Kanakia Residential Private Limited RBK Education Solutions Private Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

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

b) Transactions during the year

Particulars	Nature of relationship	(₹ in lakhs)	
		As at 31 March 2021	As at 31 March 2020
Loan Received			
Himanshu B Kanakia	Director	36.89	-
Rasesh B Kanakia	Director	379.49	-
Loan Repayment			
Himanshu B Kanakia	Director	4,894.86	-
Rasesh B Kanakia	Director	8,115.88	-
Loan given			
Kanakia Spaces Realty Private Limited	Entity under common control	536.48	18,468.29
Deposit given			
Kanakia Spaces Realty Private Limited	Entity under common control	-	5.03
Loan given received back			
Kanakia Spaces Realty Private Limited	Entity under common control	-	1,729.17
Loan received back			
Kanakia Spaces Realty Private Limited	Entity under common control	17,578.61	81.87
Interest received from			
Kanakia Spaces Realty Private Limited	Entity under common control	2,405.69	1,148.14
Cost reimbursement received			
Kanakia Spaces Realty Private Limited	Entity under common control	-	396.51
Advertisement income			
Babubhai Kanakia Foundation	Entity under common control	-	1.92
RBK Education Solutions Private Limited	Entity under common control	-	1.13
Rent expense			
Kanakia Spaces Realty Private Limited	Entity under common control	31.77	31.77
Property tax & CAM expense			
Kanakia Spaces Realty Private Limited	Entity under common control	88.75	-
Rent income			
RBK Education Solutions Private Limited	Entity under common control	2.64	-

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Particulars	Nature of relationship	As at 31 March 2021	As at 31 March 2020
Reimbursement of expenses			
Kanakia Spaces Realty Private Limited	Entity under common control	7.71	3.63
Manisha Vora	Relative of director	0.95	3.26
Jatin Shah	KMP	-	1.10
Rashmi Shah	KMP	1.34	-
Professional fees paid			
Manisha Vora (from 1 August 2019)	Relative of director	8.04	10.08
Vipul Parekh	KMP	1.50	-
Remuneration paid			
Rasesh B. Kanakia	Director	0.33	16.00
Himanshu B. Kanakia	Director	0.33	16.00
Hiral H. Kanakia	Director	0.31	15.00
Jatin Shah (upto 30th September 2020)	KMP	5.38	10.05
Manisha Vora	Relative of director	-	3.19
Rashmi Shah (from 01st November 2020)	KMP	2.82	-

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

Note 36: Related party transactions (contd.)

c) Balances outstanding at the year end

Particulars	Nature of relationship	As at 31 March 2021	As at 31 March 2020
(₹ in lakhs)			
Loan given			
Kanakia Spaces Realty Private Limited	Entity under common control	1,349.73	18,919.81
Trade Receivables			
Babubhai Kanakia Foundation	Entity under common control	-	0.08
RBK Education Solutions Private Limited	Entity under common control	-	0.28
Security deposit			
Kanakia Spaces Realty Private Limited	Entity under common control	15.88	15.88
Trade payables			
Kanakia Spaces Realty Private Limited (reimbursement of expenses)	Entity under common control	-	1.37
Manisha Vora	Relative of director	0.81	1.13
Vipul Parekh	KMP	0.46	-
Rashmi Shah	KMP	0.56	-

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Particulars	Nature of relationship	As at 31 March 2021	As at 31 March 2020
Property tax & CAM payable Kanakia Residential Private Limited	Entity under common control	45.07	-
Rent payable Kanakia Spaces Realty Private Limited	Entity under common control	8.78	-
Other payables Kanakia Spaces Realty Private Limited	Entity under common control	-	8.34
Rashmi Shah	KMP	0.26	-
Interest receivable Kanakia Spaces Realty Private Limited	Entity under common control	2.87	-

Note 37: 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:

Particulars	As at 31 March 2021			As at 31 March 2020		
	Leased Assets	Hospitality	Total	Leased Assets	Hospitality	Total
Segment Revenue	4,312.30	1,128.50	5,440.80	4,221.01	-	4,221.01
Segment Result Profit/(Loss) before tax and interest	3,009.14	(19.05)	2,990.09	2,796.95	-	2,796.95
Add : Unallocated	-	-	(0.81)	-	-	-
Total			2,989.28			2,796.95
Less: Interest			2,225.70			1,834.43
Total Profit before Tax			763.58			962.52
Segment Assets	11,969.27	35,436.53	47,405.79	32,514.36	-	32,514.36
Add : Unallocated	-	-	20.97	-	-	2.62
Total Assets			47,426.76			32,516.98
Segment Liabilities	20,398.49	14,349.38	34,747.87	20,319.57	-	20,319.57
Add : Unallocated	-	-	0.65	-	-	-
Total Liabilities			34,748.52			20,319.57

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 38.1: Financial instruments

i) Financial instruments by category

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Financial assets		
Measured at amortised cost		
Loans - Non current	1,361.99	18,921.79
Loans - Current	5.32	9.44
Trade Receivables	438.90	184.70
Cash and cash equivalents	323.63	51.30
Other Bank balances	2,148.84	0.93
Other financial assets	57.70	743.00
Total	4,336.38	19,911.15
Financial liabilities		
Measured at amortised cost		
Borrowings (including current maturity)	32,098.93	17,138.00
Trade payables	628.11	99.39
Other financial liabilities - Non current	609.72	659.39
Other financial liabilities - Current	384.73	1,558.94
Total	33,721.49	19,455.73

- (a) The carrying value of trade and other receivables, security deposits, cash and bank balances and other financial assets recorded at amortised cost, is considered to be a reasonable approximation of fair value.
- (b) The carrying value of borrowings, trade payables, other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

ii) Fair values heirarchy and method of valuation

Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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 entity specific estimates.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Valuation process and technique used to determine fair value

The fair values for instruments at amortised cost are based on discounted cash flows using a discount rate determined based on market interest rate for an equivalent instrument.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 38.2: Risk Management

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

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

A) Credit risk

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

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

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

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

B) Liquidity risk

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

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

Contractual maturities of financial liabilities

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

(₹ in lakhs)

31 March 2021	Up to 1 year	1-5 years	More than 5 years	Total
Derivatives				
Borrowings	250.02	1,336.97	-	1,586.98
Non-derivatives				
Borrowings	733.55	10,752.11	19,026.29	30,511.95
Trade payables	628.11	-	-	628.11
Other financial liabilities	384.73	609.72	-	994.44
Total	1,996.39	12,698.80	19,026.29	33,721.48

(₹ in lakhs)

31 March 2020	Up to 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	296.00	2,336.00	14,506.00	17,138.00
Trade payables	99.39	-	-	99.39
Other financial liabilities	1,558.94	659.39	-	2,218.35
Total	1,954.34	2,995.39	14,506.00	19,455.74

C) Market risk - foreign exchange

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.

The primary market risk to the Company is foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. The Company evaluates exchange rate exposure arising from foreign currency transactions. It uses derivative instruments like forward contracts to hedge exposure to foreign currency risk.

Amounts payable in foreign currency on account of the following:

Payable towards	As at 31 March 2021		As at 31 March 2020	
	₹	USD	₹	USD
ECB loan from Axis Bank	32,91,89,426	44,96,908	-	-

The above table represents total exposure of the Company towards foreign exchange denominated liabilities.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

The details of exposures hedged using forward exchange contracts and the details of unhedged exposures are given below:

a) Exposure in foreign currency- Hedged

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments.

The forward exchange contracts used for hedging foreign Currency exposure and outstanding as at reporting date are as under

Currency	Number of Contracts	Buy Amount (USD)	₹
Forward contract to buy USD - As at 31.03.2021	3	24,82,500	15,86,98,439
Forward contract to buy USD - As at 31.03.2020	0	-	-

b) Exposure in foreign currency- Unhedged

The foreign currency exposure not hedged as at 31 March 2021 are as under:

Particulars	As at 31 March 2021	As at 31 March 2020
USD	20,14,408.00	-

D) Market risk - interest rate risk

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

Interest rate risk exposure

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

(₹ in lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Variable rate borrowing	32,098.93	17,138.00

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	
	31 March 2021	31 March 2020
Interest rate increases by 50 basis points	(160.49)	(85.69)
Interest rate decreases by 50 basis points	160.49	85.69

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 39: 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	31 March 2021	31 March 2020
Net debts	31,775.30	17,086.70
Total equity	12,678.24	12,197.42
Gearing ratio	250.63%	140.08%

Note 40: Micro, Small and Medium Enterprises

The disclosures relating to Micro and Small Enterprises (MSME) has been furnished to the extent such parties have been identified on the basis of intimation received from suppliers regarding their status under the Micro and Small Enterprises Act, 2006 .

Disclosure U/s 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

(₹ in lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
a) the principal amount and the interest due thereon remaining unpaid	-	-
b) the amount of interest paid , along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
c) the amount of interest due and payable for the period of delay in making payment without interest	-	-
d) the amount of interest accrued and remaining unpaid at the end of financial year	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
Total	-	-

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 41: Leases INDAS

a) As Lessee:

Effective April 1, 2019, the Holding Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Holding Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.

Following is the information pertaining to leases for the year ended March 2021:

Particulars	(₹ in lakhs)	
	As at 31 March 2021	As at 31 March 2020
(a) Depreciation charge for Right of Use asset	24.34	27.23
(b) Interest expense on lease liability	13.54	18.17
(c) Expense relating to short term leases accounted in profit & loss	-	-
(d) Total cash outflow for leases for the period	31.77	31.77
(e) Additions to Right of Use asset	-	142.84
(f) Carrying amount of Right of use Asset at the year end	91.27	115.61

Table showing contractual maturities of lease liabilities on undiscounted basis:

Due	(₹ in lakhs)	
	As at 31 March 2021	As at 31 March 2020
Due not later than one year	31.77	31.77
Due later than one year but not later than five years	96.88	128.65

b) As Lessor:

The Holding Company has given certain part of its property on operating lease. These lease arrangements are for a period of 9 years and cancellable solely at discretion of the lessees. Rental income from leasing of property of Rs. 1,565.14 lakhs (P.Y. Rs. 2,224.11 lakhs) is recognized in the Statement of Profit and Loss. The initial direct cost (if any) is charged off to expenses in the year in which it is incurred.

The Holding Company has not given any property under non -cancellable operating lease.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 42: Corporate social responsibility

The Group has spent Rs.27.34 lakhs (previous year Rs.27.49 lakhs) towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof.

	(₹ in lakhs)
a) Gross amount required to be spent by Company during the year	24.82
b) Amount spent during the year:	
In cash	26.00
Yet to be paid in cash	-
Total	26.00
(i) Construction / acquisition of any asset	-
(ii) On purposes other than (i) above	

Balance of sundry debtors, sundry creditors, loan & advances and certain bank balances are subject to confirmation and reconciliation if any

Note 43:

The Operations and the Financial Results of the Group during the year ended 31 March, 2021 were marginally impacted due to the lockdown imposed by the Government to restrict the spread of COVID-19. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and investments in properties. In assessing the impacts of the pandemic, the Group has used internal and various external sources of information. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The leases that the Group has entered with lessors are long term in nature and no major changes in terms of those leases are expected due to the COVID-19. Despite the uncertainties arising due to said pandemic as to the period and impacts, having regard to the business environment, the management does not foresee major impacts on its reported numbers and business operations.

Note 44:

- (i) The group does not have any pending litigation which would impact its financial position.
- (ii) The group has derivative contracts with Axis Bank (Refer Note 38.2 (B))

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 45:

Additional Information as required under Schedule III to the Companies Act, 2013 pertaining to Parent company & its Subsidiary for the year ended 31 March, 2021

Name of the entity	31 March, 2021							
	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
Cinline India Limited	102.49%	12,993.48	165.54%	792.36	100.00%	2.19	165.24%	794.55
Subsidiary								
Transquare Realty Private Limited	-0.01%	(1.24)	-0.14%	(0.69)	0.00%	-	-0.14%	(0.69)
R and H Spaces Private Limited	-45.08%	(5,715.78)	-40.19%	(192.39)	0.00%	-	-40.01%	(192.39)
Cinline Industries Private Limited	0.01%	0.74	-0.02%	(0.11)	0.00%	-	-0.02%	(0.11)
Cinline Realty Private Limited	0.01%	1.03	-0.01%	(0.02)	0.00%	-	-0.01%	(0.02)
Intergroup Transactions	42.59%	5,400.02	-25.18%	(120.51)	0.00%	-	-25.06%	(120.51)
Total	100.00%	12,678.24	100.00%	478.64	100.00%	2.19	100.00%	480.83

Name of the entity	31 March, 2020							
	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								
Cinline India Limited	100.01%	12,198.97	100.11%	764.13	100.00%	1.01	100.11%	765.14
Subsidiary								
Transquare Realty Private Limited	-0.01%	(1.56)	-0.11%	(0.84)	0.00%	-	-0.11%	(0.84)
Total	100.00%	12,197.41	100.00%	763.29	100.00%	1.01	100.00%	764.30

Note 46: Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	31 March 2021
Revenue as per contract price	152.82
Less: Discounts and incentives	-
Revenue as per statement of profit and loss	152.82

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

Note 47:

Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification / disclosure.

Note 48: Authorisation of financial statements

These financial statements as at and for the year ended 31 March 2021 (including comparatives) have been approved by the Board of Directors on 10 June 2021.

As per our audit report of even date

For Khimji Kunverji & Co LLP

Chartered Accountants

Firm Registration No.:105146W / W100621

Hasmukh B. Dedhia

Partner

Membership No. : 033494

Place: Mumbai

Date: 10 June 2021

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

Place: Mumbai

Date: 10 June 2021

Rashmi Shah

Company Secretary

CINELINE

CINELINE INDIA LIMITED

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