



Date: - 31st August, 2019

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: Intimation pursuant to Regulation 34(1) of SEBI(Listing Obligations and Disclosures Requirements) Regulations, 2015

Dear Sir,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2018-19.

Kindly take the above on record.

Thanking You,
Yours faithfully,
For Cineline India Limited


Jatin Shah
Company Secretary



Encl: As above

CINELINE

CINELINE INDIA LIMITED

Corporate Identity Number (CIN): L92142MH2002PLC135964

REGISTERED OFFICE: 215 Atrium, 10th Floor, Opp. Divine School, J.B. Nagar, Andheri Kurla Road, Andheri- East, Mumbai: 400 093. Tel: 91-22-6726 6666 Fax: 91-22-6693 7777
Email Id: investor@cineline.co.in Website: www.cineline.co.in

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the members of the Company will be held on Thursday, September 26, 2019 at 10:30 a.m. at Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road, Andheri (East), Mumbai – 400093, to transact the following business:

ORDINARY BUSINESS

Item No. 1: Adoption of financial statements.

To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2019, including the audited Balance Sheet as at March 31, 2019, the Statement of Profit and Loss Account for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.

Item No. 2: Appointment of Director.

To appoint a Director in place of Mr. Rasesh Kanakia (DIN: 00015857) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

Item No. 3: Re-appointment of Mr. Anand Bathiya (DIN: 03084831) as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 (the ‘Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), Mr. Anand Bathiya (DIN: 03084831), who was appointed as an Independent Director of the Company for a term up to February 3, 2020 and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for reappointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Mr. Anand Bathiya as a candidate for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from February 4, 2020 to February 3, 2025 and whose office shall not be liable to retire by rotation.

Item No. 4: Appointment of Mr. Naushad Panjwani (DIN: 06640459) as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provision of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules frame there under read with Schedule IV to the Act, as amended from time to time, Mr. Naushad Panjwani (DIN: 06640459) who was appointed as Additional Director of the Company by the Board of Directors with effect from June 28, 2019 and who holds office till the date of this Annual General Meeting (AGM), in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Naushad Panjwani as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to June 27, 2024.”

Item No. 5: Appointment of Mr. Shantilal Haria (DIN: 00295097) as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provision of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules frame there under read with Schedule IV to the Act, as amended from time to time, Mr. Shantilal Haria (DIN: 00295097) who was appointed as Additional Director of the Company by the Board of Directors with effect from August 18, 2019 and who holds office till the date of this Annual General Meeting (AGM), in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Shantilal Haria as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to August 13, 2024.”

Item No. 6: Re-appointment of Mrs. Hiral Kanakia (DIN: 00015924) as Executive Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Articles of Association of the Company, (including any statutory modifications or re-enactment thereof for the time being in force), subject to necessary approvals, if any, the consent of the Company be and is hereby accorded for the reappointment of Mrs. Hiral Kanakia (DIN: 00015924) as Wholtime Director of the Company for a period of 5 (five) years i.e. 1st April 2020 to 31st March 2025 effective from expiry of her present term ending on 31st March 2020, on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting (including the remuneration to be paid in the event of loss or inadequacy of Profits in any financial year during the tenure of her appointment), with the liberty and powers to the Board of Directors to increase, alter and vary the salary, commission and perquisites and other terms in such manner as the Board in its absolute discretion deems fit and is acceptable to Mrs. Hiral Kanakia within the limits specified in Section 197 and Schedule V to the Companies Act, 2013 or any amendments, modifications, re-enactments thereof in force from time to time in this behalf.

RESOLVED FURTHER THAT the Board of the Company, be and is hereby authorized to do all such acts, deeds and action as it may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental for giving effect to this Resolution, enter into agreement or issue letter if necessary, and to settle questions, remove any difficulty or doubt that may arise from time to time and to take such action or give such directions as may be necessary or desirable and to obtain any approvals, permissions or sanctions which may be necessary or desirable, as it may think fit.”

Item No. 7: To approve sale of undertaking under Section 180 (1) (a) of the Companies Act, 2013.

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the listing agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the members be and is hereby accorded to Board of directors to sell / transfer / dispose off its immovable property located at “Kanakia Wallstreet” Andheri Kurla Road, Andheri East, Mumbai- 400093 in ordinary course of business at a fair market value in one or more tranches, in the manner as the Board may deem fit and in the interest of the Company, and on such terms and conditions as may be deemed fit by the Board.

RESOLVED FURTHER THAT or any of the director of the company be and is hereby authorised and empowered to finalise and execute necessary documents including but not limited to definitive Agreements, deeds of assignment /conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board and to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.”

Item No. 8: To make investments, give loan, guarantees and provide securities under section 186 of the Companies Act, 2013.

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

“RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meeting of Board and its Powers) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, approval of the members of the Company, be and is hereby accorded to the Board of Directors (hereinafter referred as 'Board' which term shall include a Committee thereof authorized for the purpose) of the Company to (a) grant/give loans, from

time to time, on such terms and conditions as it may deem expedient, to any person or bodies corporate; (b) provide guarantee / security to secure any loan / obligations of any other person or bodies corporate; and (c) acquire by way of subscription, purchase or otherwise the securities of any other bodies corporate, in excess of limits prescribed under Section 186 of the Companies Act, 2013 by an aggregate sum of upto Rs. 500 Crores (Rupees Five Hundred Crores only), notwithstanding that the aggregate of loans and investments so far made and/or guarantees so far issued to entities other than wholly owned subsidiaries of the Company, along with the investments, loans, guarantee or security proposed to be made or given by the Board may exceed limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

Item No. 9: To approve the loan to related party under Section 185 of Companies Act, 2013.

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

"RESOLVED THAT pursuant to the provisions of Sections 185 of the Companies Act, 2013 ("Act") read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force) and other applicable provisions of the Act and the rules and regulations made thereunder and the enabling provisions of the Memorandum and Articles of Association of the Company, consent of the members be and is hereby accorded to grant a loan ("Proposed Loan") up to Rs. 150 crores (Rupees One Hundred and Fifty Crores only) to Kanakia Spaces Realty Private Limited ("KSRPL") (CIN No.U45201MH2004PTC146948), in one or more tranches, for the principal business activities of KSRPL, on such terms and conditions as may be mutually agreed between the Company and KSRPL.

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

Item No. 10: To approve material related party transaction.

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") (as amended from time to time) and applicable provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder, and the enabling provisions of the Memorandum and Articles of Association of the Company, consent of the members be and is hereby accorded to the material related party transaction for grant of loan ("Proposed Loan") up to Rs. 150 crores (Rupees One Hundred and Fifty Crores only) to Kanakia Spaces Realty Private Limited ("KSRPL") (CIN No.U45201MH2004PTC146948), a 'Related Party' of the Company as per the provisions of Regulation 2(1)(zb) of SEBI LODR, in one or more tranches, for the principal business activities of KSRPL on such terms and conditions as may be mutually agreed between the Company and KSRPL .

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

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

Rasesh Kanakia
Chairman
Din:00015857

Place : Mumbai
Date : August 14, 2019

Registered Office
215 Atrium, 10th Floor, Opp. Divine School,
J.B. Nagar, Andheri Kurla Road, Andheri- East, Mumbai- 400093
Website: www.cineline.co.in
CIN No: L92142MH2002PLC135964
Email: investor@cineline.co.in
Tel No: 022-6726 6666
Fax No: 022-6693 7777

Notes:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the business under Item No. 3 to 10 of the Notice, is annexed hereto.
2. **A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote (on a poll only) instead of himself/ herself and the proxy need not be a member of the company.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf, of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Pursuant to the requirements on Corporate Governance under Regulation 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with Stock Exchange(s), the information about the Director proposed to be appointed / re-appointed is given in the Annexure to the Notice.
4. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM. The Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. 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
7. 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.
8. 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.
9. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
10. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the stock exchanges and Secretarial Standards-2 issued by Institute of Company Secretaries of India and notified by Central Government in respect of the Directors seeking appointment / re-appointment at the AGM is furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
11. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

12. Electronic copy of the Notice of the Seventeenth Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any Members has requested for a hard Copy of the same. Members who have not registered their email address, physical copies of the Notice of the Seventeenth Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode
13. Members may also note that the Notice of the Seventeenth AGM and the Annual Report 2018-19 will be available on the Company's website, www.cineline.co.in. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at : investor@cineline.co.in or +91-22-6726 7777.
14. 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.
15. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with LIPL/Depositories.
16. Documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members at the Registered Office of the Company on all working days (that is Monday to Friday) between 11.00 a.m. to 5.00 p.m. up to the date of this meeting.
17. The route map and prominent landmark for the venue of the meeting forms part of this Notice.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
19. In compliance with the provisions of Section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.

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

A. In case of members receives an e-mail from CDSL (for Members whose e-mail addresses are registered with the Company/Depositories):

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in physical form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter Member ID/folio number in the Dividend Bank details field mentioned in instruction (iii).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <CINELINE INDIA LIMITED> on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Note for Non-Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case of members receiving the physical copy:

Please follow all steps from Sr. No. (i) to Sr. No. (xvii) above to cast vote.

C. Other Instructions:

- (i) The e-voting period commences on Monday, September 23, 2019 (9.00 a.m. IST) and ends on Wednesday, September 25, 2019 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Wednesday, September 18, 2019 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- (ii) Members who do not vote by e-voting are entitled to vote at the meeting. Members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the meeting.
- (iii) The Chairman shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper" for all those Members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.
- (iv) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date i.e. Wednesday, September 18, 2019. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the meeting through ballot.
- (v) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on www.evotingindia.co.in.
- (vi) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of the voting forthwith.
- (vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.cineline.co.in and on the website of CDSL www.evotingindia.co.in immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the shares of the Company are listed.
- (viii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com or may be addressed at the following address:

Jatin J. Shah
Company Secretary
215 Atrium, 10th Floor, Opp. Divine School, J.B. Nagar, Andheri Kurla Road, Andheri- East, Mumbai- 400093.
Website: www.cineline.co.in
CIN No: L92142MH2002PLC135964
Email: investor@cineline.co.in
Tel No: 022-6726 6666 Fax No: 022-6693 7777

- (ix) Members are requested to intimate Registrar and Share Transfer Agent being Link Intime India Private Limited for consolidation of their folios, in case they are having more than one folio along with copy of PAN card
- (x) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

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

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3 to 10 of the accompanying Notice:

Item No. 3: Re-appointment of Mr. Anand Bathiya (DIN: 03084831) as an Independent Director of the Company.

Mr. Anand Bathiya (DIN: 03084831) is an Independent Director of the Company. The Members at the 13th AGM of the Company held on September 10, 2015 had approved the appointment of Mr. Anand Bathiya as an Independent Director of the Company to hold office for a term for 5 (five) consecutive years for a term up to February 3, 2020.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term up to five consecutive years on the Board of a Company. Based on recommendation of the Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Anand Bathiya, being eligible for reappointment as an Independent Director and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a member proposing the re-appointment of Mr. Anand Bathiya for the office of Independent Director, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from February 4, 2020 to February 3, 2025.

Mr. Anand Bathiya is a Chairman of the Audit Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Company. He also serves as a member of Nomination and Remuneration Committee of the Company. Mr. Anand Bathiya has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the Listing Regulations. The Company has received necessary declarations / disclosure / confirmation from Mr. Anand Bathiya as required under the Act and Listing Regulations. Copy of the draft letter for re-appointment of Mr. Anand Bathiya as an Independent Director setting out terms and conditions would be available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of 17th AGM of the Company.

As a member of the Board of the Company, Mr. Anand Bathiya brings to the Board extensive leadership including deep knowledge and understanding of the Company's business operations, strategies and the business environment into which the Company operates. His vast experience provides a much needed insight, guidance and support to the management on various matters related to the business of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Anand Bathiya as an Independent Director and on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, recommends the Special Resolution as set out at Item No. 3 of the Notice of the AGM for approval of the members. The Resolution and Explanatory Statement may be considered as sufficient disclosure and information under the statutory provisions as may be applicable, relevant or necessary.

Save and except Mr. Anand Bathiya and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 3 of the Notice.

The Board recommends the passing of Special Resolution as set out at Item No. 3 of the accompanying Notice.

Item No. 4: Appointment of Mr. Naushad Panjwani (DIN: 06640459) as an Independent Director of the Company.

The Board of Directors, at its meeting held on June 28, 2019, appointed Mr. Naushad Panjwani as an Additional Director of the Company, pursuant to section 161 of the Companies Act, 2013, read with Article 114 of the Articles of Association of the Company.

Pursuant to the provision of Section 161 of the Companies Act 2013, Mr. Naushad Panjwani will hold office up to the date of the ensuing AGM. The Company has received a notice in writing pursuant to Section 160 of the Act from a member proposing the appointment of Mr. Naushad Panjwani for the office of Independent Director, to be appointed as such under the provisions of section 149 of the Companies Act, 2013.

Mr. Naushad Panjwani has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the Listing Regulations. The Company has received necessary declarations / disclosure / confirmation from Mr. Naushad Panjwani as required under the Act and Listing Regulations. Copy of the draft letter for re-appointment of Mr. Naushad Panjwani as an Independent Director setting out terms and conditions would be available for inspection by the members

of the Company at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of 17th AGM of the Company.

The resolution seeks the approval of members for the appointment of Mr. Naushad Panjwani as an Independent Director of the Company for a period up to June 27, 2024 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. He will not be liable to retire by rotation.

Save and except Mr. Naushad Panjwani and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 4 of the Notice.

The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

Item No. 5: Appointment of Mr. Shantilal Haria (DIN: 00295097) as an Independent Director of the Company.

The Board of Directors, at its meeting held on August 14, 2019, appointed Mr. Shantilal Haria as an Additional Director of the Company, pursuant to section 161 of the Companies Act, 2013, read with Article 114 of the Articles of Association of the Company.

Pursuant to the provision of Section 161 of the Companies Act 2013, Mr. Shantilal Haria will hold office up to the date of the ensuing AGM. The Company has received a notice in writing pursuant to Section 160 of the Act from a member proposing the appointment of Shantilal Haria for the office of Independent Director, to be appointed as such under the provisions of section 149 of the Companies Act, 2013.

Mr. Shantilal Haria has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the Listing Regulations. The Company has received necessary declarations / disclosure / confirmation from Mr. Shantilal Haria as required under the Act and Listing Regulations. Copy of the draft letter for re-appointment of Mr. Shantilal Haria as an Independent Director setting out terms and conditions would be available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company on all working days during business hours up to the date of 17th AGM of the Company.

The resolution seeks the approval of members for the appointment of Mr. Shantilal Haria as an Independent Director of the Company for a period up to August 13, 2024 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. He will not be liable to retire by rotation.

Save and except Mr. Shantilal Haria and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 5 of the Notice.

The Board recommends the resolution set forth in Item no. 5 for the approval of the members.

Item No. 6: Re-appointment of Mrs. Hiral Kanakia (DIN: 00015924) as Executive Director of the Company.

The Members at the Thirteenth Annual General Meeting held on September 10, 2015 approved the appointment of Mrs. Hiral Kanakia as Whole-time Director of the Company with effect from 1st April, 2015. Mrs. Hiral Kanakia will complete her present term on 31st March, 2020. The Board of Directors in the meeting held on August 14, 2019, on the recommendation of the Nomination & Compensation Committee, recommended for the approval of the Members, the re-appointment of Mrs. Hiral Kanakia as a Director of the Company, as set out in the Resolution relating to her re-appointment. The principal terms and conditions of appointment of Mrs. Hiral Kanakia (herein after referred to as an "Executive Director") are as follows:

A. TENURE OF APPOINTMENT:

The appointment of the Executive Director is for a period of five years with effect from April 1, 2020.

B. NATURE OF DUTIES:

The Executive Director shall devote her whole time and attention to the business of the Company and shall perform such duties as may be entrusted to her by the Board from time to time and separately communicated to her and exercise such powers as may be assigned to her, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associated companies and / or subsidiaries, including performing duties as assigned to the Executive Director from time to time by serving on the Boards of such associated companies and / or subsidiaries or any other executive body or any committee of such a company.

C. REMUNERATION:

I. Basic Salary:

Current Basic Salary of up to Rs. 1,25,000/- per month. The annual increments which will be effective from 1st April each year, will be decided by the Board based on the recommendations of the Nomination and Remuneration Committee ("NRC") or by the NRC on authority of the Board and will be performance-based and take into account the Company's performance as well, provided that the total remuneration shall not exceed the limits specified under the Companies Act, 2013.

II. Benefits, Perquisites & Allowances:

- a. Housing Allowances: As per the rules of the Company.
- b. Medical Reimbursement incurred for herself and her family: As per the rules of the Company.
- c. Personal accident / Medical Insurance: As may be decided by the Board/Nomination and Remuneration Committee.
- d. Leave Travel Assistance: As per the rules of the Company.
- e. Provident Fund, Gratuity: Company's contribution to the Provident Fund and payment of gratuity shall be as per the rules of the Company.
- f. Club Memberships: Subscription or reimbursement of membership fees (including admission and life membership) for two clubs in India and/or abroad.
- g. Leave/Leave Encashment: As per the rules of the Company.
- h. Personal Accident Insurance: As may be decided by the Board/Nomination and Remuneration Committee.
- i. Benefits, if any, assigned under Keyman Insurance Policy.
- j. Other Allowances: As may be decided by the Board/ Committee from time to time, subject to the provisions of the Companies Act, 2013 and Schedule V thereto.

Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

III. Commission/Performance Bonus:

An amount as may be decided by the Board of Directors, on the recommendations of the Nomination and Remuneration Committee, from year to year.

IV. Amenities:

- a. Communication facilities: The Company shall provide telephone, cellular phone, telefax, internet and other communication facilities at the Director's residence.
- b. Mrs. Hiral Kanakia shall be entitled to the expenses actually incurred on traveling and board and lodging for self and also for spouse and attendant, if required, accompanying him during domestic and overseas business trips.

Explanation:

The amenities shall not be included for the purposes of computation of the remuneration as aforesaid.

D. MINIMUM REMUNERATION:

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites, Allowances and Commission subject to further approvals as required under Schedule V of the Companies Act, 2013, or any modification(s) thereto.

E. OTHER TERMS OF APPOINTMENT:

- a. The Executive Director shall not become interested or otherwise concerned, directly or through her spouse and / or children, in any selling agency of the Company.

- b. The terms and conditions of the appointment of the Executive Director may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Executive Director, subject to such approvals as may be required.
- c. The Agreement may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu thereof.
- d. The employment of the Executive Director may be terminated by the Company without notice or payment in lieu of notice:
 - if the Executive Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which she is required to render services; or
 - in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the Executive Director of any of the stipulations contained in the Agreement;
- e. Upon the termination by whatever means of the Executive Director's employment:
 - the Executive Director shall immediately cease to hold offices held by her in any holding company, subsidiaries or associated companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trusts connected with the Company;
 - the Executive Director shall not without the consent of the Company, at any time thereafter represent herself as connected with the Company or any of the subsidiaries or associated companies.
- f. All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Executive Director, unless specifically provided otherwise.
- g. The terms and conditions of appointment of the Executive Director also include clauses pertaining to adherence with the Company's Code of Conduct, non-solicitation and maintenance of confidentiality.
- h. If and when the Agreement expires or is terminated for any reason whatsoever, the Executive Director will cease to be the Executive Director, and also cease to be a Director. If at any time, the Executive Director ceases to be a Director of the Company for any reason whatsoever, she shall cease to be the Executive Director, and the Agreement shall forthwith terminate. If at any time, the Executive Director ceases to be in the employment of the Company for any reason whatsoever, she shall cease to be a Director and Executive Director of the Company.

Requisite Notice under Section 160 of the Act proposing the re-appointment of Mrs. Hiral Kanakia has been received by the Company, and consent has been filed by Mrs. Hiral Kanakia pursuant to Section 152 of the Act.

The Directors are of the view that the appointment of Mrs. Hiral Kanakia as Executive Director will be beneficial to the operations of the Company and the remuneration payable to her is commensurate with her abilities and experience and accordingly commend the Resolutions at Item Nos. 6 of the accompanying Notice for approval by the Members of the Company by way of Special Resolution.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of remuneration specified above are now being placed before the Members for their approval. The brief profile of Mrs. Hiral Kanakia is given in the annexure and forms part of this Notice.

The Resolution and Explanatory Statement should be considered as disclosure and information under applicable statutory provisions including that of the written memorandum pursuant to section 190 of the Act.

Mrs. Hiral Kanakia, Mr. Himanshu Kanakia and Mr. Rasesh Kanakia, who are related to each other, are deemed interested in the said resolution No. 6.

None of the other Directors or Key Managerial Persons and their relatives except Mrs. Manisha Vora, who is relative of Mr. Himanshu Kanakia and Mr. Rasesh Kanakia, are deemed to be interested in the said resolution No 6.

Item No. 7: To approve sale of undertaking under Section 180 (1) (a) of the Companies Act, 2013.

Members of the Company are further requested to note that Section 180 (1)(a) of the Companies Act, 2013 mandates that the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution. Explanation (i) to Section 180(1) (a) of the Companies Act, 2013 states that the meaning of an 'undertaking' for the purposes of Section 180(1) of the Companies Act, 2013 is an undertaking in which the investment of the company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year. Explanation (ii) to Section 180 (1)(a) of the Companies Act, 2013 states that the meaning of 'substantially the whole of the undertaking' for the purposes of Section 180(1) is in any financial year, twenty percent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year.

Accordingly, pursuant to Section 180(1)(a) of the Companies Act, 2013, members of the Company are further requested to note that their consent to the Board is being sought by way of a Special Resolution to sell / transfer / dispose off its immovable property located at "Kanakia Wallstreet" Andheri Kurla Road, Andheri East, Mumbai- 400093 in ordinary course of business at a fair market value in one or more tranches, in the manner as the Board may deem fit and in the interest of the Company, and on such terms and conditions as may be deemed fit by the Board.

Directors, Key Managerial Personnel and their relatives who are members of the Company, may be deemed to be concerned or interested in the Item No.7 of the accompanying notice to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

The Directors recommend the Item No. 7 of the Notice for consent and approval by the shareholders.

Item No. 8: To make investments, give loan, guarantees and provide securities under section 186 of the Companies Act, 2013.

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the Extra-Ordinary General Meeting for an amount not exceeding Rs. 500 Crores (Rupees Five Hundred Crores only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

Directors, Key Managerial Personnel and their relatives who are members of the Company, may be deemed to be concerned or interested in the Item No. 8 of the accompanying notice to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

The Directors recommend the Item No. 8 of the Notice for consent and approval by the shareholders.

Item No. 9 & 10: To approve the loan to related party under Section 185 of Companies Act, 2013 being a material related party transaction.

The Company has received a request from Kanakia Spaces Realty Private Limited ("KSRPL") to grant financial assistance ("Proposed Loan") for the principal business activities of KSRPL in one or more tranches over a period of time. KSRPL is a 'Related Party' of your Company in terms of Section 2(76) of the Companies Act, 2013 ("Act") and Regulation 2(1)(zb) of the SEBI LODR . Further, the Proposed Loan qualifies as a 'Material Related Party Transaction' as per Regulation 23(1) of SEBI LODR. In

terms of Section 185 of the Act (as amended by Companies (Amendment) Act, 2017 and notified by Ministry of Corporate Affairs vide notification dated May 7, 2018), the Proposed Loan requires the approval of the members of the Company by way of a Special Resolution, since the Company and KSRPL have common directors i.e. Mr. Rasesh Kanakia and Mr. Himanshu Kanakia. In terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 all material related party transactions requires approval of the Members of the Company. A transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent (10%) of the annual consolidated turnover of the company as per the last audited financial statements of the company.

In terms of Sub Clause (4) of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the contracts/arrangements/transactions are material in nature as these transactions are likely to exceed 10% of the annual consolidated turnover of the Company as per the audited financial statements of the Company as on March 31, 2019 and shall require approval of the shareholders through resolution. Accordingly, as per Regulation 23 of SEBI LODR, approval of the shareholders is sought to enable the Company to enter into related party transaction to grant financial assistance ("Proposed Loan") for the principal business activities of KSRPL in one or more tranches over a period of time.

The Audit Committee of the Company, at its meeting held on 14th August, 2019, was pleased to approve the Proposed Loan, subject to approval of the Board of Directors and fulfilment of other requirements, if any. Further, the Board of Directors of the Company, at its meeting held on 14th August, 2019, was pleased to unanimously approve the Proposed Loan, subject to the approval of the members of the Company and other requisite approvals and requirements, if any. The particulars of the Related Party Transactions, which are required to be stated in the Explanatory Statement, as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Particulars	Information
Name of the Related Party	Kanakia Spaces Realty Private Limited (KSRPL)
Name of Director(s) or Key Managerial Person who is related	Mr. Rasesh Kanakia, Chairman, Mr. Himanshu Kanakia, Managing Director and Mrs. Hiral Kanakia, Whole Time Director, of the Company.
Nature of relationship	Related Party under Section 2(76) of the Companies Act, 2013
Purpose	Financial assistance related to expansion of principal business activities of Kanakia Spaces Realty Private Limited.
Material terms of the transaction:	
Total limit	Up to Rs. 150 crores (Rupees One Hundred and Fifty Crores only) to be given through one or more tranches over a period of time
Nature of loan	Short Term Loan
Tenure	Repayable on demand made by the Company as and when required or within three (3) years, whichever is earlier (or such extended period as may be mutually agreed between Company and KSRPL subject to requisite approvals)
Interest	<ul style="list-style-type: none"> Interest at the rate of 14% p.a. Payment of interest to be made on quarterly basis.

A copy of the draft Loan Term Sheet will be available for inspection by the members, free of cost, at the Registered Office of the Company during business hours on all working days during business hours up to the date of 17th AGM of the Company.

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

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

The Board of Directors of your Company recommends the Resolution as set out in Item No. 9 & 10 of the accompanying notice for the approval of Members of the Company.

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

**Rasesh Kanakia
Chairman
Din:00015857**

**Place : Mumbai
Date : August 14, 2019**

Registered Office

215 Atrium, 10th Floor, Opp. Divine School,
J.B. Nagar, Andheri Kurla Road, Andheri- East, Mumbai- 400093
Website: www.cineline.co.in
CIN No: L92142MH2002PLC135964
Email: investor@cineline.co.in
Tel No: 022-6726 6666
Fax No: 022-6693 7777

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 of Directors	Mr. Rasesh Kanakia	Mr. Anand Bathiya	Mr. Naushad Panjwani	Mr. Shantilal Haria	Mrs. Hiral Kanakia
Director Identification No.	00015857	03084831	06640459	00295097	00015857
Date of Birth	14.09.1961	14.09.1984	16.01.1967	08.03.1959	29/08/1970
Age	58	35	52	60	49
Date of First Appointment	22.05.2002	05.02.2015	28.06.2019	14.08.2019	05/02/2015
Qualification	Owner President Management Programme from Harvard University	Bachelor of Commerce, Chartered Accountant & Company Secretary	Chartered Accountant and a Commerce Graduate	Chartered Accountant and Company Secretary	Bachelor in Arts
Experience in Functional Area	Mr. Rasesh Kanakia is the Chairman since incorporation and has as career spanning of around 35 years. He is an Indian National, began his career as a real estate consultant in the year 1984 and subsequently ventured into real estate development in the year 1986. He was instrumental in making "Kanakia Group" a well established name in the field of real estate development. In 1997, by virtue of his foresightedness, the group forayed into Cinemax exhibition by retrofitting theaters and setting up theaters with multiple screens. His keen interaction with the film fraternity has also resulted in our Company's multiplex being the preferred destination for number of premiere shows. Under his leadership the Group operates an I.C.S.E. School and a Commerce & Science College in Mumbai. With strong developer background and seeing the boom in Hotel Industry, he further diversified the Group's activities into hospitality business. As the Chairman of our Company, he looks after critical functions of the management viz., Finance, Strategic management and Public Relations. He has been a member of our Board since incorporation.	Mr. Anand Bathiya has been predominantly involved in helping companies in identifying, negotiating, structuring, reviewing and executing complex, domestic and international Mergers & Acquisitions (M&A). He is also Assisting Indian Corporates in raising equity resources through listing on the Indian and international capital markets, private equity, structured finance, FCIBs, etc. Involved in many Initial Public Offer (IPO) advisory and private equity fund-raising exercises having worked closely with leading Indian and International Investment Banks over the years. He is also an active member of Young Leaders' Forum of the Indian Merchants Chamber and TIE Mumbai. Regular speaker at various gatherings for Ministry of Corporate Affairs, ICAI, ICSI, WIRC, BCAS and other bodies of professional interests on a wide range of topics.	Mr. Naushad Panjwani has work experience of over 27 years. He has a vast experience in the areas of finance, tax, strategy, retail, investment banking, cross border merger and acquisitions and real estate transactions being his forte. He has been associated with Mandarus Partners, Knight Frank India Pvt. Ltd., Gawande & Panjwani, etc. He has served as member of Managing Committee and Co-Chairman OF Urban Development, Smart Cities, Real Estate & Infrastructure committee of IMC Chamber of Commerce & Industry FY 2017-18 & 2018-19. He has also served as Vice President of Western India Region of Indo American Chamber of Commerce for FY 2017-18 and 2018-19	Mr. Shantilal Haria has in depth knowledge and professional experience of more than 30 years in the field of Fund Raising, Business Advisory, Income Tax, Company Law, Allied Laws and Realty Sector. He has been involved in few private equity deals. He is the promoter of Pankti Group. He is an independent director on the board of G.M. Breweries Ltd.	Mrs. Hiral Kanakia has a career spanning of around 24 years. She has been associated with the Company since 1998 and is closely involved in the operation and administration of the Company. She is head of "Employee Relations & Improvement Management" in Kanakia Group of Companies.
Directorship in other Companies (Public Limited Companies)	NIL	NIL	NIL	G.M. Breweries Ltd.	NIL

Membership/ Chairmanships of Board Committees of other Companies (Includes only Audit Committee and Stakeholders Relationship Committee)	NIL	NIL	NIL	NIL	NIL	NIL
No. of shares held in the Company	9368524	NIL	NIL	NIL	NIL	328844
Terms & Conditions of Appointment/ Re-appointment	Appointed as a Director liable to retire by rotation	Re-appointment as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from June 28, 2019 to June 27, 2024 (both days inclusive), not liable to retire by rotation.	Appointment as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from August 14, 2019 to August 13, 2024 (both days inclusive), not liable to retire by rotation.	Appointment as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from June 28, 2019 to June 27, 2024 (both days inclusive), not liable to retire by rotation.	Re-appointed as Wholetime Director of the Company for a period of 5 (five) years i.e. 1st April 2020 to 31st March 2025 effective from expiry of her present term ending on 31st March 2020, and liable to retire by rotation.	
Relationship with other Directors/ Manager/KMP	Brother of Mr. Himanshu Kanakia and brother in-law of Mrs. Hiral Kanakia	None	None	None	Wife of Mr. Himanshu Kanakia	
Remuneration	The remuneration details are given in the Corporate Governance Section of the Annual Report.	Mr. Anand Bathiya will not be paid any remuneration other than sitting fees for attending meetings of the Board and Committees thereof which he is a member/Chairperson. The remuneration paid to him during the financial year ended 31st March, 2019 is shown under the Corporate Governance Report.	Mr. Naushad Panjwani will not be paid any remuneration other than sitting fees for attending meetings of the Board and Committees thereof of which he is a member.	Mr. Shantilal Haria will not be paid any remuneration other than sitting fees for attending meetings of the Board and Committees thereof of which he is a member.	The remuneration details are given in the Corporate Governance Section of the Annual Report.	
No. of Board Meetings attended during the F.Y. 2018-19	5 out of 5	3 out of 5	None (As appointed on 28.06.2019)	None (As appointed on 14.08.2019)	4 out of 5	

CINELINE

CINELINE INDIA LIMITED

Corporate Identity Number (CIN): L92142MH2002PLC135964

REGISTERED OFFICE: 215 Atrium, 10th Floor, Opp. Divine School, J.B. Nagar, Andheri Kurla Road,
Andheri- East, Mumbai: 400 093. Tel: 91-22-6726 6666 Fax: 91-22-6693 7777

Email Id: investor@cineline.co.in Website: www.cineline.co.in

ATTENDANCE SLIP

Venue of the meeting : Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road,
Andheri (East), Mumbai – 400093.

Date & Time : Thursday, September 26, 2019 at 10.30 A.M.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
DP Id*	
Client Id*	
Folio No.	
No. of shares held	

*Applicable for investors holding shares in Electronic form.

I certify that I am the registered shareholders/proxy for the registered shareholder of the Company.

I hereby record my presence at the Seventeenth Annual General Meeting of the Company held on Thursday, September 26, 2019 at 10.30 A.M. at Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road, Andheri (East), Mumbai – 400093.

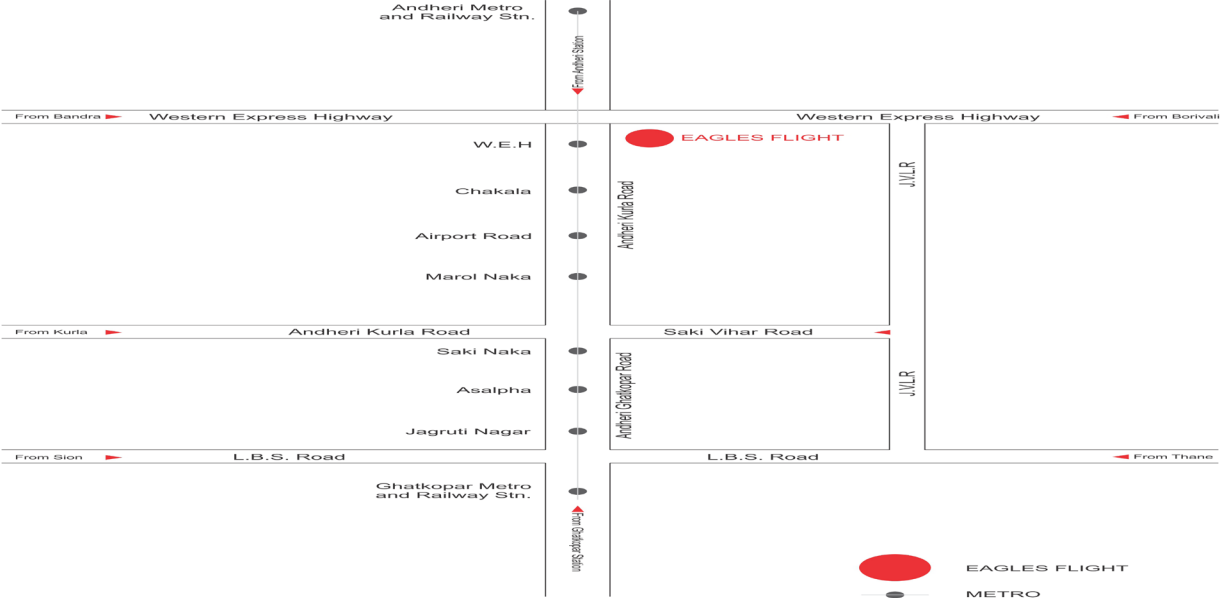
*Applicable for shareholders holding shares in electronic form

Signature of Member / Proxy

Note:

- Electronic copy of the Annual Report for 2019 and Notice of the Seventeenth Annual General Meeting along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.
- Physical copy of the Annual Report for 2019 and Notice of the Seventeenth Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email id is not registered or have requested for a hard copy.

Route Map to the AGM Venue



CINELINE

CINELINE INDIA LIMITED

(Formerly known as Cinemax Properties Limited)

Corporate Identity Number (CIN): L92142MH2002PLC135964

REGISTERED OFFICE: 215 Atrium, 10th Floor, Opp. Divine School, J.B. Nagar, Andheri Kurla Road,
Andheri- East, Mumbai: 400 093. Tel: 91-22-6726 6666 Fax: 91-22-6693 7777

Email Id: investor@cineline.co.in Website: www.cineline.co.in

FORM OF PROXY

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

Venue of the meeting : Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road, Andheri (East), Mumbai – 400093.

Date & Time : Thursday, September 26, 2019 at 10.30 A.M.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	:	
Registered Address	:	
Email ID	:	
DP ID*	:	
Client ID*	:	
Folio No	:	

*Applicable for investors holding shares in Electronic form.

I/We _____ of _____ being a member/members of Cineline India Limited hereby appoint the following as my/our Proxy to attend vote (for me/us and on my/our behalf at the Seventeenth Annual General Meeting of the Company to be held on Thursday, September 26, 2019 at 10.30 A.M. and at any adjournment thereof) in respect of such resolutions as are indicated below;

1. Mr./Mrs. _____ (Name & Signature of the Proxy) or failing him/her Registered address _____
Email Id _____ Signature _____
2. Mr./Mrs. _____ (Name & Signature of the Proxy) or failing him/her Registered address _____
Email Id _____ Signature _____
3. Mr./Mrs. _____ (Name & Signature of the Proxy) or failing him/her Registered address _____
Email Id _____ Signature _____

** I/We direct my/our Proxy to vote on the Resolutions in the manner indicated below:

Item No.	Resolution	Pattern of Voting		
		No. of Shares held	For	Against
	Ordinary Business			
1.	To consider and adopt the financial statements of the Company for the year ended March 31, 2019, including the audited Balance Sheet as at March 31, 2019, the Statement of Profit and Loss Account for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.			
2.	To appoint a Director in place of Mr. Rasesh Kanakia, who retires by rotation and being eligible, offers himself for re-appointment.			
	Special Business			
3.	Re-appointment of Mr. Anand Bathiya (DIN: 03084831) as an Independent Director of the Company.			
4.	Appointment of Mr. Naushad Panjwani (DIN: 06640459) as an Independent Director of the Company.			
5.	Appointment of Mr. Shantilal Haria (DIN: 00295097) as an Independent Director of the Company.			
6.	Re-appointment of Mrs. Hiral Kanakia (DIN: 00015924) as Executive Director of the Company.			
7.	To approve sale of undertaking under Section 180 (1) (a) of the Companies Act, 2013.			
8.	To make investments, give loan, guarantees and provide securities under section 186 of the Companies Act, 2013.			
9.	To approve the loan to related party under Section 185 of Companies Act, 2013.			
10.	To approve material related party transaction.			

** This is optional. Please put a tick mark (✓) in the appropriate column against the resolution indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signature(s) of Member(s)

1. _____
2. _____
3. _____

Affix One
Rupee
Revenue
Stamp

Signed thisday of2019

Notes:

1. The Proxy to be effective should be deposited at the Registered office of the Company not less than FORTY EIGHT HOURS before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
3. In case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the numbers of shares under the columns "For" or "Against" as appropriate.

CINELINE

**EXPLORING
POSSIBILITIES.
ENSURING
SUSTAINABLE FUTURE.**

CINELINE INDIA LIMITED
Annual Report 2018-19

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

At Cineline, we have built a portfolio of quality and diversified pool of revenue-generating assets. Located in the prime locations of Mumbai, Nashik and Nagpur, these assets – theatres and retail, parking and advertising space in high-street malls – attract good rentals and generate steady cash flows. We have also diversified operations by foraying into renewable energy business with two windmill assets.

Having now established a robust business model that is delivering steady growth and ensuring stability against market vagaries, we are now planning for a stronger future. We are focussed on exploring newer markets to provide more diversification to business. Expanding portfolio to scale up operations and drive topline growth. Ways to better sweat our assets to achieve better return on assets.

At Cineline, we are exploring possibilities towards maximising value creation for shareholders and

**ENSURING SUSTAINABLE
FUTURE.**



MESSAGE FROM THE CHAIRMAN



“

Cineline has built a solid portfolio of revenue-generating assets in key markets which provides stability and sustainability to our business. We will continue to explore more such opportunities to maximise value for all our stakeholders.

Dear Shareholders,

I am pleased to present to you the annual report of your Company. FY 2018-19 has been an eventful year globally, especially in terms of geopolitical scenario. There was escalating trade tensions between the US and China as well as increasing tendencies of inward-looking policies among major economies.

Indian economy, though, remained steady supported by the strong fundamentals, policy and economic reforms and upswing in consumption. There was gradual stabilisation in markets with harmonisation of GST-related issues and other reformative initiatives. All major economic parameters remained stable through the year with inflation being under control. Liquidity though was a challenge, to counter which, the RBI changed its monetary stance to accommodative with three successive rate cuts of 25 basis points. Additionally, the Government also pumped in funds into the public sector banks along with bringing down tax rates to boost consumption. There is a strong push from the Government to make India a USD 5 trillion economy by FY 2024-25. This is evident in the growing investments in technology and digitisation, infrastructure and lately towards addressing the imminent threats of pollution and water which pose a major hindrance to economic development.

In our operational space – the real estate industry – though players, have been facing troubles post RERA and GST implementation, they have brought with the fair share of positiveness. They have brought in more transparency in the sector with fly-by-night developers' existing operations and speculative demand giving way to real demand. This is a good sign for the industry. As the industry was adjusting to these changes, another set emerged in FY 2018-19. This time in the form of drying of funding triggered by liquidity issues in several top-rated non-banking finance companies (NBFCs).

However, a positive factor for us has been that the attractiveness of the commercial sector continues to be relatively higher. There is significant maturity in terms of investors looking at this segment as compared to residential segment and how the capital is flowing into it.

Coming to performance, your Company, I think we have done considerably well, despite the challenges and this exemplifies the strength of business model. Our total revenue increased 8% from ₹ 3,234.53 Lacs in FY 2017-18 to ₹ 3,493.94 Lacs in FY 2018-19. Of this, ₹ 2,075.78 Lacs revenues was from retail business, ₹ 181.38 Lacs from energy business and ₹ 165.82 Lacs from advertising and car parking. Coming to profitability, our Profit Before Tax (PBT) increased marginally by 1.73% from ₹ 1,328.53 Lacs in FY 2017-18 to ₹ 1,352.57 Lacs in FY 2018-19. Net Profit, however, was under pressure and declined by

6.64% from ₹ 1,054.81 Lacs in FY 2017-18 to ₹ 985.59 Lacs due to increased tax incidence.

We believe we have a well-balanced portfolio, which provides good revenue visibility and stability to our business and enabled us to deliver sustained performance over the years. In the retail space, we generate majority of revenue from rental income. We own nine theatres which have been leased out to PVR Cinemas on a long-term basis. Additionally, we own two commercial properties in Boomerang and Kanakia Wall Street, situated in Chandivali, Powai and Andheri East respectively, in Mumbai and a mall (Eternity Mall) in Nagpur's prime area which is a retail hotspot. The mall has 100% occupancy and houses leading domestic and international brands. In addition to rentals, our commercial properties generate ancillary revenues in the form of parking and advertisement. Our model of owning and leasing out of properties provide us the dual advantage of steady cash flows and capital appreciation.

In our energy business, we own and operate two windmills, one each in Vishwada, Gujarat and Revangaon, Maharashtra with a total power generation capacity of 2.25 MW. With rising energy demand along with commensurate rise in pollution, the demand for clean energy is growing exponentially in India. This not only ensures strong demand for the energy that we generate, but also provides an important diversification to our operations.

As we move forward, our focus will be to expand business in a manner to make it more derisked and sustainable in the longer run, while creating more value for all our stakeholders. We have inherent knowledge and expertise of the real estate sector in the western parts of the country which will be critical in exploring prospective opportunities. We are confident of long-term prospects of the real estate industry on the back of India's improving macro outlook, strong infrastructure impetus and a recovery in private consumption and investment.

I thank all our stakeholders for their continued support and trust in us. The people for the passion they bring into this organisation, the shareholders for investing in us, the bankers for funding us and the business partners for their sustained relations with us.

Warm regards,



Rasesh Kanakia
(DIN: 00015857)

EVENTS AND ACTIVITIES



Janmashtami Celebration



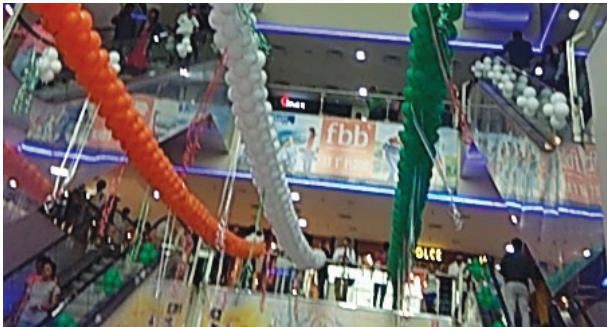
Ganesh Chaturthi Celebration



Diwali Celebration



Christmas Celebration



Independence Day



Ganesh Utsav



Diwali



Navratri



Christmas



Janmashtami

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)

FINANCIAL HIGHLIGHTS

In ₹ Lacs (except per share data)

For the year ended 31st March	2019	2018
Total Income	3,493.94	3,234.53
Expenditure	815.62	772.08
EBDITA	2,678.32	2,462.45
Depreciation	364.23	358.03
Interest & Financial Charges	961.53	775.89
Exceptional Items	0	0
Profit Before Tax (PBT)	1,352.56	1,328.53
Tax Expense	366.97	273.72
Profit After Tax (PAT)	985.59	1,054.81
Other Comprehensive Income / (loss) for the year (net of tax)	-0.32	1.68
Total comprehensive income for the year	985.27	1,056.49
Share Capital	1,400.00	1,400.00
Reserves and Surplus	10,034.78	9,049.51
Total Debt (including Current Maturity)	15,791.51	12,908.94
Gross Block	1,011.75	1,002.33
Net Block	766.94	828.27
Current Assets	4,328.19	642.37
Current Liabilities	564.06	947.38
Cash & Cash Equivalents	2,213.18	114.43
No. of Equity Shares	28,000,000	28,000,000
Earning Per Share (In ₹) = Basic & Diluted	3.52	3.77

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

Mrs. Manisha Vora
Senior GM-Finance & Accounts

Company Secretary & Compliance Officer

Mr. Jatin J. Shah

Statutory Auditors

Khimji Kunverji & Co.
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

215 Atrium, 10th Floor, Opp. Divine School,
J.B. Nagar, Andheri-Kurla Road, Andheri (East),
Mumbai - 400 093
Tel No.: 022 - 6726 7777
Fax No.: 022 - 6693 7777
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 Seventeenth Annual Report together with the Audited Accounts and Auditors Report of the Company for the Year ended March 31, 2019.

1. FINANCIAL RESULTS:

Particulars	Standalone (Rs. In Lacs)		Consolidated (Rs. In Lacs)
	March 31, 2019	March 31, 2018	March 31, 2019
Gross Income	3493.94	3234.53	3493.94
Profit before Interest, Depreciation and tax	2678.32	2462.45	2677.61
Interest & Financial Charges	961.53	775.89	961.53
Depreciation/ Amortisation	364.23	358.03	364.23
Profit/(loss) before tax	1352.56	1328.53	1351.85
Provision for Tax (including Deferred)	366.97	273.72	366.97
Profit/(loss) after Tax	985.59	1054.81	984.88
Add: Surplus brought forward from previous year	5413.49	4525.50	5413.49
Amount available for Appropriation	6399.08	5580.31	6398.37
Appropriation:			
Other comprehensive income / (loss)*	(0.32)	1.68	(0.32)
Payment of Dividend (Including Tax)	-	(168.50)	-
Surplus Carried to Balance Sheet	6398.76	5413.49	6398.05

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

OPERATIONAL REVIEW:

Gross revenues of the Company for the Financial Year 2018-19 stood at Rs. 3493.94 Lacs. Profit before interest, depreciation and taxation stood at Rs. 2678.32 Lacs. After providing for depreciation and taxation of Rs. 364.23 Lacs and Rs. 366.97 Lacs respectively, the net profit of the Company for the year under review were placed at Rs. 985.59 Lacs as against Rs. 1054.81 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 2018-19.

3. TRANSFER TO RESERVES:

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

4. SHARE CAPITAL:

The paid up equity share capital as on March 31, 2019 was Rs. 1400 Lacs. During the year under review, 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, 2019 were Rs. 2213.18 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 under review.

6. EXTRACT OF ANNUAL RETURN:

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2019 forms part of this report as **Annexure 1**.

The same has been placed on the website of the Company and can be accessed at www.cineline.co.in

7. SUBSIDIARY COMPANIES:

Your Company has invested in a wholly owned subsidiary being “**Transquare Realty Private Limited**” on 11th February, 2019. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 (“Act”).

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company’s subsidiary in Form AOC-1 forms part of this report as **Annexure 2**.

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 31.03.2019.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company’s Articles of Association, Mr. Rasesh Kanakia, Chairman, 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 2018-19, there is no change in the Board of Directors of the Company.

Further, pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements), 2015 notified vide Notification No: SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018, directorship of Mr. Kranti Sinha as Non-Executive Independent Director has been discontinued with effect from 1st April, 2019.

11.2 Key Managerial Personnel:

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

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

*During the year under review, Mr. Sunil Ranka resigned as CFO of the company with effect from 16th April, 2018 and Mr. Vipul Parekh was appointed as CFO of the company with effect from 12th October, 2018.

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 13th February, 2019 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 5 (Five) 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 Secretaries 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 31-03-2019, 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 under review.
- 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
- Risk Management 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 Delloitte 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, 2019. 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 :

Particulars of loans given and of the investments made by the Company as at 31st March, 2019 are given in the

Notes forming part of the Financial Statements. During the Financial Year under review, the Company made investment in 10,000 equity shares of Rs. 10/- each of Transquare Realty Private Limited being the 100% subsidiary of the Company.

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 3** 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 4**.

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:

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has adequate risk management mechanism and 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 - 5** 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 2018-19. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Secretarial Audit Report is included as **Annexure-6** 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, 2019.

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 with Rule (8)(3) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

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

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 2019.

34. HUMAN CAPITAL AND PARTICULARS OF EMPLOYEES:

Your Company had 28 (including Directors) employees as of March 31, 2019. 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 7** 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 1st April, 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 2018-19.

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: May 09, 2019
Place: Mumbai

ANNEXURE - 1 TO DIRECTOR'S REPORT

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the
Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L92142MH2002PLC135964
2	Registration Date	22.05.2002
3	Name of the Company	Cineline India Limited
4	Category/Sub-category of the Company	Company Limited by shares Non-Government Company
5	Address of the Registered office & contact details	215-Atrium, 10th Floor, Opp. Divine School, J. B. Nagar, Andheri Kurla Road, Andheri- East, Mumbai-400093 Phone: 022-6726 6666 Fax : 022-6693 7777
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited (Unit – Cineline India Limited) C-101, 247 Park LBS Marg, Vikhroli – West, Mumbai – 400 083 Ph : 022 – 4918 6000 Fax: 022 – 4918 6060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description NIC Code of the % to total turnover of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real estate activities with own or leased property	6810	92.51%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Transquare Realty Private Limited Address: 215-Atrium, 10th Floor, Opp. Divine School, J. B. Nagar, Andheri Kurla Road, Andheri- East, Mumbai-400093	U70109MH2019PTC320939	Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the end of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	19,394,636	-	19,394,636	69.2666	19,394,636	-	19,394,636	69.2666	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	280	-	280	0.0010	280	-	280	0.0010	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	19,394,916	-	19,394,916	69.2676	19,394,916	-	19,394,916	69.2676	-
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	19,394,916	-	19,394,916	69.2676	19,394,916	-	19,394,916	69.2676	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	39,873	-	39,873	0.1424	300	-	300	0.0011	(0.1413)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	39,873	-	39,873	0.1424	300	-	300	0.0011	(0.1413)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1,310,168	-	1,310,168	4.6792	1,106,916	-	1,106,916	3.9533	(0.7259)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	5,096,391	152	5,096,543	18.2019	5,287,897	152	5,288,049	18.8859	0.6839
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	1,009,966	-	1,009,966	3.6070	913,295	-	913,295	3.2618	(0.3453)
c) Others (specify)	-	-	-	-	-	-	-	-	-
Hindu Undivided Family	464,642	-	464,642	1.6594	798,673	-	798,673	2.8524	1.19
IEPF	19,539	-	19,539	0.0698	19,539	-	19,539	0.0698	-
Clearing Members	268,624	-	268,624	0.9594	181,436	-	181,436	0.6480	(0.3114)
Non Resident Indians (REPAT)	325,287	-	325,287	1.1617	255,749	-	255,749	0.9134	(0.2484)
Non Resident Indians (NON REPAT)	68,442	-	68,442	0.2444	38,841	-	38,841	0.1387	(0.1057)
Trusts	2,000	-	2,000	0.0071	2,286	-	2,286	0.0082	0.0010
Sub-total (B)(2):-	8,565,059	152	8,565,211	30.5900	8,604,632	152	8,604,784	30.7314	0.1413
Total Public Shareholding (B)=(B)(1)+(B)(2)	8,604,932	152	8,605,084	30.7324	8,604,932	152	8,605,084	30.7324	-
C. Custodian/DR Holder	-	-	-	-	-	-	-	-	-
D. Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C+D)	27,999,848	152	28,000,000	100	27,999,848	152	28,000,000	100	-

(ii) Shareholding of Promoter

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01.04.2018			Shareholding at the end of the year as on 31.03.2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Rasesh Kanakia	9,368,524	33.4590	26.6851	9,368,524	33.4590	73.2239	-
2	Mr. Himanshu Kanakia	9,368,424	33.4587	26.6854	9,368,424	33.4587	73.2247	-
3	Mrs. Rupal Kanakia	328,844	1.1744	-	328,844	1.1744	-	-
4	Mrs. Hiral Kanakia	328,844	1.1744	-	328,844	1.1744	-	-
5	M/s Kanakia Gruh-nirman Pvt Ltd	140	0.0005	-	140	0.0005	-	-
6	M/s Kanakia Finance And Investments Pvt Ltd	140	0.0005	-	140	0.0005	-	-
	Total	19,394,916	69.2676	25.78	19,394,916	69.2676	70.7412	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year as on 01.04.2018		Cumulative Shareholding during the year	
	No. of shares	% of total shares	No. of shares	% of total shares
At the beginning of the year	-	-	-	-
Date wise increase/ Decrease during the year specifying the reasons for increase/ decrease (eg. Allotment/ transfer/ bonus/ sweat equity, etc.)	-	-	-	-
At the end of the year	-	-	-	-

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year (01-04-2018)		Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No. of shares	% of total shares			No. of shares	% of total shares
1	Vinay Kumar HUF	-	-	291,417	Increase in shareholding during the year pursuant to purchase in open market	291,417	1.04
2	River Sharesstake Private Limited	210,950	0.75	-	-	210,950	0.75
3	Revolutionary Shares and Securities Private Limited	210,950	0.75	-	-	210,950	0.75
4	Ulhas Vallabhji Gala	210,724	0.75	-	-	210,724	0.75
5	Y T Entertainment Limited	141,440	0.51	-	-	141,440	0.51
6	Arun Buxi	125,000	0.45	-	-	125,000	0.45
7	Varun Buxi	100,000	0.36	-	-	100,000	0.36
8	Renoun Shares and Securities Private Limited	100,000	0.36	-	-	100,000	0.36
9	Lincoln Coelho	100,000	0.36	-	-	100,000	0.36
10	Wellbeing Shares and securities Private Limited	94,169	0.34	-	-	94,169	0.34

Note: Top 10 shareholders of the Company as on 31.03.2019 has been considered for the above disclosure.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01-04-2018)		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Rasesh Kanakia Chairman, Whole Time Director				
	At the beginning of the year	9,368,524	33.46%	-	-
	Date wise Increase / Decrease in Director share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus /sweat equity, etc.)	-	-	-	-
	At the end of the year	9,368,524	33.46%	9,368,524	33.46%
2	Mr. Himanshu Kanakia Managing Director & Whole Time Director				
	At the beginning of the year	9,368,424	33.46%	-	-
	Date wise Increase / Decrease in Director share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus /sweat equity, etc.)	-	-	-	-
	At the end of the year	9,368,424	33.46%	9,368,424	33.46%
3	Mrs. Hiral Kanakia Executive Director				
	At the beginning of the year	328,844	1.17%	-	-
	Date wise Increase / Decrease in Director share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus /sweat equity, etc.)	-	-	-	-
	At the end of the year	328,844	1.17%	328,844	1.17%
4	Mr. Utpal Sheth Independent Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Director share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus /sweat equity, etc.)	-	-	-	-
	At the end of the year	-	-	-	-
5	*Mr. Kranti Sinha Independent Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Director share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus /sweat equity, etc.)	-	-	-	-

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01-04-2018)		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the end of the year	-	-	-	-
6	Mr. Anand Bathiya Independent Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Director share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus /sweat equity, etc.)	-	-	-	-
	At the end of the year	-	-	-	-
7	#Mr. Sunil Ranka -CFO				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Director share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus /sweat equity, etc.)	-	-	-	-
	At the end of the year	-	-	-	-
8	##Mr. Vipul Parekh -CFO				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Director share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus /sweat equity, etc.)	-	-	-	-
	At the end of the year	-	-	-	-
9	Mr. Jatin Shah-Company Secretary				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Director share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus /sweat equity, etc.)	-	-	-	-
	At the end of the year	-	-	-	-

* Pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements), 2015 notified vide Notification No: SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018, directorship of Mr. Kranti Sinha as Non-Executive Independent Director has been discontinued with effect from 1st April, 2019.

#Mr. Sunil Ranka has resigned as CFO of the Company on 16th April, 2018

##Mr. Vipul Parekh has been appointed as the CFO of the Company on 12th October, 2018.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. In Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,290,893,703	-	-	1,290,893,703
ii) Interest due but not paid		-	-	-
iii) Interest accrued but not due	10,718,337	-	-	10,718,337
Total (i+ii+iii)	1,301,612,040	-	-	1,301,612,040
Change in Indebtedness during the financial year				
* Addition	1,596,422,534	-	-	1,596,422,534
* Reduction	1,318,883,574	-	-	1,318,883,574
Net Change	277,538,960	-	-	277,538,960
Indebtedness at the end of the financial year				
i) Principal Amount	1,579,151,000	-	-	1,579,151,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,579,151,000	-	-	1,579,151,000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Name of MD/WT/ Manager			Total Amount (Rs. in lakhs)
	Name	Mr. Rasesh Kanakia	Mr. Himanshu Kanakia	Mrs. Hiral Kanakia	
	Designation	Chairman, Whole time Director	Managing Director	Whole Time Director	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15.99	15.99	15.00	46.98
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	15.99	15.99	15.00	46.98
	Ceiling as per the Act				139.96

B. Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs. in lakhs)
		Mr. Kranti Sinha	Mr. Utpal Sheth	Mr. Anand Bathiya	
1	Independent Directors				
(a)	Fee for attending board/ committee meetings	1.20	0.70	0.70	2.60
(b)	Commission	-	-	-	-
(c)	Others, please specify	-	-	-	-
	Total (1)	1.20	0.70	0.70	2.60
2	Other Non-Executive Directors				
(a)	Fee for attending board committee meetings	-	-	-	-
(b)	Commission	-	-	-	-
(c)	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	1.20	0.70	0.70	2.60
	Total Managerial Remuneration (A+B)				49.58
	Overall Ceiling as per the Act				153.95

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs. in lakhs)
	Name	*Mr. Sunil Ranka	#Mr. Vipul Parekh	Mr. Jatin Shah	
	Designation	CFO	CFO	CS	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	10.05	10.05
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (C)	-	-	10.05	10.05

*Mr. Sunil Ranka has resigned as CFO of the Company on 16th April, 2018

#Mr. Vipul Parekh has been appointed as the CFO of the Company on 12th October, 2018.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

S. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A	COMPANY					
(i)	Penalty	-	-	-	-	-
(ii)	Punishment	-	-	-	-	-
(iii)	Compounding	-	-	-	-	-
B.	DIRECTORS					
(i)	Penalty	-	-	-	-	-
(ii)	Punishment	-	-	-	-	-
(iii)	Compounding	-	-	-	-	-
C.	OTHER OFFICERS IN DE-FAULT					
(i)	Penalty	-	-	-	-	-
(ii)	Punishment	-	-	-	-	-
(iii)	Compounding	-	-	-	-	-

ANNEXURE - 2 TO DIRECTOR'S REPORT**Form AOC-1**

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

Statement containing salient features of the financial statement of
subsidiaries/associate/companies/joint ventures**Part "A": Subsidiary**

Sr. No.	Particulars	Amount
		(In Rs.)
1	Name of the subsidiary	Transquare Realty Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period same as Holding Company
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital	1,00,000
5	Reserves & surplus	(71,149)
6	Total assets	99,882
7	Total Liabilities	99,882
8	Investments	0
9	Turnover	0
10	Profit before taxation	(71,149)
11	Provision for taxation	0
12	Profit after taxation	(71,149)
13	Proposed Dividend	Nil
14	% of shareholding	100%

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

- Names of subsidiaries which are yet to commence operations: Transquare Realty 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: May 09, 2019
Place: Mumbai

ANNEXURE 3 TO DIRECTOR'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 arms 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 2019, 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 2019, are as follows:

Sr. No	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Kanakia Spaces Realty Private Limited
b)	Nature of contracts/arrangements/transactions:	Investment made in the commercial Property Known as "Kanakia Wall Street" situated at Village Chakala, Andheri – Kurla Road, Andheri (East), Mumbai – 400093, being developed by Kanakia Spaces Realty Private Limited along with applicable taxes.
c)	Duration of the contracts / arrangements/transactions	One Time
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	During the year under review the balance payment of Rs. 11.79 Crores has been paid against total investment of Rs. 144.66 crores.
e)	Date(s) of approval by the Board	30.06.2016
f)	Amount paid as advances, if any	N.A.

***Note:-** Possession of the above investment has been taken by the Company.

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

Rasesh Kanakia
Chairman
(Din: 00015857)

Date: May 09, 2019
Place: Mumbai

ANNEXURE 4 TO DIRECTOR'S REPORT POLICY ON DIRECTORS NOMINATION AND REMUNERATION

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

I. PREAMBLE:

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

II. OBJECTIVE:

The objective of the Policy is to ensure that:

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

III. COMPLIANCE WITH APPLICABLE LAWS:

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

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

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

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

I. QUALIFICATIONS:

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

II. POSITIVE ATTRIBUTES:

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

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

III. INDEPENDENCE:

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

V. REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

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

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

2) Remuneration to Non- Executive / Independent Directors:

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

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from 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: May 09, 2019
Place: Mumbai

ANNEXURE 5 TO DIRECTOR'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

For The Financial Year Ended on March 31, 2019

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

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link www.cineline.co.in to the CSR Policy and projects and programs.	The Board of Directors (Board) adopted the CSR Policy (Policy) on 26 th 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	1.*Mr. Kranti Sinha (Chairman-CSR Committee) 2.* Mr. Anand Bathiya (Chairman-CSR Committee) 3. Mr. Rasesh Kanakia, (Member) 4. Mr. Himanshu Kanakia, (Member)
3.	Average net profit of the Company (India –Standalone) for last three financial years.	Rs. 1174.28 lacs
4.	Prescribed CSR Expenditure to be spent (two percent of the amount as in item 3 above).	Rs. 23.49/- lacs
5.	Details of CSR spent during the financial year:	
	a) Total amount spent for the financial year;	Rs. 23.71/- lacs
	b) Amount unspent, if any;	Nil
	c) Manner in which the amount spent during the financial year:	The details are as under:

(1) Sr No.	(2) CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken.	(5) Amount outlay (budget) project or programs wise (Rs. in Lacs)	(6) Amount spent on the projects or programs Sub- heads: (1) Direct expenditure on projects or programs (2) Overheads: (Rs. in Lacs)	(7) Cumulative expenditure up to the reporting period (Rs. in Lacs)	(8) Amount spent: Direct or through implementation agency
1.	Housing for children suffering from chronic diseases presently focusing on cancer.	Promoting Home for orphans & Health Care	Mumbai, Maharashtra	Rs. 5.00 Lacs	Rs. 5.00 Lacs	Rs. 5.00 Lacs	Through St. Jude India Childcare Centers
2.	Promoting Healthcare	Promoting Healthcare for Thalassemia patients	Nashik, Maharashtra	Rs. 3.00 lacs	Rs. 3.00 lacs	Rs. 3.00 lacs	Through Arpan Thalassemia Society
3.	Promoting education	Promoting education	Rajkot, Gujarat	Rs. 1.00 lacs	Rs. 1.00 lacs	Rs. 1.00 lacs	Through Atul Chandra Charitable Trust
4.	Empowerment of differently abled people	Promoting Education, Healthcare of Deaf blind	Nashik, Maharashtra	Rs. 2.00 Lacs	Rs. 2.00 Lacs	Rs. 2.00 Lacs	Through Society for empowerment of the Deafblind

(1) Sr No.	(2) CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken.	(5) Amount outlay (budget) project or programs wise (Rs. in Lacs)	(6) Amount spent on the projects or programs Sub- heads: (1) Direct expenditure on projects or programs (2) Overheads: (Rs. in Lacs)	(7) Cumulative expenditure up to the reporting period (Rs. in Lacs)	(8) Amount spent: Direct or through implementation agency
5.	Protection and Promotion of art & culture	Protectingand promoting of art & culture	Mumbai, Maharashtra	Rs.5.71 lacs	Rs.5.71 lacs	Rs.5.71 lacs	Through Global Vipassana Foundation
6.	Promoting Healthcare	Promoting Healthcare and providing medical facilities	Udaipur, Rajasthan	Rs. 5.00 Lacs	Rs. 5.00 Lacs	Rs. 5.00 Lacs	Through Narayan Seva Sansthan
7.	Empowerment f of women & education to orphans & single parent children	Promoting education	Mumbai, Maharashtra	Rs. 1.00 lacs	Rs. 1.00 lacs	Rs. 1.00 lacs	Through Shree Barbhaya Orphanage for Hindu Girls
8.	Promoting education to deaf & dumb children	Promoting education	Amreli, Gujarat	Rs. 1.00 lacs	Rs. 1.00 lacs	Rs. 1.00 lacs	Through Amreli Muk Badhir Seva Trust
	Total			Rs. 23.71 Lacs	Rs. 23.71 Lacs	Rs. 23.71 Lacs	

* Pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements), 2015 notified vide Notification No: SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018, directorship of Mr. Kranti Sinha as Non-Executive Independent Director has been discontinued with effect from 1st April, 2019. The Board vide Circular resolution dated 30th April, 2019 has re-constituted the Corporate Social Responsibility Committee and has appointed Mr. Anand Bathiya as Chairman of the Corporate Social Responsibility Committee.

6. In the case company has failed to spend the two per cent of the average net profit of the last three financial year or any part thereof, the company shall provide the reason for not spending the amount in its board report. : Not Applicable
7. The Company confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Anand Bathiya
Chairman- CSR Committee
(Din: 03084831)

Rasesh Kanakia
Member- CSR Committee
(Din: 00015857)

Date: May 09, 2019
Place: Mumbai

ANNEXURE 6 TO DIRECTOR'S REPORT

SECRETARIAL AUDIT REPORT

For The Financial Year Ended on March 31, 2019

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

**To,
The Members,
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, 2019, 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, 2019 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;
- 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, 2009;
 - 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, 1998; (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.

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

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

I further report that, during the period under review;

- a) The Company had dispatched Postal Ballot notice dated 11th May, 2018, for the following purposes:
 - i. Enhancing Borrowing Limits of the Company up to Rs. 1500 Crores;
 - ii. Creation of charge on the movable and immovable assets of the Company, both present and future.

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

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

Place: Mumbai
Date: 9th May, 2019

ANNEXURE 7 TO DIRECTOR'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, 2019:

Sr. No.	Director	Remuneration (Rs. In lacs)	Median Remuneration (Rs. In lacs)	Ratio
1	Mr. Rasesh Kanakia, Chairman	15.99	1.75	9.13
2	Mr. Himanshu Kanakia, Managing Director	15.99	1.75	9.13
3	Mrs. Hiral Kanakia, Whole-time Director	15.00	1.75	8.57
4	*Mr. Kranti Sinha, Independent Director	Nil	Nil	Nil
5	Mr. Utpal Sheth, 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.)

* Pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements), 2015 notified vide Notification No: SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018, directorship of Mr. Kranti Sinha as Non-Executive Independent Director has been discontinued with effect from 1st April, 2019.

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

Sr. No.	Director	% increase
1	Mr. Rasesh Kanakia	7%
2	Mr. Himanshu Kanakia	7%
3	Mrs. Hiral Kanakia	Nil
4	Mr. Kranti Sinha	NA
5	Mr. Utpal Sheth	NA
6	Mr. Anand Bathiya	NA
7	Mr. Jatin Shah, Company Secretary	1%
8	*Mr. Vipul Parekh, CFO	NA

*During the year under review, Mr. Sunil Ranka resigned as CFO of the company with effect from 16th April, 2018 and Mr. Vipul Parekh was appointed as CFO of the company with effect from 12th October, 2018.

3. Percentage increase in median remuneration of employees in the financial year: 10.96%
4. The number of permanent employees on the rolls of the company as on 31 March, 2019: 28 (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. 2018-19 was 8.52% whereas there is 7% change in the remuneration of two executive directors. However, there is 1% increase in the 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 –4 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	Rasesh Kanakia	Chairman	OPM from Harvard Business School	14.09.1961	22.05.2002	1599996	35	NA
2	Himanshu Kanakia	Managing Director	Engineer	01.01.1964	22.05.2002	1599996	32	NA
3	Hiral Kanakia	Executive Director	Bachelor in arts	29.81.1970	01.04.2015	1500000	24	NA
4	Ashish Barai	General Manager - Mall	MBA in Marketing & Finance, DBM, BSC.	05.05.1977	21.04.2007	1018866	20	Store Manager, Big Bazaar, Future Group,
5	Jatin Shah	CS & Legal Head	B.Com, CS and Post Graduate Degree in Law	23.01.1979	27.05.2013	1004712	17	Company Secretary - Hinduja Group Company
6	Manisha Vora	Senior General Manager - Finance & Accounts	B.A. and Computer Software	11.07.1959	11.01.2013	908892	21	NA
7	Nikhil Ashvin Mehta	Manager - Accounts & Audit	MBA in Finance	05.08.1984	20.05.2015	661404	17	Accounts Manager - Décor Exclusive Granites Pvt. Ltd.

Sr. No.	Name	Designation	Qualification	Date of Birth	Date of Joining	Remuneration Received (Rs.)	Experience (In years)	Particulars of last employment held - Designation & Organisation
8	Parasnath Jaiswal	Duty Manager - Mall	ITI Diploma	03.08.1975	07.07.2007	550746	17	Executice Maintenance- Big Bazaar, Future Group
9	Sunil Pednekar	Manager	Diploma in Hotel Mgmt & Catering Technology	02.10.1983	03.10.2017	588000	12	Manager – Operations, Inox
10	Pradeep Roy	Executive-Mall	B.Com	09.05.1984	07.01.2013	319920	11	Account Executive - Global Eng, Butibori

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

Rasesh Kanakia
Chairman
(Din: 00015857)

Date: May 09, 2019
Place: Mumbai

ANNEXURE - A TO DIRECTOR'S REPORT

MANAGEMENT DISCUSSION & ANALYSIS**ECONOMIC SCENARIO****Global Economy**

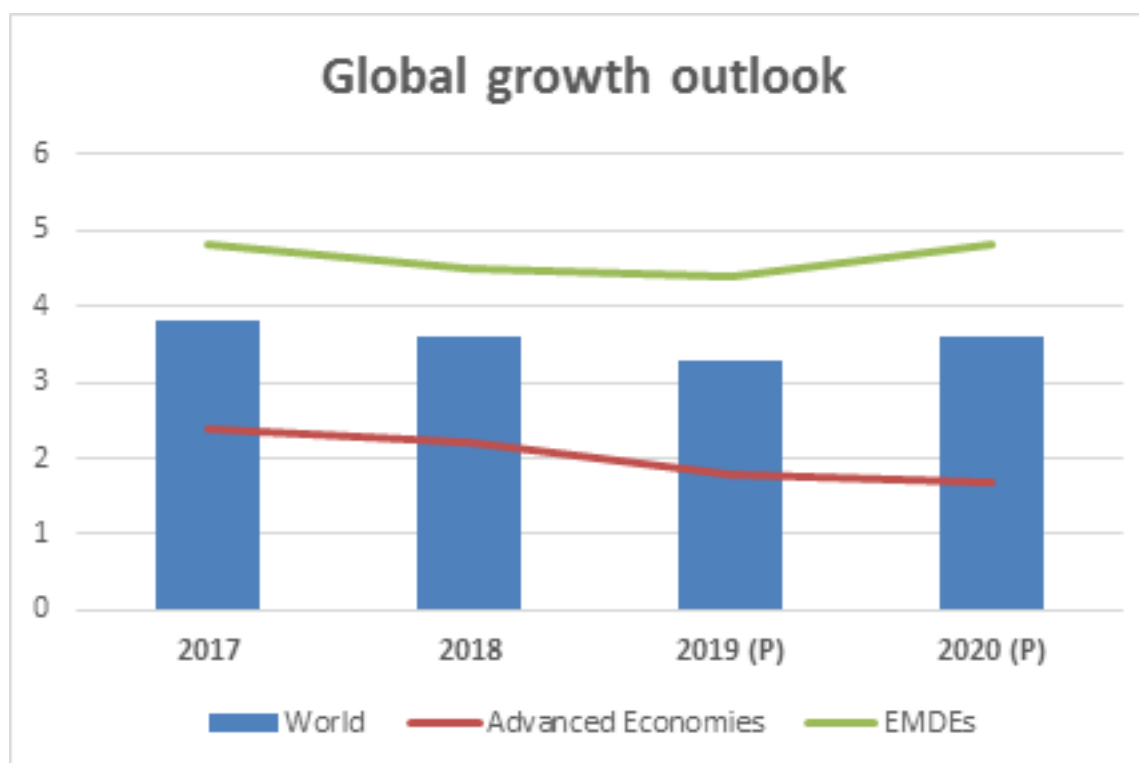
Global economic growth remained strong in 2017 and early 2018; however, activity weakened towards the end of 2018 due to a confluence of factors. The slowdown was led by elevated trade tensions between China and the United States (US), stressed financial conditions, policy uncertainty and subdued momentum across advanced and emerging economies. Consequently, growth softened to 3.6% in 2018 as against 3.8% in 2017.

Growth in Advanced Economies moderated slightly to 2.2% in 2018 vis-à-vis 2.4% in 2017. Introduction of new fuel emission standards in Germany, natural disasters in Japan, sovereign and financial risk in Italy weighed on the domestic demand. Rising concerns about a no-deal Brexit impacted the consumer and business sentiment across the Euro area. As a result, growth in the Euro zone plunged to 1.8% compared to 2.3% in

the previous year. On the contrary, the US economy expanded by 2.9% in 2018 as against 2.3% in 2017 on the back of strong growth in consumption.

Emerging Market and Developing Economies (EMDEs) grew at 4.5% in 2018 compared to a strong growth of 4.8% achieved in 2017. Slowing demand, persistent policy uncertainties, volatile oil prices, financial tightening and geopolitical tensions were the primary factors that clouded the growth prospects. Tariff increases by the US impacted domestic demand and investment in China's economy, dragging growth to 6.6% from 6.8% in 2017.

According to the International Monetary Fund (IMF), world economic growth is estimated to slow down to 3.3% in 2019, before recovering to 3.6% in 2020. Growth is expected to pick up, driven by policy stimulus in China, accommodative monetary policy stance by the US, easing of trade tensions, favourable market sentiment and recovery in growth across emerging economies.



(Source: IMF World Economic Outlook, April 2019)

Indian Economy

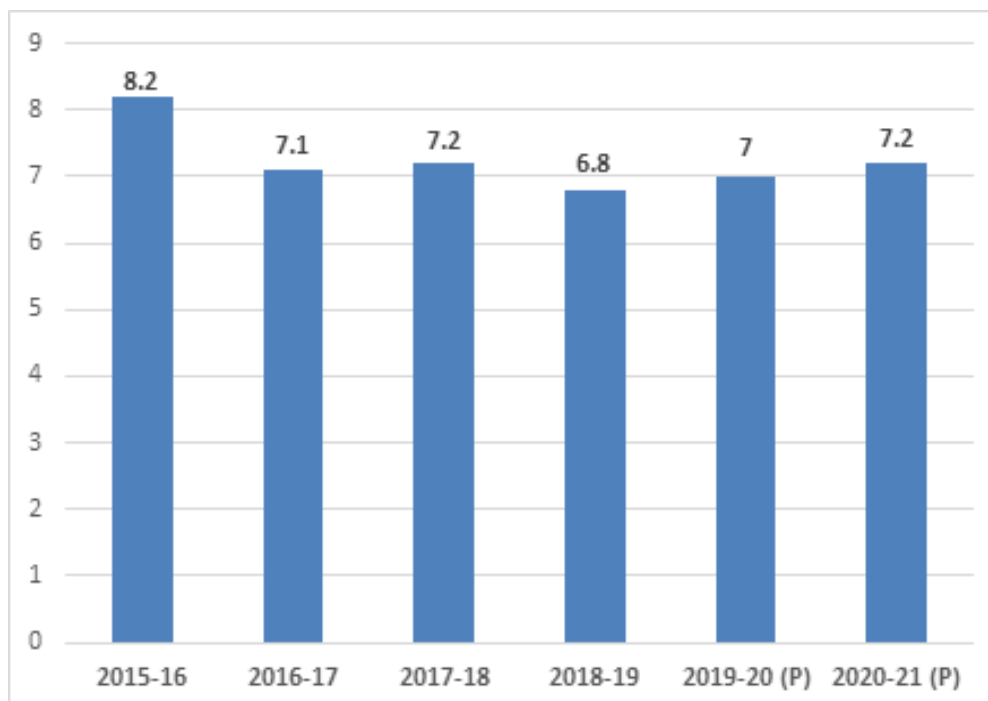
According to the Central Statistics Office (CSO) estimates, India recorded a Gross Domestic Product (GDP) growth of 6.8% in FY 2018-19 as against 7.2% in FY 2017-18. Growth was primarily impacted due to subdued consumption, muted investment and agricultural slowdown. Despite the moderate performance, India continues to remain the fastest growing major economy in the world. Several landmark reforms have been enforced by the government over the past few years such as the Goods & Services Tax (GST), Insolvency and Bankruptcy Code, Real Estate (Regulation & Development Act) (RERA), FDI liberalisation norms, among others. These reforms have helped improve the business climate and eased banking sector concerns. India witnessed a 23-point jump in the most recent World Bank's ease of doing business rankings to achieve 77th rank from 100th, reflecting the remarkable progress made by the economy.

With a stable government at the centre, focus will be on bolstering economic growth and reviving investment. IMF has pegged India's GDP growth at 7% in FY 2019-20 and 7.2% in FY 2020-21, led by continued policy initiatives, expansionary monetary policy and fiscal stimulus. The Union Budget 2019-

20 laid the roadmap for catapulting India to a USD 5 trillion economy by 2024. It focussed on strengthening the country's infrastructure, providing succour to rural economy, supporting systemic credit growth and promoting digitisation and more importantly, all this while maintaining the fiscal balance.

The Budget announced a recapitalisation package of Rs. 70,000 crore for public sector banks, which will augment lending and help fuel credit growth. Key infrastructure segments like railways, roads, housing and urban development saw a significant spurt in allocations. Further, measures such as increased financial outlay for the agriculture sector, income support package for farmers, hikes in procurement prices for food grains, will undoubtedly go a long way in addressing rural distress and doubling farmers' income. On the monetary side, three consecutive repo rate reductions of 25 basis points in FY 2018-19 by the Reserve Bank of India (RBI) are likely to propel economic growth going ahead. Consumption will be spurred from interest rate cuts, easing of liquidity concerns and tax sops for the middle-class.

All these developments are expected to usher unprecedented growth in the economy and help realise government's vision of creating New India.



(Source: CSO, IMF, PWC)

INDUSTRY OVERVIEW

Indian real estate sector is undergoing massive transformation due to the creation of new regulatory environment marked by transparency and efficiency. With implementation of path-breaking reforms like Real Estate (Regulatory and Development Act), (RERA), Goods & Services Tax (GST), Real Estate Investment Trusts (REITs), Insolvency and Bankruptcy framework and Benami Transactions Act, the industry is heading towards a more transparent, organised and unified marketplace.

These reforms have provided a fresh impetus to the industry after witnessing temporary hurdles. RERA is undeniably a game-changer for the industry, bringing in greater transparency and accountability, while safeguarding the interest of buyers. A survey conducted by KPMG in association with National Real Estate Development Council (NAREDCO) and Asia Pacific Real Estate Association (APREA) estimates Indian realty sector to touch USD 1 trillion by 2030, becoming the third largest globally.

2018 was a turbulent year for the Indian real estate market. Despite green shoots of recovery witnessed in the first half, the liquidity crunch triggered by the Non-Banking Financial Company (NBFC) crisis in the second half of the year resulted in a period of sluggish growth in the sector. The liquidity squeeze led to drying up of an important source of funding for the developers, thereby grappling the entire sector. Nonetheless, the government and the RBI's concerted efforts to improve liquidity conditions and boost lending will help revive industry growth. One of the positive steps is the announcement of one-time six-month partial guarantee scheme by the government to provide much-needed liquidity to NBFCs, which will benefit the real estate developers. Moreover, measures like GST rate cuts

on affordable housing, tax sops for home buyers, notional tax extension for developers and fall in home loan rates will boost the confidence of buyers and developers.

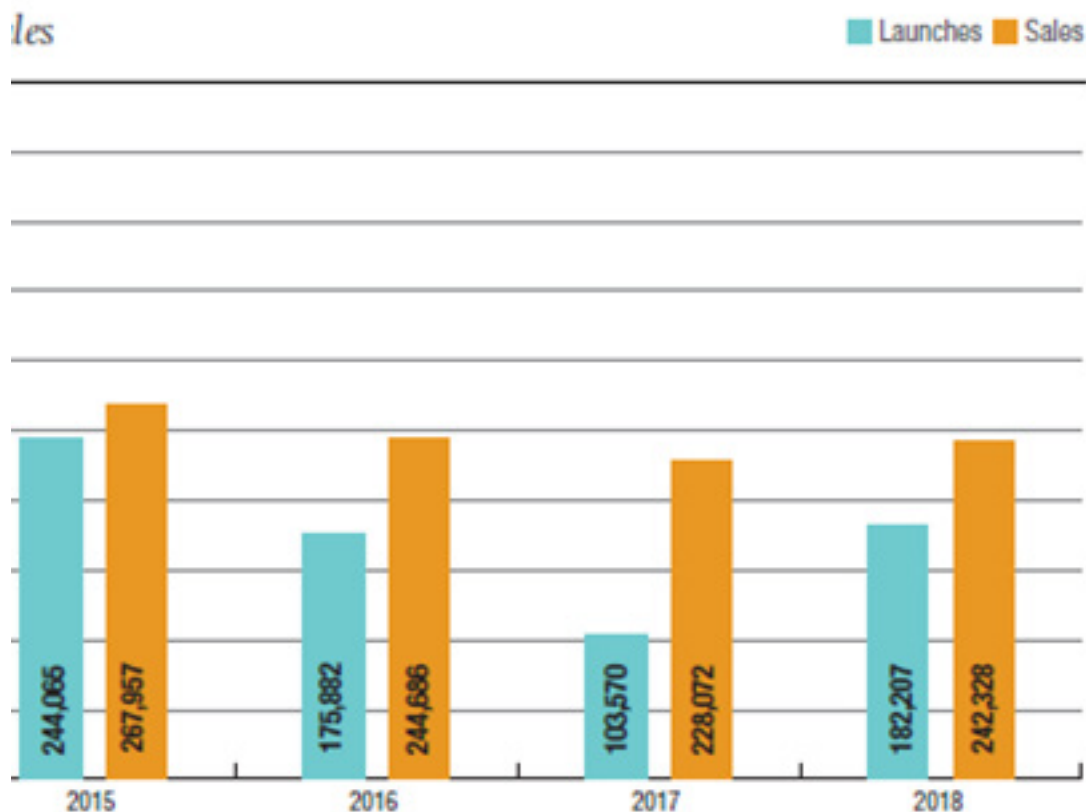
Further, government's focus on infrastructure development, ease of doing business and relaxing FDI norms have made Indian real estate a lucrative investment destination. According to Cushman & Wakefield, private equity inflows in Indian real estate stood at USD 6.8 billion, demonstrating high investor confidence in the sector. Mumbai led with the highest share of investments i.e. 27% among all cities, followed by Hyderabad and Chennai.

Residential Real Estate

The year 2018 was an exceptional year for the residential market and saw an impressive growth in sales and new launches. During the year, new launches increased by 76% to 1,82,207 units from 1,03,570 units in 2017. Sales, on the other hand, witnessed a rise of 6% to 2,42,328 units in 2018 from 2,28,072 units in 2017. Government's strong thrust on affordable housing and increased transparency due to stability in reforms like RERA and GST have boosted buyer sentiment, driving both sales and new launches.

Mumbai residential market experienced the highest increase in launches at 74,363 units, registering a growth of 220% over 2017. Sales for the full year stood at 63,893 units, marking a growth of 3% over 2017. Additionally, reduction in residential prices and housing unit sizes across the top eight cities has significantly improved home affordability. The unsold inventory levels dropped 11% to 4,68,372 units in 2018 as against 5,28,494 units in 2017. Several factors that will work in favour of residential market going ahead include competitive property prices and greater incentives for affordable housing sector.

All India Annual Residential Launches and Sales



(Source: Knight Frank)

Office Market

Indian office market remained constrained since 2013 due to lack of quality office space as developers chose to invest largely in residential real estate segment despite strong demand from office occupiers. The supply crunch resulted in plummeted vacancy levels by 2017 and increased rentals across cities. However, this trend was reversed and office space market gained momentum during 2018, with supply rising 13% to 36.9 million sq. ft. as against 32.7 million sq. ft. in 2017. This has been the highest YoY increase in this decade. Average rental value across top seven cities grew 10% YoY in 2018, underpinning the underlying strength of the Indian office market.

Co-working phenomenon has been gaining popularity in India as can be reflected in the growing interest and space taking by co-working companies in Indian commercial market. Across

the top seven cities, co-working space providers have taken approximately 2.0 million sq. ft. of office space in H2 2018, a 52% growth over H2 2017. Furthermore, REITs structure will result in massive liquidity infusions in commercial real estate and make the sector more viable and efficient.

(Source: Knight Frank)

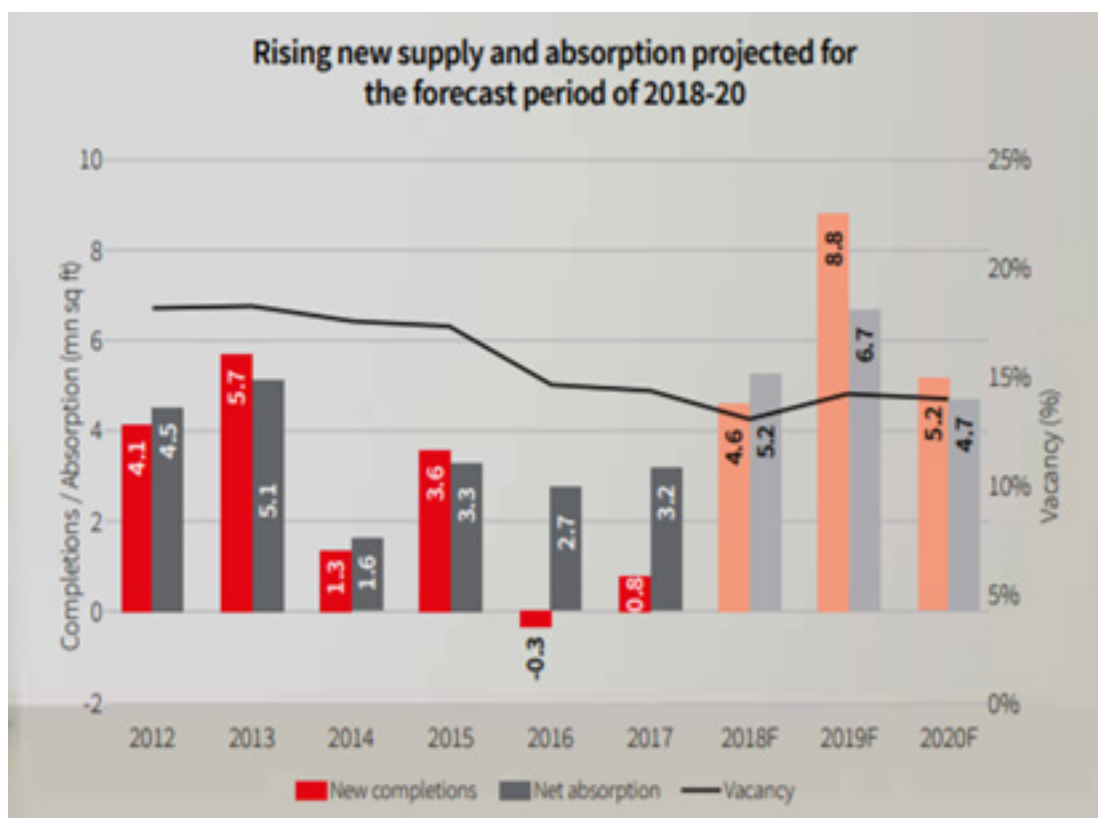
Retail Real Estate

Retail sector has emerged as one of the most vibrant and fast-growing real estate sectors in India. Favourable government policies, increasing consumer base with rising level of disposable incomes, entry of foreign retailers, technology disruption and ease of shopping prompted the growth of retail market in 2018. The pan-India retail space absorption during H1 2018 saw a rise of over 75% YoY, taking total absorption to 1.9 million sq. ft. An interesting trend witnessed during the year was the exponential retail growth in Tier II and III cities.

Recognising the huge potential of these untapped markets, both domestic and international brands are increasingly focussing on penetrating these destinations over metros via both online and offline presence.

The future of retail real estate seems increasingly exciting. Focus on providing experiential shopping experience to customers, presence of omnichannel retailing and increased

investor interest are the prime factors expected to drive growth of Indian retail sector. Mall developers are focusing on enhancing infrastructure, deploying sophisticated technology and offering a wide range of food and entertainment options to maximise customer experience. According to Jones Long LaSalle, India is expected to see addition of over 10 million sq. ft of retail real estate in 2019 as the sector continues to boom across the country.



(Source: Jones Long LaSalle)

BUSINESS OVERVIEW

Cineline India Limited is a part of Kanakia Group and amongst the most established and trusted real estate players in Mumbai. The Company enjoys a proven track record of identifying successful commercial properties in Mumbai and western parts of the country. It is primarily engaged in the business of renting out retailing, parking and advertising spaces in high-street malls. Numerous fun-filled events and exhibitions are also organised time and again inside the mall premises. Presently, the Company owns nine theatres, of which seven are located in and around Mumbai and the other two are located in Nasik and Nagpur. These multiplexes are leased

to leading film exhibitor, PVR Cinemas on a long-term basis. This arrangement ensures steady and significant revenue in the form of rentals for the Company. Additionally, the Company owns 'Eternity Mall' situated in the prime area of Nagpur. The mall is entirely occupied by leading Indian and international brands and is one of the most prominent retail destinations in the city. The Company generates a healthy income from car-parking, maintenance and advertising at the Eternity Mall, which further augments its revenue. In addition, the Company owns two commercial properties Boomerang and Kanakia Wall Street situated in Chandivali, Powai and Andheri East respectively.

The Company is in process of selling/ transfer its immovable property located at "Kanakia Wallstreet", Andheri East, Mumbai, its ordinary course of business at fair market value in one or more tranches, subject to requisite approvals from Board of Directors and Members of the Company.

The Company has successfully forayed into the renewable energy business and owns two windmills at Viswada (Gujarat) and Revangaon (Maharashtra) with power generation capacity of 0.6 MWA and 1.6 MWA respectively. This move is in line with the Company's strategy of diversifying its business and capturing the massive opportunities in the sector with the onset of the clean energy era. Revenue from the sale of power generated at these units forms a considerable chunk of the Company's total revenue.

REVIEW OF FINANCIAL PERFORMANCE

During the year under review, Gross Revenue of the Company grew 8% to Rs. 3,493.94 Lacs from Rs. 3,234.53 Lacs in FY 2017-18. EBITDA of the Company stood at Rs. 2,678.32 Lacs, up from Rs. 2,462.45 Lacs in the previous year. The Company clocked a Net Profit of Rs. 985.59 Lacs as against Rs. 1,054.81 Lacs attained in FY 2017-18.

Segment-wise revenue	(Rs. in Lacs)	
	FY 2018-19	FY 2017-18
Retail Space	2,242	2,071
Windmill	181	155

KEY FINANCIAL RATIOS

Ratio	FY 2018-19	FY 2017-18
Debtors Turnover	8.87	8.13
Inventory Turnover	NA	NA
Current Ratio	7.67	0.68
Operating Profit Margin	65.08%	68.27%
Net profit Margin	28.21	32.61
Return on Net Worth*	8.62	10.11

*The Return on Net Worth is decreased by 1.49 due to increase in taxation

OPPORTUNITIES AND OUTLOOK

Over the past two years, a slew of growth promoting regulatory developments and initiatives were announced, which are paving the way for strong growth of the real estate sector. Reforms such as RERA, GST, REITs and IBC have pushed the industry towards a healthier ecosystem. Importantly, all these

efforts have not only instilled financial discipline in the sector but also positioned India as a global hub for investments.

REITs will change the nature of real estate investments by broadening the base of domestic and institutional investors. This will stimulate development of real estate ecosystem and overall economic growth. Further, in the Union Budget 2019-20, Rs. 100 crore was earmarked for infrastructure development in the country over the next five years. This massive allocation will provide immense opportunities for real estate development in the country.

The outlook of the realty industry looks promising with multiple factors likely to propel growth. With big-bang boosters like Smart Cities, Housing for All, Make in India, the government has set the stage for the sector to flourish in the long-term. Going ahead, increasing urbanisation and consumerism, young demographics with higher incomes and eased FDI norms are expected to act as key drivers for retail market in India. Overall, strong economic fundamentals, burgeoning population, proactive reforms and innovative offerings will catalyse the growth of the sector.

Going ahead the Company's focus will be to expand business in a manner to make it more derisked and sustainable in the longer run, while creating more value for all our stakeholders. We have inherent knowledge and expertise of the real state sector in the western part of the country which will be critical in exploring prospective opportunities. We are confident of the long-term prospects of the real estate industry on the back of India's improving macro outlook, strong infrastructure impetus and a recovery in private consumption and investment.

The Company is contemplating to sell/ transfer the assets held by it in the commercial project "Kanakia Wallstreet" in order to venture into real estate business.

RISKS AND CONCERNS

High capital costs stalled or delayed projects, liquidity and supply crunch, inventory pileup, regulatory hurdles and labour shortage are the major impediments to the performance and growth of the sector. Since the Company is in the business of leasing properties on a long-term basis, it earns assured and uninterrupted revenue in the form of rental income. This enables it to sustain its position and reduces exposure to the critical risks involved in the realty sector. At the same time, renting out retailing, parking and advertising spaces in malls ensures steady cash flows for the Company. Strong thrust on renewable energy is expected to provide a significant boost to the windmill business of the Company.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

At Cineline India Limited, human capital is considered the most valuable asset and crucial for the Company's success. The Company aims to foster a transparent, conducive and inspiring work environment and thereby encourage productivity. The HR practices of the Company are focussed on upping employee motivation and satisfaction levels for improved outcome. Besides, adherence to the comprehensive guidelines laid down by the well-defined Code of Conduct must be ensured by the employees while interacting with the stakeholders. Health and safety of its workforce is of utmost importance to the Company. In pursuit of this, stringent safety policies are followed by everyone, which reduces the risk of work-related accidents across the project sites. The Company ensures payment of fair remuneration to the contract labourers at par with the industry standards. At the same time, it strives to enhance the skills and capabilities of people by providing opportunities within the organisation. For this purpose, the Company conducts learning and skill development programmes, trainings and workshops at regular intervals through engaging with internal and external experts. During the year, the Company maintained harmonious relationship with its workforce. As on March 31, 2019, its total employee strength stood at 28.

INTERNAL CONTROL SYSTEMS

The Company has adequate and well-framed internal control systems for ethical conduct of business. These internal controls are commensurate with the size, nature and complexity of its business operations. The control framework has well-documented policies, procedures and processes. These ensure compliance with the applicable laws and regulations, safeguarding of assets, prevention of frauds and errors and timely and accurate reporting of transactions. The Company has appointed internal and external auditors to review and audit the internal controls and assess their efficacy. Any inconsistency/deviation is immediately reported. The Senior Management of the Company monitors the mechanism and undertakes necessary action on the discrepancies flagged by the auditors.

CAUTIONARY STATEMENT

This report contains forward looking statements that involve risks and uncertainties including, but not limited to, the risk inherent in the Company's growth strategy, acquisition plans, dependence on certain businesses, reliance on the availability of qualified and trained manpower and other factors. Actual results, performances or achievements could differ materially from those expressed or implied by such forward-looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto.

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2019, 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.

ANNEXURE-B TO DIRECTOR'S REPORT

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, 2019:

The Board of Directors of your Company comprises of Six (6) Directors as on 31st March, 2019 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. Utpal Sheth	Director	Non - Executive	Independent
Mr. Kranti Sinha	Director	Non - Executive	Independent
Mr. Anand Bathiya	Director	Non - Executive	Independent

Directorship / Committee Membership as on 31st March, 2019 (including CINELINE):

Sr. No.	Name of the Director	No. of Directorships*	Board Committees**	Chairmanships of Board Committees**
1	Mr. Rasesh Kanakia	1	2	Nil
2	Mr. Himanshu Kanakia	1	1	Nil
3	Mrs. Hiral Kanakia	1	Nil	Nil
4	Mr. Utpal Sheth	5	1	Nil
5	Mr. Kranti Sinha	5	10	4
6	Mr. Anand Bathiya	1	1	Nil

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

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

List of core skills/expertise/competencies as identified by the Board of Directors of the Company\ as required in the context of Company's business and sector for it to function effectively and those actually available with the Board:

Sr. No.	Skills/expertise/competence	Whether available with the Board or not?
A	Industry knowledge/experience (Real Estate)	
1	Experience	Yes
2	Industry knowledge	Yes
3	Understanding of relevant laws, rules, regulation and policy	Yes
4	International Experience	Yes
5	Contract management	Yes
B	Technical skills/experience	
1	Accounting and Finance	Yes

Sr. No.	Skills/expertise/competence	Whether available with the Board or not?
2	Business Development	Yes
3	Information Technology	Yes
4	Talent Management	Yes
5	Leadership	Yes
6	Compliance and risk	Yes
7	Legal	Yes
8	Business Strategy	Yes
C	Behavioral Competencies	
1	Integrity and ethical standards	Yes
2	Mentoring abilities	Yes
3	Interpersonal relations	Yes

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, 2019 is as follows:

Name of Director	No of equity shares of Rs. 5/- each, held
Mr. Kranti Sinha	Nil
Mr. Utpal Sheth	Nil
Mr. Anand Bathiya	Nil

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 2018-19, the Board met five times. The meetings were held on 28th May, 2018, 14th August, 2018, 12th October, 2018, 3rd November, 2018 and 13th February, 2019. 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):

S r . No.	Name of Director	No. of Board meetings held	No. of Board meetings attended	Attendance at AGM held on 27th September, 2018
1	Mr. Rasesh Kanakia	5	5	Present
2	Mr. Himanshu Kanakia	5	5	Present
3	*Mr. Kranti Sinha	5	5	Present
4	Mr. Utpal Sheth	5	3	Absent
5	Mrs. Hiral Kanakia	5	4	Present
6	Mr. Anand Bathiya	5	3	Present

* Pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements), 2015 notified vide Notification No: SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018, directorship of Mr. Kranti Sinha as Non-Executive Independent Director has been discontinued with effect from 1st April, 2019.

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, 2019 comprised of four (4) members namely, Mr. Kranti Sinha- Chairman, Mr. Anand Bathiya, Mr. Utpal Sheth 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.

However, pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements), 2015 notified vide Notification No: SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018, directorship of Mr. Kranti Sinha as Non-Executive Independent Director has been discontinued with effect from 1st April, 2019. The Board vide Circular resolution dated 30th April, 2019 has re-constituted the Audit Committee and has appointed Mr. Anand Bathiya as Chairman 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 Five (5) times during the Financial Year 2018-19. The maximum gap between two meetings was not more than 120 days. The Committee met on 28th May, 2018, 14th August, 2018, 12th October, 2018, 3rd November, 2018 and 13th February, 2019. 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. Kranti Sinha	Chairman, Independent Director	5	5
Mr. Rasesh Kanakia	Member, Executive Director	5	5
Mr. Utpal Sheth	Member, Independent Director	5	3
Mr. Anand Bathiya	Member, Independent Director	5	3

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

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

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

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-

appointment and, if required, the replacement or removal of the auditors and the fixation of the audit fees;

3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

- a) Matters required being included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
- b) Changes, if any, in accounting policies and practices and reasons for the same.
- c) Major accounting entries involving estimates based on the exercise of judgment by management.
- d) Significant adjustments made in the financial statements arising out of audit findings.
- e) Compliance with listing and other legal requirements relating to financial statements.
- f) Disclosure of any related party transactions.
- g) Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of

statutory and internal auditors, and adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors on any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
20. 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, 2019 comprised of three (3) Directors. Mr. Kranti Sinha, Non-Executive, Independent Director, was the Chairman of the Committee. The other member of the Nomination and Remuneration Committee includes Mr. Utpal Sheth and Mr. Anand Bathiya. 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 time during the year on 12th October, 2018. The necessary quorum was present for the meeting.

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 2018-19:

Name of the Director	Sitting Fees for Board & Committees Meeting (Amount in Rs.)	Salary & Perquisites (including PF, etc.) \ (Amount in Rs.)
Mr. Rasesh Kanakia	N.A.	15,99,996
Mr. Himanshu Kanakia	N.A.	15,99,996
Mrs. Hiral Kanakia	N.A.	15,00,000

Name of the Director	Sitting Fees for Board & Committees Meeting (Amount in Rs.)	Salary & Perquisites (including PF, etc.) \ (Amount in Rs.)
Non-Executive Director		
*Mr. Kranti Sinha, Independent Director	1,20,000	N.A.
Mr. Utpal Sheth, Independent Director	70,000	N.A.
Mr. Anand Bathiya, Independent Director	70,000	N.A.

* Pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements), 2015 notified vide Notification No: SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018, directorship of Mr. Kranti Sinha as Non-Executive Independent Director has been discontinued with effect from 1st April, 2019.

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

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

(D) STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulation, as on 31st March, 2019 the Stakeholder Relationship Committee comprised of three Directors. Mr. Kranti Sinha, Non-Executive, Independent Director was the Chairman of this Committee.

However, pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements), 2015 notified vide Notification No: SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018, directorship of Mr. Kranti Sinha as Non-Executive Independent Director has been discontinued with effect from 1st April, 2019. The Board vide Circular resolution dated 30th April, 2019 has re-constituted the Stakeholders Relationship Committee and has appointed Mr. Anand Bathiya as Chairman of the Stakeholders Relationship Committee.

Meeting:

The Stakeholders' Relationship Committee met two (2) times during the Financial Year 2018-19. The Committee met on 28th May, 2018 and 3rd November, 2018.

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

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

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

- transfer/transmission of shares as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- monitoring expeditious redressal of investors / stakeholders grievances;
- 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;
- to issue and allot debentures, bonds and other securities subject to such approvals as may be required;
- to monitor dematerialization / rematerialisation of shares and all matters incidental or related thereto;
- 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;
- 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.

Mr. Jatin 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, 2019 was nil, as per details given below. There were no complaints outstanding as on March 31, 2019.

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, 2019 comprised of three (3) Directors. Mr. Kranti Sinha, Non-Executive, Independent Director was 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.

However, pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements), 2015 notified vide Notification No: SEBI/LAD-NRO/GN/2018/10 dated

9th May, 2018, directorship of Mr. Kranti Sinha as Non-Executive Independent Director has been discontinued with effect from 1st April, 2019. The Board vide Circular resolution dated 30th April, 2019 has re-constituted the Corporate Social Responsibility Committee and has appointed Mr. Anand Bathiya as Chairman of the Corporate Social Responsibility Committee.

Terms of Reference:

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

- 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;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To monitor the CSR policy of the Company from time to time;
- 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 28th May, 2018 during the Financial Year 2018-19. 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 13th February, 2019 inter alia, to discuss;

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- 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 and Date	Time
2018	Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road, Andheri (East). Mumbai-400093	Thursday, 27th September, 2018	10.30 AM
2017	Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road, Andheri (East). Mumbai-400093	Tuesday, 19th September, 2017	10.30 AM
2016	Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road, Andheri (East). Mumbai-400093	Thursday, 22nd September, 2016	10.30 AM

No Special resolution was passed in the above three Annual General Meetings.

Postal Ballot:

During the year 2018-19 the Company had approached the shareholders through postal ballot in the month of May, 2018. The Board vide Circular resolution dated 11th May, 2018 has approved notice pursuant to Section 110 and other applicable

provisions of the Companies Act, 2013, (hereinafter referred to as 'the Act'), if any, read together with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereto for the time being in force) (hereinafter referred to as 'the Rules') that the resolution appended below were proposed to be passed by way of Postal Ballot / e-voting.

The business of the postal ballot shall, in addition to physical voting, was also transacted through electronic voting system. Accordingly, the Company in compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 108 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, provided to its Members (whether holding shares in physical or in dematerialized form) the facility to exercise their right to vote on the matters included in the notice of the postal ballot by electronic means i.e. through e-voting services provided by Central Depository Services (India) Limited. The e-voting period commenced on 18th May, 2018, at 9.00 a.m. and ended on 16th June, 2018 at 5.00 p.m.

The Board of Directors had appointed Shri. Dharmesh M. Zaveri, of D. M. Zaveri & Co., Practicing Company Secretaries, as the Scrutinizer for conducting Postal Ballot. The Scrutinizer has carried out the scrutiny of all Postal Ballot forms and Electronic votes received upto the last date of receipt i.e. 16th June, 2018 till 5:00 p.m. and submitted his report on 18th June, 2018, to the Chairman.

Based on the Scrutinizers report dated 18th June, 2018, the Chairman has declared the results of Postal Ballot as under:

Sr. No.	Particulars of the Resolutions	Consolidated (e-voting and voting through Postal Ballot Forms)				
		No. of Valid Votes	No. of Votes in favour	No. of Votes against	% of Votes in favour	% of Votes against
1.	To enhance the borrowing limit of the Company upto Rs. 1500 Crores over and above the paid up capital of the Company and its free reserves.	20020905	20019294	1611	99.9920	0.0080
2.	To approve Creation of charge on the movable and immovable assets of the Company, both present and future, in respect of borrowings in terms of resolution No (1) above	20020005	20018394	1611	99.9920	0.0080

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. There were no new materially significant transactions with related parties during the financial year. 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 strictures 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, 2019. 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, 2019.

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 institutional 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:

Details relating to fees paid to the statutory auditors are given in Note 30 (a) to the Standalone Financial Statements.

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 2018-19: Nil
2. Number of complaints disposed of during the financial year 2018-19: N.A.
3. Number of complaints pending as on end of the financial year 2018-19: 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 2018-19:**

Day & Date	: Thursday, 26 th September, 2019
Time	: 10.30 A.M.
Venue	: Cinemax Theatre, Eagle's Flight, Behind Gurbanak Petrol Pump, Andheri Kurla Road, Andheri (East). Mumbai-400093

2. Tentative Calendar for Financial Year 2019-20:-

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, 2019	Second Week of August 2019
ii)	Un-audited results for the quarter/half year ending September 30, 2019	Second Week of November 2019
iii)	Un-audited results for the quarter/nine months ending December 31, 2019	Second Week of February 2020
iv)	Audited results for the year ending March 31, 2020	Last week of May 2020

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
BSE Ltd 1 st Floor, New Trading Ring, PJ Towers, Dalal Street, Fort, Mumbai - 400 001	532807
National Stock Exchange of India Limited Exchange Plaza, 5 th 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 2019-20.

4. Depositories Information:

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

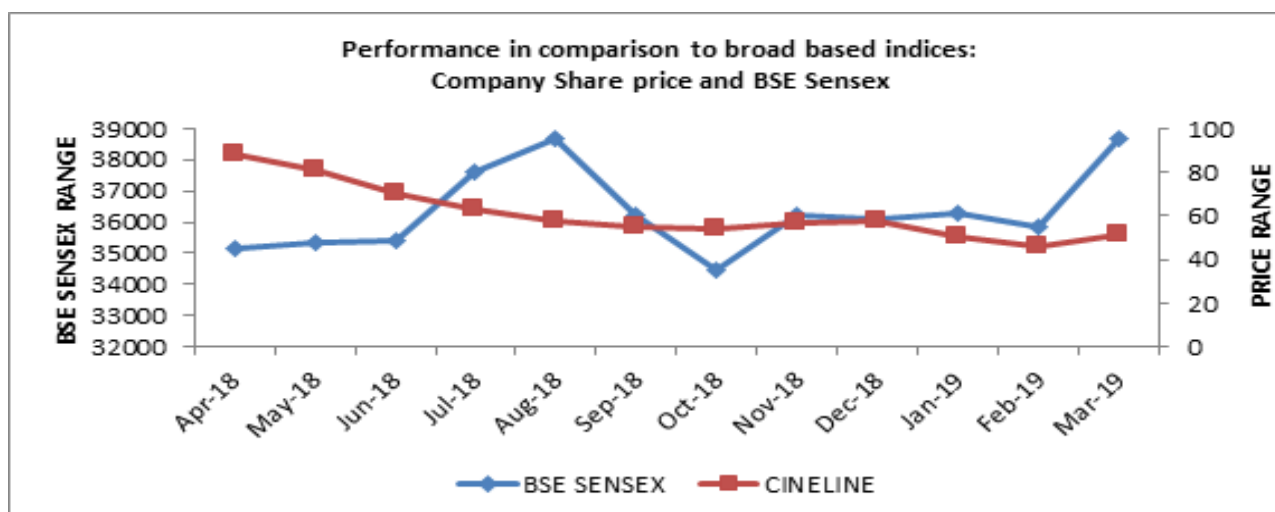
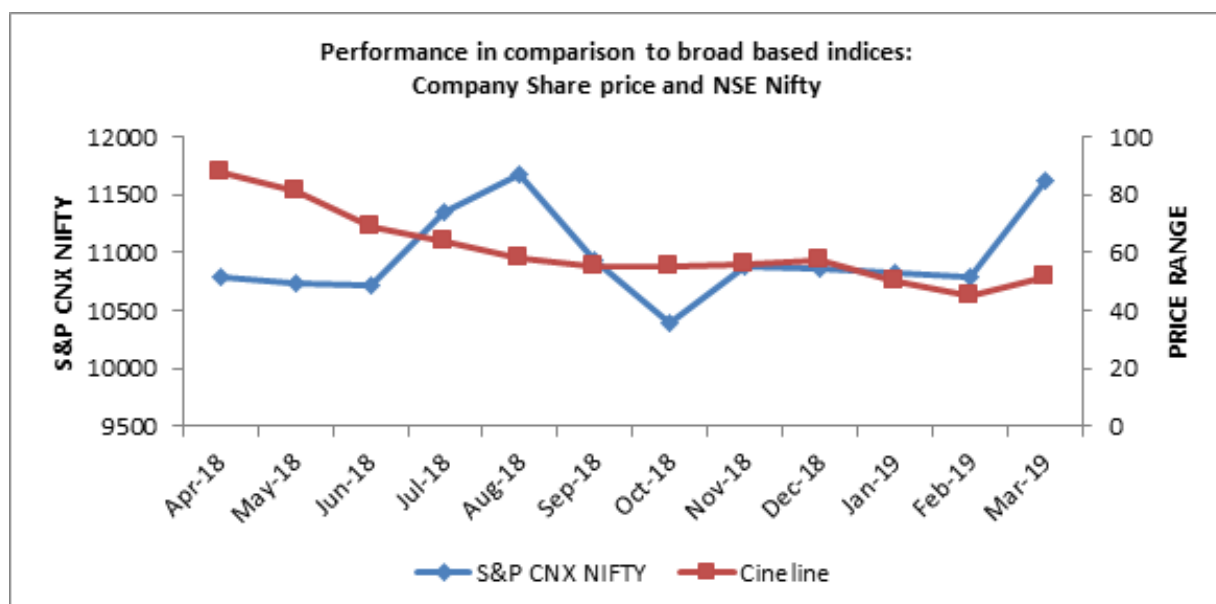
Name of the Depository	ISIN Number
Central Depository Services (India) Ltd. (CDSL)	INE704H01022
National Securities Depository Limited (NSDL)	INE704H01022

The Company has depository connectivity with NSDL and CDSL and has paid Annual Custody Fees for the financial year 2019-20.

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-18	88.00	69.80	123.23	35160.36	87.75	69.60	894.92	10793.35
May-18	81.35	60.80	91.02	35322.38	81.10	60.45	422.63	10736.15
Jun-18	69.90	54.00	50.50	35423.48	68.75	55.65	384.02	10714.30
Jul-18	62.80	41.15	39.80	37606.58	63.45	40.75	341.62	11356.50
Aug-18	58.00	48.25	53.16	38645.07	57.95	47.60	307.59	11680.50
Sep-18	55.00	44.20	46.43	36227.14	54.80	44.25	271.12	10930.45
Oct-18	54.50	41.80	62.23	34442.05	55.05	41.00	539.42	10386.60
Nov-18	56.95	45.85	43.05	36194.30	55.80	45.85	337.86	10876.75
Dec-18	58.00	44.25	57.03	36068.33	57.65	44.00	491.46	10862.55
Jan-19	50.85	42.75	18.72	36256.69	50.15	42.75	155.01	10830.95
Feb-19	46.40	40.05	10.25	35867.44	44.95	38.75	102.24	10792.50
Mar-19	51.00	42.30	31.92	38672.91	51.50	41.55	261.88	11623.90
		Total:	627.34			Total:	4509.74	

6. Stock Performance vis-à-vis Index (NSE & BSE) as on 31.03.2019:



7. Shareholding Pattern as on 31st March, 2019:

Sr. No.	Category	Holders	%	No. of Shares	%
1	Corporate Bodies (Promoter Co)	2	0.01	280	0.00
2	Clearing Member	97	0.46	181436	0.65
3	Other Bodies Corporate	170	0.80	1106916	3.95
4	Financial Institutions	0	0.00	0	0.00
5	Government Companies	0	0.00	0	0.00
6	Hindu Undivided Family (HUF)	862	4.08	798673	2.85
7	Nationalised Banks	0	0.00	0	0.00
8	Non- Nationalised Bank	1	0.00	300	0.00
9	Non Resident Indians	228	1.08	255749	0.91
10	Non Resident Indians (NON REPATRIABLE)	119	0.56	38841	0.14
11	Public	19667	92.96	6201344	22.15
12	Promoters	9	0.04	19,394,636	69.27
13	Trusts	1	0.00	2286	0.01
14	IEPF	1	0.00	19539	0.07
	Total :	21157	100.00	28,000,000	100.00

8. Distribution Schedule as of 31st March, 2019:

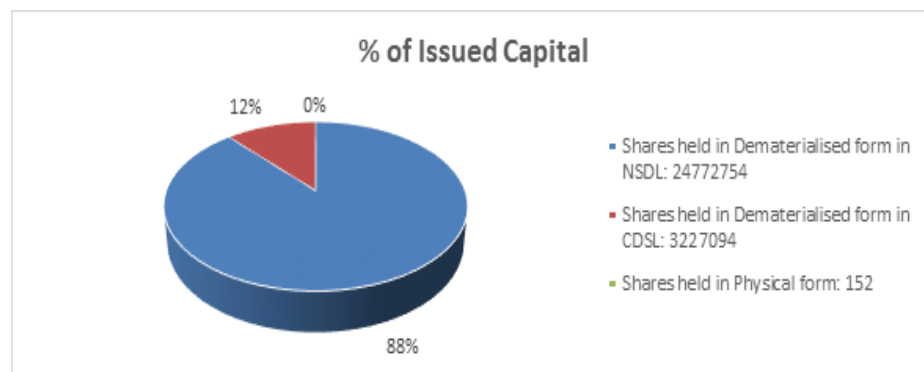
Distribution	No. of Shareholders	No of Shares	% of Shareholding
1-2500	19227	1842504	6.58
2501 -5000	945	774250	2.77
5001-10000	462	716611	2.56
10001-15000	162	416328	1.49
15001-20000	84	303274	1.08
20001-25000	70	329585	1.18
25001-50000	104	804524	2.87
Above 50000	103	22812924	81.47
Total	21157	28000000	100

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, 2019, 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, 2019. 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 dematerialized 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
Cineline India Limited 215 Atrium, 10th Floor, Opp. Divine School, J.B. Nagar, Andheri Kurla Road, Andheri- East, Mumbai- 4000 93 Phones: 022-6726 7777 Fax: 022-6693 7777 Email: investor@cineline.co.in Website: www.cineline.co.in	Mr. Jatin Shah Company Secretary Phones: 022-6726 7777 Fax: 022-6693 7777 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: 9th May, 2019

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, 2019.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 9th May, 2019

Rasesh Kanakia
Chairman
(Din: 00015857)

Himanshu Kanakia
Managing Director
(Din: 00015908)

MANAGING DIRECTOR-CFO CERTIFICATE

To,
The Board of Directors
Cineline India Limited

Subject: Certificate on financial statements for the financial year ended March 31, 2019 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, 2019 and that to the best of our knowledge and belief, we hereby certify that:

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

Yours faithfully,

For Cineline India Limited

Himanshu B. Kanakia
Managing Director
(Din: 00015908)

Vipul Parekh
CFO

Place: Mumbai
Date: 9th May, 2019

ANNEXURE 1 TO CORPORATE GOVERNANCE REPORT

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

To,
The Members of,

Cineline India Limited

215 - Atrium, 10th Floor, Opp. Divine School,
JB Nagar, Andheri Kurla Road, Andheri - East,
Mumbai – 400059

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 215 - Atrium, 10th Floor, Opp. Divine School, JB Nagar, Andheri Kurla Road, Andheri - East, Mumbai - 400059 (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, 2019 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. Utpal Hemendra Sheth	00081012	29/10/2010
5.	Mr. Anand Shailesh Bathiya	03084831	10/09/2015

Ensuring the eligibility of 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: 18th May, 2019

ANNEXURE - C TO DIRECTORS 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 2019, 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 (the Listing Regulations).

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

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 Directors and 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 period ended March 31, 2019.

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.

For D. M. Zaveri & Co.
Company Secretaries

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

Place: Mumbai
Date: 9th May, 2019

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, 2019, 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, 2019, 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.

Key Audit Matters

- 4 Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone 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

- 5 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

- 6 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

- 7 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 Matter

- 8 The comparative financial information of the Company for the previous year ended March 31, 2018 included in these Standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared

in accordance with the Companies (Indian Accounting Standard) Rules, 2015, as audited by Walker Chandio & Co LLP, Chartered Accountants for the year ended March 31, 2018 whose reports dated May 28, 2018 expressed an unmodified opinion on those Standalone Ind AS financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 9 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.
- 10 As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss 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.
 - d. 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, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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

Chartered Accountants
Firm Registration No. 105146W

Hasmukh B Dedhia

Partner (F - 033494)

Place: Mumbai

Date: May 9, 2019

Annexure 1 to the Independent Auditors' Report

[referred to in para 7 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.

Annexure 2 to the Independent Auditors' Report

[referred to in para 9 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. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. 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 Property, plant and equipment) 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.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the requirement of clause (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the Order are not applicable to the company.
- iv. According to the information and explanations given to us and the representations made in course 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. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- 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 statutes, outstanding as at March 31, 2019 for a period of more than six months from the date they became payable.

- (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, 2019 on account of 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.
- 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 given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 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, the Company 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 given to us, the Company is not required to be registered under Section 45 - IA of the Reserve Bank of India Act, 1934.

For Khimji Kunverji & Co

Chartered Accountants

Firm Registration No. 105146W

Hasmukh B Dedhia

Partner (F - 033494)

Place: Mumbai

Date: May 9, 2019

Annexure 3 to the Independent Auditors' Report

[referred to in paragraph 10(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, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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.

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, 2019, based on the internal control with reference to financial statements 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.

For Khimji Kunverji & Co

Chartered Accountants

Firm Registration No. 105146W

Hasmukh B Dedhia

Partner (F - 033494)

Place: Mumbai

Date: May 9, 2019

STANDALONE BALANCE SHEET

as at March 31, 2019

(₹ in lakhs)

	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Non-current assets			
a) Property, plant and equipment	4	766.94	828.27
b) Investment property	5	22,318.41	7,262.59
c) Financial assets			
i) Investments	6	1.00	-
ii) Loans	7	0.92	9.79
d) Other non-current assets	8	90.52	15,565.03
e) Non-current tax assets (net)	9	306.99	438.30
Total non-current assets		23,484.78	24,103.98
Current assets			
a) Financial assets			
i) Trade receivables	10	276.53	269.73
ii) Cash and cash equivalents	11	2,213.18	114.43
iii) Bank balances other than (ii) above	12	0.93	0.93
iv) Loans	7	9.90	-
v) Other financial assets	13	1,731.44	215.35
b) Other current assets	8	96.21	41.93
Total current assets		4,328.19	642.37
Assets held for sale	14	1,008.39	-
Total assets		28,821.36	24,746.35
Equity and Liabilities			
Equity			
a) Equity share capital	15	1,400.00	1,400.00
b) Other equity	16	10,034.78	9,049.51
Total equity		11,434.78	10,449.51
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	17	15,604.51	12,426.00
ii) Other financial liabilities	18	566.92	415.15
b) Provisions	19	27.10	21.74
c) Deferred tax liabilities (net)	20	432.55	347.10
d) Other non-current liabilities	21	191.44	139.47
Total non-current liabilities		16,822.52	13,349.46
Current liabilities			
a) Financial liabilities			
i) Trade payables	22	-	-
- Dues to Mirco enterprises & small enterprises		17.29	73.14
- Dues to creditors other than Mirco enterprises & small enterprises		307.45	641.91
ii) Other financial liabilities	18	233.26	136.08
b) Other current liabilities	21	6.06	4.76
c) Provisions	19	-	91.49
d) Current tax liabilities (net)	23	-	-
Total current liabilities		564.06	947.38
Total liabilities		17,386.58	14,296.84
Total equity and liabilities		28,821.36	24,746.35

Notes 1 to 46 form an integral part of these standalone financial statements

As per our audit report of even date

For Khimji Kunverji & Co

Chartered Accountants

Firm Registration No.:105146W

Hasmukh B. Dedhia

Partner

Membership No. : 033494

Place: Mumbai

Date: 09 May 2019

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

Chairman

DIN: 00015857

Vipul N. Parekh

Chief Financial Officer

Place: Mumbai

Date: 09 May 2019

Himanshu B. Kanakia

Managing Director

DIN: 00015908

Jatin Shah

Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2019

(₹ in lakhs, except per share data)

	Notes	Year ended 31 March 2019	Year ended 31 March 2018
Revenue			
Revenue from operations	24	2,422.98	2,225.75
Other income	25	1,070.96	1,008.78
Total		3,493.94	3,234.53
Expenses			
Operating expenses	26	428.94	439.70
Employee benefits expense	27	162.40	141.40
Finance costs	28	961.53	775.89
Depreciation and amortisation expense	29	364.23	358.03
Other expenses	30	224.28	190.98
Total		2,141.38	1,906.00
Profit before tax		1,352.57	1,328.53
Tax expense / (credit)			
Current tax	31	311.00	287.82
MAT credit reversal		(180.16)	63.94
Deferred tax charge / (credit)	31	261.15	17.55
Prior year's tax adjustments		(25.02)	(95.59)
		366.97	273.72
Profit for the year		985.59	1,054.81
Other comprehensive income / (loss)			
Items that will not be reclassified to statement of profit or loss			
Remeasurement of post employment benefit obligations		(0.32)	1.68
Other comprehensive income / (loss) for the year (net of tax)		(0.32)	1.68
Total comprehensive income for the year		985.27	1,056.49
Earnings per equity share (Face value of ₹ 5 each)	32		
Basic earnings per share		3.52	3.77
Diluted earnings per share		3.52	3.77

Notes 1 to 44 form an integral part of these standalone financial statements

As per our audit report of even date

For Khimji Kunverji & Co

Chartered Accountants
Firm Registration No.:105146W

Hasmukh B. Dedhia

Partner
Membership No. : 033494

Place: Mumbai

Date: 09 May 2019

For and on behalf of the Board of Directors

Rasesh B. Kanakia

Chairman
DIN: 00015857

Vipul N. Parekh

Chief Financial Officer

Place: Mumbai

Date: 09 May 2019

Himanshu B. Kanakia

Managing Director
DIN: 00015908

Jatin Shah

Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2019

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 2017	15	2,80,00,000	1,400.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2018	15	2,80,00,000	1,400.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2019	15	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 2017	3,564.00	55.00	17.02	4,525.50	8,161.52
Profit for the year	-	-	-	1,054.81	1,054.81
Other comprehensive income	-	-	-	1.68	1.68
Dividend distributed to equity shareholders	-	-	-	(140.00)	(140.00)
Tax on dividend distributed to equity shareholders	-	-	-	(28.50)	(28.50)
Balance as at 31 March 2018	3,564.00	55.00	17.02	5,413.49	9,049.51
Profit for the year	-	-	-	985.59	985.59
Other comprehensive income	-	-	-	(0.32)	(0.32)
Balance as at 31 March 2019	3,564.00	55.00	17.02	6,398.76	10,034.78

As per our audit report of even date

For Khimji Kunverji & CoChartered Accountants
Firm Registration No.:105146W**Hasmukh B. Dedhia**Partner
Membership No. : 033494Place: Mumbai
Date: 09 May 2019**For and on behalf of the Board of Directors****Rasesh B. Kanakia**Chairman
DIN: 00015857**Vipul N. Parekh**

Chief Financial Officer

Place: Mumbai
Date: 09 May 2019**Himanshu B. Kanakia**Managing Director
DIN: 00015908**Jatin Shah**

Company Secretary

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Cash flow from operating activities		
Profit before tax	1,352.57	1,328.53
Adjustments for:		
Depreciation expense	364.23	358.03
Provision for doubtful debts	5.63	9.00
Provisions and balances no longer required written back	(7.43)	(13.64)
Finance costs	868.04	764.37
Interest income	(1,009.33)	(959.05)
Operating profit before working capital changes	1,573.70	1,487.24
Changes in working capital		
Trade receivables	(6.80)	(1.94)
Other assets	(1,799.38)	6,469.90
Trade payables	(55.85)	19.36
Provisions	6.66	2.52
Other liabilities	300.53	(6.81)
Cash generated from operations	18.86	7,970.27
Income taxes paid / refunds (net)	(247.31)	(295.20)
Net cash generated from operating activities	(228.45)	7,675.07
Cash flow from investing activities:		
Purchase of property, plant and equipment (including capital advances and capital work in progress)	(880.10)	(8,044.80)
Interest received	1,224.67	2,266.21
Investment in subsidiary company	(1.00)	-
Changes in deposit / earmarked accounts	-	0.92
Net cash generated from / (used) in investing activities	343.57	(5,777.67)
Cash flow from financing activities:		
Interest paid	(898.94)	(1,376.36)
Dividend paid (including tax on dividend distributed)	-	(168.50)
Proceeds / (repayment) of long term borrowings	2,882.57	(358.73)
Net cash used in financing activities	1,983.63	(1,903.59)
Net decrease / (increase) in cash and cash equivalents	2,098.75	(6.20)
Cash and cash equivalents as at the beginning of the year	114.43	120.63
Cash and cash equivalents as at the end of the year	2,213.18	114.43
Notes to cash flow statement	As at 31 March 2019	As at 31 March 2018
Cash on hand	1.02	0.55
Balances with banks - in current accounts	2,212.16	113.88
	2,213.18	114.43

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For Khimji Kunverji & Co

Chartered Accountants
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Hasmukh B. Dedhia

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Membership No. : 033494

Place: Mumbai
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Himanshu B. Kanakia

Managing Director
DIN: 00015908

Jatin Shah

Company Secretary

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

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 2019, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the year ended 31 March 2019, 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

All other assets are classified as non-current.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

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

c. Critical estimates and judgements

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

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

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

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

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

- **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 17 mandates straight lining of lease rental income, only if the escalation rate is not in line with the general inflation rate.
- b) Revenue from sale of power is booked on monthly basis as per the power generation reports at wind farm and the same is sold to the State Government.
- c) Revenue from car parking is based on the actual collection depending on the vehicles parked at the respective sites or as per the agreement entered into for the property.
- d) Advertisement income is recognised as and when advertisements are displayed at the property.

ii. Other income

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

e. Leases

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 Company as lessee

Operating lease – Rentals payable under operating lease are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease as required under Ind AS 17 “Leases”, since the escalation rate is higher than general inflation rate.

Finance lease – The Company does not have any finance lease as lessee.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

ii. The Company as lessor

Operating lease - Rental income from operating leases is recognised in the statement of profit and loss based upon the agreement, for the period the property has been let out. Ind-AS 19 mandates straight lining of lease rental income, only if the escalation rate is not in line with the general inflation rate and hence no straight lining of rental income is done.

Finance lease - The Company does not have any finance leases as lessor.

f. Income taxes

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

Current tax

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

Deferred tax

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

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

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

Minimum alternate tax

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

g. Financial instruments

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

i. Recognition, initial measurement and derecognition

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

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.

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.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

h. Investment in subsidiary

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

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 company 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.

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 Company. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company in a period exceeding one year and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

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 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

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.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

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

q. Employee benefits

• Defined contribution plans

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

• Defined benefit plans

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

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

• Other long-term employee benefits

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

• Short-term employee benefits

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

r. 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.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

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 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.

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.

3. Recent accounting pronouncements

i. Ind AS 116 "Leases:

On March 30, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Ind AS 116 'Leases', effective from accounting period beginning on and after April 1, 2019, which replaces the existing standard Ind AS 17 'Leases'. Under Ind AS 116, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use asset) at the commencement date of lease. Lessees will be required to separately recognise interest expense on the lease liability and depreciation expense on the right of use asset. Lessor accounting under Ind AS 116 remains substantially unchanged from accounting under Ind AS 17. The Company is in process of assessing the potential impact of this Standard.

ii. Others

Ministry of Corporate Affairs ("MCA") has notified following amendments to Ind AS on March 30, 2019 which is effective for the annual period beginning on or after April 01, 2019.

1. Ind AS 12 - Appendix C, Uncertainty over Income Tax Adjustments

The amendment requires an entity to determine probability of the relevant tax authority accepting the uncertain tax treatment that the Company have used in tax computation or plan to use in their income tax filings.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

2. Amendment to Ind AS 12 – Income taxes

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events

3. Ind AS 19 - Plan amendment, curtailment or settlement

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

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
Gross block							
Balance as at 31 March 2017	1.00	0.42	41.73	0.41	14.71	942.76	1,001.03
Additions	-	0.07	0.50	0.73	-	-	1.30
Balance as at 31 March 2018	1.00	0.49	42.23	1.14	14.71	942.76	1,002.33
Additions	-	-	9.42	-	-	-	9.42
Balance as at 31 March 2019	1.00	0.49	51.65	1.14	14.71	942.76	1,011.75
Accumulated depreciation							
Balance as at 31 March 2017	0.40	0.16	17.38	0.33	2.89	65.93	87.09
Depreciation charge for the year	0.51	0.08	17.78	0.21	2.47	65.92	86.97
Balance as at 31 March 2018	0.91	0.24	35.16	0.54	5.36	131.85	174.06
Depreciation charge for the year	0.09	0.08	1.73	0.25	2.67	65.93	70.75
Balance as at 31 March 2019	1.00	0.32	36.89	0.79	8.03	197.78	244.81
Net block							
Balance as at 31 March 2019	-	0.17	14.76	0.35	6.68	744.98	766.94
Balance as at 31 March 2018	0.09	0.25	7.07	0.60	9.35	810.91	828.27

** Windmills have been lien marked towards loan facility availed from Aditya Birla Finance Limited (also refer note 17)

Note 5: Investment property

(₹ in lakhs)

Particulars	Freehold lands	Theatre and mall buildings **	Other buildings **	Total
Balance as at 31 March 2017	1,971.68	3,501.27	2,060.70	7,533.64
Additions	-	-	-	-
Depreciation charge for the year	-	191.17	79.88	271.06
Balance as at 31 March 2018	1,971.68	3,310.09	1,980.82	7,262.59
Additions	-	-	15,349.30	15,349.30
Depreciation charge for the year	-	191.17	102.31	293.48
Balance as at 31 March 2019	1,971.68	3,118.92	17,227.81	22,318.41

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Notes:

(a) Fair value of investment property

(₹ in lakhs)

Particulars	As at 31 March 2019
Freehold lands	30,365.48
Theatre and mall buildings	
Other buildings	17,858.45

The fair value of investment properties has been determined by an independent valuer based on his reports dated 27 May 2018 and 28 May 2018, who has adequate professional experience as well as adequate expertise in the location and category of the investment property. The management contends that there is no material change in the fair value of the properties as on March 31, 2019.

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 2019	Year ended 31 March 2018
Rental income from investment property (refer note 24)	1,995.45	1,829.08
Direct operating expenses arising from investment property that generated rental income during the period (refer note 26)	428.94	439.70
Direct operating expenses arising from investment property that did not generate rental income during the period	-	-

(b) Investment properties have been lien marked towards loan facility availed from Aditya Birla Finance Limited (also refer note 17) **

Note 6: Investments

(₹ in lakhs)

	As at 31 March 2019		As at 31 March 2018	
	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 NIL)	1.00	-	-	-
Total	1.00	-	-	-
Aggregate value of unquoted investments	1.00	-	-	-

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 7: Loans

(₹ in lakhs)

	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
Loans receivable considered good –Secured	-	-	-	-
Loans receivable considered good –Unsecured	-	-	-	-
Security deposits	0.92	9.90	9.79	-
Loans receivable which has significant increase in credit risk	-	-	-	-
Loans receivable – credit impaired	-	-	-	-
Total	0.92	9.90	9.79	-

Note 8: Other assets

(₹ in lakhs)

	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
Capital advances	-	-	15,487.14	-
Prepaid expenses	-	88.66	0.76	27.46
Deferred rent expense	-	0.76	-	-
Unamortised processing fees for loan	90.52	6.79	77.13	8.84
Balances with government authorities	-	5.63	-	5.63
Less: Provision for doubtful advances	-	(5.63)	-	-
Total	90.52	96.21	15,565.03	41.93

Note 9: Non-current tax assets

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Advance tax (net of provision for tax of ₹ 1,357.26 Lakhs (PY ₹ 758.33 Lakhs))	306.99	438.30
Total	306.99	438.30

Note 10: Trade receivables

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Trade receivables considered good –Unsecured	276.53	269.73
Trade receivables which has significant increase in credit risk	-	-
Trade receivables – credit impaired	9.00	9.00
Less: Provision for doubtful debts	(9.00)	(9.00)
Total	276.53	269.73

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 11: Cash and cash equivalents

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Balances with banks - in current accounts	2,212.16	113.88
Cash on hand	1.02	0.55
Total	2,213.18	114.43

Note 12: Other bank balances

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Unclaimed dividend account	0.93	0.93
Deposit accounts (maturity up to 12 months)	-	-
Total	0.93	0.93

Note 13: Other financial assets

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
(Unsecured, considered good)		
Interest receivable	-	215.35
Other assets	2.27	-
Advance recoverable from related party (refer note 42)	1,729.17	-
Total	1,731.44	215.35

Note 14: Assets held for sale

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Assets held for sale	1,008.39	-
Total	1,008.39	-

The agreement for sale of units in Commercial Premises is being executed for Rs. 1045.37 Lakhs

Note 15: 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 2018	8,00,00,000	4,000.00
Change during the year	-	-
Total authorised equity share capital as at 31 March 2019	8,00,00,000	4,000.00
Preference shares of ₹ 10 each		
Total authorised preference share capital as at 31 March 2018	2,50,000	25.00
Change during the year	-	-
Total authorised preference share capital as at 31 March 2019	2,50,000	25.00

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Issued, subscribed and paid-up equity share capital:

(₹ in lakhs)

	Number of shares	Amount
Equity shares of ₹ 5 each		
Balance as at 31 March 2017	2,80,00,000	1,400.00
Change during the year	-	-
Balance as at 31 March 2018	2,80,00,000	1,400.00
Change during the year	-	-
Shares issued and fully paid as at 31 March 2019	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) Terms and rights attached to preference shares

The Company has one class of preference shares. The preference shares have preferred right on payment of dividend and repayment of capital over equity shareholders.

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

Name of shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 5 each				
Himanshu B. Kanakia	93,68,424	33.46%	93,68,424	33.46%
Rasesh B. Kanankia	93,68,524	33.46%	93,68,524	33.46%
	1,87,36,948	66.92%	1,87,36,948	66.92%

Note 16: Other equity

(₹ in lakhs)

	Sub-note	As at 31 March 2019	As at 31 March 2018
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)	6,398.76	5,413.49
Total		10,034.78	9,049.51

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

(₹ in lakhs)

(i)	Securities premium reserve	As at 31 March 2019	As at 31 March 2018
	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 2019	As at 31 March 2018
	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 2019	As at 31 March 2018
	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 2019	As at 31 March 2018
	Balance at the beginning of the year	5,413.49	4,525.50
	Add : Profit for the year	985.59	1,054.81
	Less: Dividend distributed on equity shares	-	(140.00)
	Less: Tax on dividend distributed on equity shares	-	(28.50)
	Items of other comprehensive income / (loss) recognised directly in retained earnings		
	- Remeasurement of net defined benefit liability	(0.32)	1.68
	Balance at the end of the year	6,398.76	5,413.49

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

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 17: Non-current financial liabilities - borrowings

(₹ in lakhs)

	Interest rate	Maturity date	As at 31 March 2019	As at 31 March 2018	Remarks
Secured					
Term loan from financial institution	LTRR - 7.40%	July 2033	12,920.00	-	Refer note (a) below
Line of credit from financial institution	LTRR - 7.00%	October 2033	2,871.51	-	Refer note (a) below
Term loan from bank	Base Rate + 1%		-	12,908.00	
Vehicle loan from bank	10.40%	September 2018	-	0.94	Refer note (b) below
Total borrowings			15,791.51	12,908.94	
Less: Current maturities of term loan (refer note 18)			(187.00)	(482.00)	
Less: Current maturities of vehicle loan (refer note 18)			-	(0.94)	
Total			15,604.51	12,426.00	

(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 all project's 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 in the project.
- iii) First and exclusive charge over all the project contracts and insurance policies/proceeds under the insurance contract in relation to the project.
- iv) First and exclusive charge by way of assignment of the escrow account, into which, inter alia, all the project operating cash flows, treasury income, revenue / receivables of the Company would be deposited.
- v) Personal / corporate guarantee of Rasesh B. Kanakia and Himanshu B. Kanakia.
- vi) First and exclusive charge by way of over all the rights, title, interest, benefits, claims and demands whatsoever of the Company in each of the project documents, duly acknowledge and consented to by the relevant counter parties or lessees to such project document, including the rights to receive any liquidated damages.

(b) The vehicle loan from Axis bank was secured against the vehicle for which the loan was taken.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Net debt reconciliation

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Non-current borrowings (including current maturities)	15,791.51	12,908.94
Cash and cash equivalents	2,213.18	114.43
Net debt	13,578.33	12,794.51

(₹ in lakhs)

	Cash and cash equivalents	Non-current borrowings
Balance as at 31 March 2018	114.43	12,908.94
Cash flows (net)	2,098.75	2,882.57
Balance as at 31 March 2019	2,213.18	15,791.51

Note 18: Other financial liabilities

(₹ in lakhs)

	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
Current maturities of term loan (refer note 17)	-	187.00	-	482.00
Current maturities of vehicle loan (refer note 17)	-	-	-	0.94
Interest accrued but not due on borrowings	-	76.49	-	107.19
Unclaimed dividends	-	0.93	-	0.93
Other payables	-	21.02	-	23.86
Salary and reimbursements	-	9.87	-	9.96
Security deposits	566.92	12.14	415.15	17.03
Total	566.92	307.45	415.15	641.91

Note 19: Provisions

(₹ in lakhs)

	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
Provision for employee benefits obligations (refer note 33)	27.10	6.06	21.74	4.76
Total	27.10	6.06	21.74	4.76

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 20: Deferred tax liabilities (net)

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Deferred tax liability		
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	887.29	651.38
Amortisation of Processing fees for term loan	28.33	-
	915.62	651.38
Deferred tax assets		
Provision for:		
Doubtful debts	4.26	2.00
Gratuity	6.78	5.28
Compensated absences	2.88	2.36
Lease equalisation reserve	1.15	2.04
MAT credit entitlement	468.00	292.60
	483.07	304.28
Deferred tax liability (net)	432.55	347.10

Note 21: Other liabilities

(₹ in lakhs)

	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
Deferred income	191.44	-	139.47	46.60
Advances from customers	-	33.74	-	43.02
Advance received towards sale of property	-	161.00	-	-
Lease equalisation reserve	-	2.84	-	7.06
Statutory dues payable	-	35.68	-	39.40
Total	191.44	233.26	139.47	136.08

Note 22: Trade payables

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Dues to Mirco enterprises & small enterprises (refer note 38)	-	-
Dues to creditors other than Mirco enterprises & small enterprises	17.29	73.14
Total	17.29	73.14

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 23: Current tax liability (net)

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Provision for income tax (net of advance tax)	-	91.49
Total	-	91.49

Note 24: Revenue from operations

(₹ in lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Rental income		
Space rentals	1,810.27	1,647.43
Rental income ATS/BTS	80.33	87.87
Common area maintenance	185.18	181.66
	2,075.78	1,916.96
Advertisement income	52.85	38.53
Income from car parking	112.97	115.40
Sale of power	181.38	154.86
	347.20	308.79
Total	2,422.98	2,225.75

Note 25: Other income

(₹ in lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Interest income	1,009.33	959.05
Sundry balances written back	7.43	0.71
Provisions no longer required written back	-	12.94
Financial liabilities measured at amortised cost	52.89	36.07
Miscellaneous income	1.31	0.01
Total	1,070.96	1,008.78

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 26: Operating expenses

(₹ in lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Power and fuel	42.04	46.94
Rates and taxes		
Property tax	192.91	184.72
Others	17.91	17.86
	210.82	202.58
Repairs and maintenance		
Building	7.13	27.96
Common area maintenance	21.95	21.64
Cleaning charges	21.24	20.46
Plant and equipments	6.30	5.58
Others	97.73	85.48
	154.35	161.12
Security charges	20.58	21.12
Other operating expenses	1.15	7.94
Total	428.94	439.70

Note 27: Employee benefits expense

(₹ in lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Salaries and bonus	139.32	126.48
Contribution to provident and other funds (refer note 33)	12.43	9.75
Staff welfare expenses	10.65	5.17
Total	162.40	141.40

Note 28: Finance costs

(₹ in lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Interest expense		
on term loan	812.83	728.70
on vehicle loan	0.02	0.19
on others	55.19	35.47
Finance charges	93.49	11.53
Total	961.53	775.89

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 29: Depreciation and amortisation expense

(₹ in lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Depreciation and amortisation on property, plant and equipment (refer note 4)	70.75	86.97
Depreciation on investment property (refer note 5)	293.48	271.06
Total	364.23	358.03

Note 30: Other expenses

(₹ in lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Rent (refer note 39)	27.56	26.64
Travelling and conveyance	4.81	4.32
Communication expenses	6.96	2.76
Insurance	6.76	6.92
Legal and professional fees	45.23	37.42
Directors' sitting fees	2.60	2.25
Advertising and publicity	5.13	1.43
Marketing and sales promotion	3.75	2.90
Auditor's remuneration (refer note (a) below)	8.47	8.37
Bank charges	0.11	0.44
Printing and stationery	8.10	4.53
Provision for doubtful debts	-	9.00
Provision for doubtful Advances	5.63	-
Contribution towards corporate social responsibility (refer note 40)	23.71	73.00
Donation	0.20	1.50
Sundry balance written off	51.49	1.50
Commission & brokerage	14.61	2.00
Miscellaneous expenses	9.16	6.00
Total	224.28	190.98
a) Auditor's remuneration (exclusive of taxes)		
- Statutory audit fees	7.85	8.00
- Out of pocket expenses	0.62	0.37
Total	8.47	8.37

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 31: Current tax

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

(₹ in lakhs)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Current tax		
Current tax on profits for the year	311.00	287.82
Adjustments for current tax of prior periods	(25.02)	(95.59)
Reversal of MAT credit	(180.16)	63.94
	105.82	256.17
Deferred tax charge / (credit)		
In respect of current year origination and reversal of temporary differences	261.15	17.55
Total tax expense	366.97	273.72

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

(₹ in lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Accounting profit before income-tax	1,352.57	1,328.53
Applicable Indian statutory income-tax rate	29.12%	28.84%
Computed tax expense	393.87	383.15
Tax effect of items deductible in calculating tax income (net)	194.40	(49.52)
Effect of income that is exempt from tax	(16.11)	(28.25)
MAT credit reversal / (creation)	(180.16)	63.94
Adjustment of current tax of prior periods	(25.02)	(95.59)
Income-tax expense reported in the statement of profit and loss	366.97	273.72

Note 32: Earnings per share

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
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)	985.59	1,054.81
Weighted average number of equity shares for basic/diluted earnings per share (in lakhs)	280.00	280.00
Basic earnings per share (₹)	3.52	3.77
Diluted earnings per share (₹)	3.52	3.77

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 33: Employee benefits

(₹ in lakhs)

	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
Gratuity	19.47	3.81	15.38	2.92
Compensated absences	7.63	2.25	6.56	1.85
Total	27.10	6.06	21.94	4.76

"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 2019	As at 31 March 2018
Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	18.30	15.35
Interest cost	1.41	1.13
Service Cost	3.26	3.51
Benefits paid	-	-
Actuarial losses/(gains) on obligation	0.31	(1.68)
Closing defined benefit obligation	23.28	18.30
Amount recognised in the balance sheet:		
Liability at the beginning of the year	18.30	15.35
Current year's expense	4.67	4.63
Transferred to OCI	0.31	(1.68)
Contributions by employer	-	-
Liability recognised in the Balance Sheet	23.28	18.30
Expense recognised in the statement of profit and loss:		
Service cost	3.26	3.51
Interest cost	1.41	1.13
	4.67	4.64

(₹ in lakhs)

	Year ended 31 March 2019	Year ended 31 March 2018
Expense/(income) recognised in the other comprehensive income:		
Actuarial loss / (gain) on defined benefit obligations	0.31	(1.68)
Net expense / (income) recognised in the total comprehensive income	0.31	(1.68)

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Breakup of actuarial gain/loss

Actuarial (gain) / loss arising from change in financial assumption	0.41	(1.73)
Actuarial (gain) / loss arising from experience adjustment	(0.10)	0.05
	0.31	(1.68)

Actuarial assumptions used

	As at 31 March 2019	As at 31 March 2018
Discount rate (per annum)	7.40%	7.70%
Salary growth rate (per annum)	10.00%	10.00%

Demographic assumptions used

	As at 31 March 2019	As at 31 March 2018
Mortality table	IALM(2012-14)	IALM(2006-08)
Retirement age	60 years	60 years
Average remaining life (years)	6.79	6.95
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 2019.

(₹ in lakhs)

	As at 31 March 2019		As at 31 March 2018	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
Increase/ (decrease) in the defined benefit liability	(1.30)	1.46	(0.36)	1.89
Salary escalation rate				
Increase/ (decrease) in the defined benefit liability	1.18	(1.09)	1.66	(0.19)
Withdrawal rates				
Increase/ (decrease) in the defined benefit liability	(0.18)	0.20	0.57	0.85

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

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another since some of the assumptions may be co-related.

Compensated absences

The Company has a defined benefit compensated absences plan. 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 ₹ 2.02 lakhs (Previous year: net charge of ₹ 0.80 lakhs).

Actuarial assumptions used

Particulars	As at 31 March 2019	As at 31 March 2018
Discount rate	7.40%	7.70%
Expected salary escalation rate	10.00%	10.00%
Mortality table	IALM(2012-14)	IALM(2006-08)
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)	Jitendra Mehta (up to 14 August 2017) Sunil Ranka (from 7 February 2018 to 15 April 2018) Vipul Parekh (from 12 October 2018) Jatin Shah
Subsidiary company	Transquare Realty Private Limited
Entities under common control	Kanakia Spaces Realty Private Limited Sarang Property Developers Private Limited Babubhai Kanakia Foundation RBK Education Solutions Private Limited

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

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

b) Transactions during the year

(₹ in lakhs)

Particulars	Nature of relationship	Year ended 31 March 2019	Year ended 31 March 2018
Capital advance given			
Kanakia Spaces Realty Private Limited	Entity under common control	1,434.65	8,043.70
Other advance given			
Kanakia Spaces Realty Private Limited	Entity under common control	1,729.17	-
Investment			
Transquare Realty Private Limited	Subsidiary company	1.00	-
Advertisement income			
Babubhai Kanakia Foundation	Entity under common control	2.52	2.40
Sundry balances written back			
Sarang Property Developers Private Limited	Entity under common control	2.92	-
Rent expense			
Kanakia Spaces Realty Private Limited	Entity under common control	29.60	26.91
Reimbursement of expenses			
Kanakia Spaces Realty Private Limited	Entity under common control	2.40	-
Manisha Vora	Relative of director	5.46	5.21
Jatin Shah	KMP	1.20	-
Remuneration paid			
Rasesh B. Kanakia	Director	16.00	15.00
Himanshu B. Kanakia	Director	16.00	15.00
Hiral H. Kanakia	Director	15.00	15.00
Jatin Shah	KMP	10.04	10.74
Manisha Vora	Relative of director	9.09	9.07

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.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 34: Related party transactions (contd.)

c) Balances outstanding at the year end

(₹ in lakhs)

Particulars	Nature of relationship	As at 31 March 2019	As at 31 March 2018
Trade Receivables			
Babubhai Kanakia Foundation	Entity under common control	0.11	0.51
Capital advance given			
"Kanakia Spaces Realty Private Limited (also refer note 42)"	Entity under common control	-	14,096.00
Other advance given			
"Kanakia Spaces Realty Private Limited (also refer note 42)"	Entity under common control	1,729.17	-
Investment			
Transquare Realty Private Limited	Subsidiary company	1.00	-
Security deposit			
Kanakia Spaces Realty Private Limited	Entity under common control	10.85	10.85
Other payables			
Sarang Property Developers Private Limited	Entity under common control	-	2.92

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 2019		As at 31 March 2018	
	Amount	% of revenue from operations	Amount	% of revenue from operations
Total revenue from operations from:				
Major Customer	1,324.04	54.65%	1,164.90	52.34%

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 36.1: Financial instruments

i) Financial instruments by category

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Financial assets		
Measured at amortised cost		
Investments - Non current	1.00	-
Loans - Non current	0.92	9.79
Loans - Current	9.90	-
Trade Receivables	276.53	269.73
Cash and cash equivalents	2,213.18	114.43
Other Bank balances	0.93	0.93
Other financial assets	1,731.44	215.35
Total	4,233.90	610.23
Financial liabilities		
Measured at amortised cost		
Borrowings (including current maturity)	15,791.51	12,908.94
Trade payables	17.29	73.14
Other financial liabilities - Non current	566.92	415.15
Other financial liabilities - Current	120.45	158.97
Total	16,496.17	13,556.20

- (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 financial statements as at and for the year ended 31 March 2019

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.

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
Line of credit from Aditya Birla Finance Limited	1,628.49	-
	1,628.49	-

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Contractual maturities of financial liabilities

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

(₹ in lakhs)

31 March 2019	Up to 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	187.00	1,717.66	13,886.85	15,791.51
Trade payables	17.29	-	-	17.29
Other financial liabilities	120.45	566.92	-	687.37
Total	324.74	2,284.58	13,886.85	16,496.17

(₹ in lakhs)

31 March 2018	Upto 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	482.94	3,282.00	9,144.00	12,908.93
Trade payables	73.14	-	-	73.14
Other financial liabilities	158.97	415.15	-	574.13
Total	715.05	3,697.15	9,144.00	13,556.20

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 2019	As at 31 March 2018
Variable rate borrowing	15,791.51	12,908.94

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Interest rate sensitivity

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

Particulars	(₹ in lakhs)	
	Gain / (loss) on profit before tax	
	31 March 2019	31 March 2018
Interest rate increases by 50 basis points	(78.96)	(64.54)
Interest rate decreases by 50 basis points	78.96	64.54

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.

Particulars	(₹ in lakhs)	
	31 March 2019	31 March 2018
Net debts	13,578.33	12,794.51
Total equity	11,434.78	10,449.51
Gearing ratio	118.75%	122.45%

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)

Particulars	(₹ in lakhs)	
	As at 31 March 2019	As at 31 March 2018
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	-	-

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Particulars		As at 31 March 2019	As at 31 March 2018
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		-	-

Note 39: Operating leases

The Company has leasing arrangement for premises and utilities which is in the nature of operating lease. Operating lease rental charged to statement of profit and loss amount to ₹ 27.40 lakhs (previous year ₹ 27.40 lakhs).

The future minimum lease payments under operating leases are as follows:

Particulars		(₹ in lakhs)	
		As at 31 March 2019	As at 31 March 2018
Payable not later than one year		23.82	29.60
Payable later than one year and not later than five years		-	23.82

Note 40: Corporate social responsibility

The Company has formed a Corporate Social Responsibility Committee as required under Section 135 of the Companies Act, 2013. The Company was required to spend ₹ 23.49 lakhs (previous year ₹ 19.84 lakhs) as per Section 135(5) of Companies Act, 2013. The Company has spent ₹ 23.91 lakhs (previous year ₹ 70.00 lakhs) towards CSR expenses on the activities mentioned in Schedule VII to the Companies Act, 2013 for the purpose other than construction/acquisition of any asset.

Note 41: Disclosure required under Section 186(4) of the Companies Act, 2013

						(₹ in lakhs)
Name of the loanee	Rate of interest	Due date	Secured / unsecured	Amount given during the year (Rupees)	As at 31 March 2019	As at 31 March 2018
Evergreen Financial Services*	12%	Repayable on demand	Unsecured	2,137.00	-	-

*The Company had given the advance to Evergreen Financial Services for meeting their business requirements.

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 42: The Company had entered into a transaction with Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited) for purchase of commercial premises in Kanakia Wall Street project. The same was approved by the board in its meeting held on 30 March 2016 and approved by the shareholders by means of postal ballot on 9 May 2016. Advance against the property was ₹ 16,160.00 Lakhs including interest receivable on advances paid (previous year ₹ 14,095.90 lakhs). During the current year, the Company has taken possession of the said premises and capitalised the total cost of ₹ 14,430.83 lakhs (including applicable taxes) and the total borrowing cost as per Ind AS 23 "Borrowing costs" amounting ₹ 1,926.86 lakhs has also been capitalised alongwith total cost. Balance advance of ₹ 1,729.17 Lakhs is recoverable from Kanakia Spaces Realty Private Limited

Note 43: Capital commitments

	(₹ in lakhs)	
	As at 31 March 2019	As at 31 March 2018
Estimated amount of contracts on capital account and not provided for (excluding taxes)	-	513.00

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

Note 46: Authorisation of financial statements

These financial statements as at and for the year ended 31 March 2019 (including comparatives) have been approved by the Board of Directors on 09 May 2019.

As per our audit report of even date

For Khimji Kunverji & Co

Chartered Accountants
Firm Registration No.:105146W

Hasmukh B. Dedhia

Partner
Membership No. : 033494

Place: Mumbai
Date: 09 May 2019

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

Chairman
DIN: 00015857

Vipul N. Parekh

Chief Financial Officer

Place: Mumbai
Date: 09 May 2019

Himanshu B. Kanakia

Managing Director
DIN: 00015908

Jatin Shah

Company Secretary

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 Subsidiary (the Holding Company and its Subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, 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, 2019, 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 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.

Key Audit Matters

- 4 Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated 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

- 5 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

- 6 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

- 7 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.

Report on Other Legal and Regulatory Requirements

- 8 As required by section 143(3) of the Act, based on our audit, we report to the extent :

- 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, 2019, taken on record by the respective Board of Directors, none of the Directors of the Group is disqualified as on March 31, 2019 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 subsidiary 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 41 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, 2019.

For Khimji Kunverji & Co

Chartered Accountants

Firm Registration No. 105146W

Hasmukh B Dedhia

Partner (F - 033494)

Place: Mumbai

Date: May 9, 2019

Annexure 1 to the Independent Auditors' Report

(referred to in para 7 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 Group 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 ability of Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 8(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, 2019, we have audited the internal financial controls over financial reporting of Cineline 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.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its Subsidiary company, 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 required under 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.

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, 2019, 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.

For Khimji Kunverji & Co

Chartered Accountants

Firm Registration No. 105146W

Hasmukh B Dedhia

Partner (F - 033494)

Place: Mumbai

Date: May 9, 2019

CONSOLIDATED BALANCE SHEET

as at March 31, 2019

(₹ in lakhs)

	Notes	As at 31 March 2019
Assets		
Non-current assets		
a) Property, plant and equipment	4	766.94
b) Investment property	5	22,318.41
c) Financial assets		
i) Loans	6	0.92
d) Other non-current assets	7	90.52
e) Non-current tax assets (net)	8	306.99
Total non-current assets		23,483.78
Current assets		
a) Financial assets		
i) Trade receivables	9	276.53
ii) Cash and cash equivalents	10	2,214.18
iii) Bank balances other than (ii) above	11	0.93
iv) Loans	6	9.90
v) Other financial assets	12	1,731.45
b) Other current assets	7	96.21
Total current assets		4,329.20
Assets held for sale	13	1,008.39
Total assets		28,821.37
Equity and Liabilities		
Equity		
a) Equity share capital	14	1,400.00
b) Other equity	15	10,034.07
Total equity		11,434.07
Liabilities		
Non-current liabilities		
a) Financial liabilities		
i) Borrowings	16	15,604.51
ii) Other financial liabilities	17	566.92
b) Provisions	18	27.10
c) Deferred tax liabilities (net)	19	432.55
d) Other non-current liabilities	20	191.44
Total non-current liabilities		16,822.52
Current liabilities		
a) Financial liabilities		
i) Trade payables	21	-
- Dues to Mirco enterprises & small enterprises		17.29
- Dues to creditors other than Mirco enterprises & small enterprises		308.17
ii) Other financial liabilities	17	233.26
b) Other current liabilities	20	6.06
c) Provisions	18	
Total current liabilities		564.78
Total liabilities		17,387.30
Total equity and liabilities		28,821.37

Notes 1 to 44 form an integral part of these consolidated financial statements

As per our audit report of even date

For Khimji Kunverji & Co

Chartered Accountants

Firm Registration No.:105146W

Hasmukh B. Dedhia

Partner

Membership No. : 033494

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

Jatin Shah

Company Secretary

Place: Mumbai

Date: 09 May 2019

Place: Mumbai

Date: 09 May 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2019

(₹ in lakhs, except per share data)

	Notes	Year ended 31 March 2019
Revenue		
Revenue from operations	22	2,422.98
Other income	23	1,070.96
Total		3,493.94
Expenses		
Operating expenses	24	428.94
Employee benefits expense	25	162.40
Finance costs	26	961.53
Depreciation and amortisation expense	27	364.23
Other expenses	28	224.99
Total		2,142.09
Profit before tax		1,351.85
Tax expense / (credit)		
Current tax	29	311.00
MAT credit reversal		(180.16)
Deferred tax charge / (credit)	29	261.15
Prior year's tax adjustments		(25.02)
		366.97
Profit for the year		984.88
Other comprehensive income / (loss)		
Items that will not be reclassified to statement of profit or loss		
Remeasurement of post employment benefit obligations		(0.32)
Other comprehensive income / (loss) for the year (net of tax)		(0.32)
Total comprehensive income for the year		984.56
Earnings per equity share (Face value of ₹ 5 each)	30	
Basic earnings per share		3.52
Diluted earnings per share		3.52

Notes 1 to 44 form an integral part of these consolidated financial statements

As per our audit report of even date

For Khimji Kunverji & CoChartered Accountants
Firm Registration No.: 105146W**Hasmukh B. Dedhia**Partner
Membership No. : 033494**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

Jatin Shah

Company Secretary

Place: Mumbai
Date: 09 May 2019Place: Mumbai
Date: 09 May 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2019

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 2018	15	2,80,00,000	1,400.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2019	15	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 2018	3,564.00	55.00	17.02	5,413.49	9,049.51
Profit for the year	-	-	-	984.88	984.88
Other comprehensive income	-	-	-	(0.32)	(0.32)
Balance as at 31 March 2019	3,564.00	55.00	17.02	6,398.05	10,034.07

As per our audit report of even date

For Khimji Kunverji & Co

Chartered Accountants

Firm Registration No.:105146W

Hasmukh B. Dedhia

Partner

Membership No. : 033494

Place: Mumbai

Date: 09 May 2019

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

Chairman

DIN: 00015857

Vipul N. Parekh

Chief Financial Officer

Himanshu B. Kanakia

Managing Director

DIN: 00015908

Jatin Shah

Company Secretary

Place: Mumbai

Date: 09 May 2019

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Year ended 31 March 2019
Cash flow from operating activities	
Profit before tax	1,351.85
Adjustments for:	
Depreciation expense	364.23
Provision for doubtful debts	5.63
Provisions and balances no longer required written back	(7.43)
Finance costs	868.04
Interest income	(1,009.33)
Operating profit before working capital changes	1,572.99
Changes in working capital	
Trade receivables	(6.80)
Other assets	(1,799.39)
Trade payables	(55.75)
Provisions	6.66
Other liabilities	301.27
Cash generated from operations	18.98
Income taxes paid / refunds (net)	(247.32)
Net cash generated from operating activities	(228.34)
Cash flow from investing activities:	
Purchase of property, plant and equipment (including capital advances and capital work in progress)	(880.12)
Interest received	1,224.67
Net cash generated from / (used) in investing activities	344.55
Cash flow from financing activities:	
Interest paid	(898.73)
Proceeds / (repayment) of long term borrowings	2,882.57
Net cash used in financing activities	1,983.84
Net decrease / (increase) in cash and cash equivalents	2,100.05
Cash and cash equivalents as at the beginning of the year	114.43
Cash and cash equivalents as at the end of the year	2,214.18
Notes to cash flow statement	As at 31 March 2019
Cash on hand	1.02
Balances with banks - in current accounts	2,213.16
	2,214.18

As per our audit report of even date

For Khimji Kunverji & Co

Chartered Accountants

Firm Registration No.:105146W

Hasmukh B. Dedhia

Partner

Membership No. : 033494

Place: Mumbai

Date: 09 May 2019

For and on behalf of the Board of Directors

Rasesh B. Kanakia

Chairman

DIN: 00015857

Vipul N. Parekh

Chief Financial Officer

Place: Mumbai

Date: 09 May 2019

Himanshu B. Kanakia

Managing Director

DIN: 00015908

Jatin Shah

Company Secretary

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

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 2019, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the year ended 31 March 2019, 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, 2019	March 31, 2018
Transquare Realty Private Limited (w.e.f February 11, 2019)	100%	NA

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
- 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.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

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.

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management, based on those prescribed under Schedule II to the Act, at the time the asset is acquired and reviewed periodically, including at each financial year end.

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

e. Revenue recognition

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

i. Leased operations and windmill income

- a) Revenue from rent and common area maintenance is recognised based upon the agreement, for the period the property has been let out and when no significant uncertainty exists regarding the amount of consideration that will be derived. Ind AS 17 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.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

- 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

Operating lease – Rentals payable under operating lease are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease as required under Ind AS 17 “Leases”, since the escalation rate is higher than general inflation rate.

Finance lease – The Group does not have any finance lease as lessee.

ii. The Group as lessor

Operating lease - Rental income from operating leases is recognised in the statement of profit and loss based upon the agreement, for the period the property has been let out. Ind-AS 19 mandates straight lining of lease rental income, only if the escalation rate is not in line with the general inflation rate and hence no straight lining of rental income is done.

Finance lease - The Group does not have any finance leases as lessor.

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.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

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.

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.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

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

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

Financial liabilities

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

iii. Impairment of financial assets

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

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.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

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.

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.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

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

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

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

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 2019

- **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.

3. Recent accounting pronouncements

- i. **Ind AS 116 "Leases:**

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

On March 30, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Ind AS 116 'Leases', effective from accounting period beginning on and after April 1, 2019, which replaces the existing standard Ind AS 17 'Leases'. Under Ind AS 116, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use asset) at the commencement date of lease. Lessees will be required to separately recognise interest expense on the lease liability and depreciation expense on the right of use asset. Lessor accounting under Ind AS 116 remains substantially unchanged from accounting under Ind AS 17. The Group is in process of assessing the potential impact of this Standard.

ii. Others

Ministry of Corporate Affairs ("MCA") has notified following amendments to Ind AS on March 30, 2019 which is effective for the annual period beginning on or after April 01, 2019.

1. Ind AS 12 - Appendix C, Uncertainty over Income Tax Adjustments

The amendment requires an entity to determine probability of the relevant tax authority accepting the uncertain tax treatment that the Group have used in tax computation or plan to use in their income tax filings.

2. Amendment to Ind AS 12 – Income taxes

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events

3. Ind AS 19 - Plan amendment, curtailment or settlement

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

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
Gross block							
Balance as at 31 March 2018	1.00	0.49	42.23	1.14	14.71	942.76	1,002.33
Additions	-	-	9.42	-	-	-	9.42
Balance as at 31 March 2019	1.00	0.49	51.65	1.14	14.71	942.76	1,011.75
Accumulated depreciation							
Balance as at 31 March 2018	0.91	0.24	35.16	0.54	5.36	131.85	174.06
Depreciation charge for the year	0.09	0.08	1.73	0.25	2.67	65.93	70.75
Balance as at 31 March 2019	1.00	0.32	36.89	0.79	8.03	197.78	244.81
Net block							
Balance as at 31 March 2019	-	0.17	14.76	0.35	6.68	744.98	766.94

Windmills have been lien marked towards loan facility availed from Aditya Birla Finance Limited (also refer note 16)

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

Note 5: Investment property

(₹ in lakhs)

Particulars	Freehold lands	Theatre and mall buildings **	Other buildings **	Total
Balance as at 31 March 2018	1,971.68	3,310.09	1,980.82	7,262.59
Additions	-	-	15,349.30	15,349.30
Depreciation charge for the year	-	191.17	102.31	293.48
Balance as at 31 March 2019	1,971.68	3,118.92	17,227.81	22,318.41

Notes:

(a) Fair value of investment property

(₹ in lakhs)

Particulars	As at 31 March 2019
Freehold lands	30,365.48
Theatre and mall buildings	
Other buildings	17,858.45

The fair value of investment properties has been determined by an independent valuer based on his reports dated 27th May 2018 and 28th May 2018, who has adequate professional experience as well as adequate expertise in the location and category of the investment property. The management contends that there is no material change in the fair value of the property as on March 31, 2019.

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 2019
Rental income from investment property (refer note 22)	1,995.45
Direct operating expenses arising from investment property that generated rental income during the period (refer note 24)	428.94
Direct operating expenses arising from investment property that did not generate rental income during the period	-

(b) Investment properties have been lien marked towards loan facility availed from Aditya Birla Finance Limited (also refer note 16) **

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 6: Loans

(₹ in lakhs)

	As at 31 March 2019	
	Non-current	Current
Loans receivable considered good –Secured	-	-
Loans receivable considered good –Unsecured	-	-
Security deposits	0.92	9.90
Loans receivable which has significant increase in credit risk	-	-
Loans receivable – credit impaired	-	-
Total	0.92	9.90

Note 7: Other assets

	As at 31 March 2019	
	Non-current	Current
Prepaid expenses	-	88.66
Deferred rent expense	-	0.76
Unamortised processing fees for loan	90.52	6.79
Balances with government authorities	-	5.63
Less: Provision for doubtful advances	-	(5.63)
Total	90.52	96.21

Note 8: Non-current tax assets

(₹ in lakhs)

	As at 31 March 2019
Advance tax (net of provision for tax of ₹ 1,357.26 Lakhs)	306.99
Total	306.99

Note 9: Trade receivables

	As at 31 March 2019
Trade receivables considered good –Unsecured	276.53
Trade receivables which has significant increase in credit risk	-
Trade receivables – credit impaired	9.00
Less: Provision for doubtful debts	(9.00)
Total	276.53

Note 10: Cash and cash equivalents

	As at 31 March 2019
Balances with banks - in current accounts	2,213.16
Cash on hand	1.02
Total	2,214.18

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 11: Other bank balances

	As at 31 March 2019
Unclaimed dividend account	0.93
Total	0.93

Note 12: Other financial assets

	As at 31 March 2019
(Unsecured, considered good)	
Interest receivable	-
Other assets	2.28
Advance recoverable from related party (refer note 40)	1,729.17
Total	1,731.45

Note 13: Assets held for sale

	As at 31 March 2019
Assets held for sale	1,008.39
Total	1,008.39

The agreement for sale of units in Commercial Premises is being executed for Rs. 1045.37 Lakhs

Note 14: 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 2018	80,000,000	4,000.00
Change during the year	-	-
Total authorised equity share capital as at 31 March 2019	80,000,000	4,000.00
Preference shares of ₹ 10 each		
Total authorised preference share capital as at 31 March 2018	250,000	25.00
Change during the year	-	-
Total authorised preference share capital as at 31 March 2019	250,000	25.00

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Issued, subscribed and paid-up equity share capital:

(₹ in lakhs)

	Number of shares	Amount
Equity shares of ₹ 5 each		
Balance as at 31 March 2018	28,000,000	1,400.00
Change during the year	-	-
Shares issued and fully paid as at 31 March 2019	28,000,000	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) Terms and rights attached to preference shares

The Company has one class of preference shares. The preference shares have preferred right on payment of dividend and repayment of capital over equity shareholders.

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

Name of shareholder	As at 31 March 2019	
	Number of shares	% of holding
Equity shares of ₹ 5 each		
Himanshu B. Kanakia	9,368,424	33.46%
Rasesh B. Kanankia	9,368,524	33.46%
	18,736,948	66.92%

Note 15: Other equity

(₹ in lakhs)

	Sub-note	As at 31 March 2019
Securities premium reserve	(i)	3,564.00
Capital redemption reserve	(ii)	17.02
General reserve	(iii)	55.00
Retained earnings	(iv)	6,398.05
Total		10,034.07

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

(₹ in lakhs)

(i) Securities premium reserve	As at 31 March 2019
Balance at the beginning of the year	3,564.00
Change during the year	-
Balance at the end of the year	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 2019
Balance at the beginning of the year	17.02
Change during the year	-
Balance at the end of the year	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 2019
Balance at the beginning of the year	55.00
Change during the year	-
Balance at the end of the year	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 2019
Balance at the beginning of the year	5,413.49
Add : Profit for the year	984.88
Less: Dividend distributed on equity shares	-
Less: Tax on dividend distributed on equity shares	-
Items of other comprehensive income / (loss) recognised directly in retained earnings	
- Remeasurement of net defined benefit liability	(0.32)
Balance at the end of the year	6,398.05

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

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 16: Non-current financial liabilities - borrowings

(₹ in lakhs)

	Interest rate	Maturity date	As at 31 March 2019	Remarks
Secured				
Term loan from financial institution	LTRR - 7.40%	July 2033	12,920.00	Refer note (a) below
Line of credit from financial institution	LTRR - 7.00%	October 2033	2,871.51	Refer note (a) below
Total borrowings			15,791.51	
Less: Current maturities of term loan (refer note 17)			(187.00)	
Less: Current maturities of vehicle loan (refer note 17)			-	
Total			15,604.51	

(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 all project's 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 in the project.
- iii) First and exclusive charge over all the project contracts and insurance policies/proceeds under the insurance contract in relation to the project.
- iv) First and exclusive charge by way of assignment of the escrow account, into which, inter alia, all the project operating cash flows, treasury income, revenue / receivables of the Company would be deposited.
- v) Personal / corporate guarantee of Rasesh B. Kanakia and Himanshu B. Kanakia.
- vi) First and exclusive charge by way of over all the rights, title, interest, benefits, claims and demands whatsoever of the Company in each of the project documents, duly acknowledge and consented to by the relevant counter parties or lessees to such project document, including the rights to receive any liquidated damages.

Net debt reconciliation

(₹ in lakhs)

	As at 31 March 2019
Non-current borrowings (including current maturities)	15,791.51
Cash and cash equivalents	2,214.18
Net debt	13,577.33

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

(₹ in lakhs)

	Cash and cash equivalents	Non-current borrowings
Balance as at 31 March 2018	114.43	12,908.94
Cash flows (net)	2,100.05	2,882.57
Balance as at 31 March 2019	2,214.48	15,791.51

Note 17: Other financial liabilities

(₹ in lakhs)

	As at 31 March 2019	
	Non-current	Current
Current maturities of term loan (refer note 16)	-	187.00
Interest accrued but not due on borrowings	-	76.49
Unclaimed dividends	-	0.93
Other payables	-	21.74
Salary and reimbursements	-	9.87
Security deposits	566.92	12.14
Total	566.92	308.17

Note 18: Provisions

(₹ in lakhs)

	As at 31 March 2019	
	Non-current	Current
Provision for employee benefits obligations (refer note 31)	27.10	6.06
Total	27.10	6.06

Note 19: Deferred tax liabilities (net)

(₹ in lakhs)

	As at 31 March 2019
Deferred tax liability	
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	887.29
Amortisation of Processing fees for term loan	28.33
	915.62
Deferred tax assets	
Provision for:	
Doubtful debts	4.26
Gratuity	6.78
Compensated absences	2.88
Lease equalisation reserve	1.15
MAT credit entitlement	468.00
	483.07
Deferred tax liability (net)	432.55

Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2019

Note 20: Other liabilities

(₹ in lakhs)

	As at 31 March 2019	
	Non-current	Current
Deferred income	191.44	-
Advances from customers	-	33.74
Advance received towards sale of property	-	161.00
Lease equalisation reserve	-	2.84
Statutory dues payable	-	35.68
Total	191.44	233.26

Note 21: Trade payables

(₹ in lakhs)

	As at 31 March 2019
Dues to Mirco enterprises & small enterprises (refer note 36)	-
Dues to creditors other than Mirco enterprises & small enterprises	17.29
Total	17.29

Note 22: Revenue from operations

(₹ in lakhs)

	Year ended 31 March 2019
Rental income	
Space rentals	1,810.27
Rental income ATS/BTS	80.33
Common area maintenance	185.18
	2,075.78
Advertisement income	52.85
Income from car parking	112.97
Sale of power	181.38
	347.20
Total	2,422.98

Note 23: Other income

(₹ in lakhs)

	Year ended 31 March 2019
Interest income	1,009.33
Sundry balances written back	7.43
Financial liabilities measured at amortised cost	52.89
Miscellaneous income	1.31
Total	1,070.96

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

Note 24: Operating expenses

(₹ in lakhs)

	Year ended 31 March 2019
Power and fuel	42.04
Rates and taxes	
Property tax	192.91
Others	17.91
	210.82
Repairs and maintenance	
Building	7.13
Common area maintenance	21.95
Cleaning charges	21.24
Plant and equipments	6.30
Others	97.73
	154.35
Security charges	20.58
Other operating expenses	1.15
Total	428.94

Note 25: Employee benefits expense

(₹ in lakhs)

	Year ended 31 March 2019
Salaries and bonus	139.32
Contribution to provident and other funds (refer note 31)	12.43
Staff welfare expenses	10.65
Total	162.40

Note 26: Finance costs

(₹ in lakhs)

	Year ended 31 March 2019
Interest expense	
on term loan	812.83
on vehicle loan	0.02
on others	55.19
Finance charges	93.49
Total	961.53

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

Note 27: Depreciation and amortisation expense

(₹ in lakhs)

	Year ended 31 March 2019
Depreciation and amortisation on property, plant and equipment (refer note 4)	70.75
Depreciation on investment property (refer note 5)	293.48
Total	364.23

Note 28: Other expenses

(₹ in lakhs)

	Year ended 31 March 2019
Rent (refer note 37)	27.56
Travelling and conveyance	4.81
Communication expenses	6.96
Insurance	6.76
Legal and professional fees	45.82
Directors' sitting fees	2.60
Advertising and publicity	5.13
Marketing and sales promotion	3.75
Auditor's remuneration (refer note (a) below)	8.57
Bank charges	0.11
Printing and stationery	8.10
Provision for doubtful debts	-
Provision for doubtful Advances	5.63
Contribution towards corporate social responsibility (refer note 38)	23.71
Donation	0.20
Sundry balance written off	51.49
Commission & brokerage	14.61
Miscellaneous expenses	9.19
Total	224.99
a) Auditor's remuneration (exclusive of taxes)	
- Statutory audit fees	7.95
- Out of pocket expenses	0.62
Total	8.57

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

Note 29: Current tax

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

(₹ in lakhs)

Particulars	Year ended 31 March 2019
Current tax	
Current tax on profits for the year	311.00
Adjustments for current tax of prior periods	(25.02)
Reversal of MAT credit	(180.16)
	105.82
Deferred tax charge / (credit)	
In respect of current year origination and reversal of temporary differences	261.15
Total tax expense	366.97

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

(₹ in lakhs)

	Year ended 31 March 2019
Accounting profit before income-tax	1,351.85
Applicable Indian statutory income-tax rate	29.12%
Computed tax expense	393.66
Tax effect of items deductible in calculating tax income (net)	194.61
Effect of income that is exempt from tax	(16.11)
MAT credit reversal / (creation)	(180.16)
Adjustment of current tax of prior periods	(25.02)
Income-tax expense reported in the statement of profit and loss	366.97

Note 30: Earnings per share

(₹ in lakhs)

Particulars	Year ended 31 March 2019
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)	984.88
Weighted average number of equity shares for basic/diluted earnings per share (in lakhs)	280.00
Basic earnings per share (₹)	3.52
Diluted earnings per share (₹)	3.52

Note 31: Employee benefits

(₹ in lakhs)

	As at 31 March 2019	
	Non-current	Current
Gratuity	19.47	3.81
Compensated absences	7.63	2.25
Total	27.10	6.06

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

The Holding 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 2019
Change in the present value of the defined benefit obligation:	
Opening defined benefit obligation	18.30
Interest cost	1.41
Service Cost	3.26
Benefits paid	-
Actuarial losses/(gains) on obligation	0.31
Closing defined benefit obligation	23.28
Amount recognised in the balance sheet:	
Liability at the beginning of the year	18.30
Current year's expense	4.67
Transferred to OCI	0.31
Contributions by employer	-
Liability recognised in the Balance Sheet	23.28
Expense recognised in the statement of profit and loss:	
Service cost	3.26
Interest cost	1.41
	4.67

(₹ in lakhs)

	Year ended 31 March 2019
Expense/(income) recognised in the other comprehensive income:	
Actuarial loss / (gain) on defined benefit obligations	0.31
Net expense / (income) recognised in the total comprehensive income	0.31
Breakup of actuarial gain/loss	
Actuarial (gain) / loss arising from change in financial assumption	0.41
Actuarial (gain) / loss arising from experience adjustment	(0.10)
	0.31

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

Actuarial assumptions used

	As at 31 March 2019
Discount rate (per annum)	7.40%
Salary growth rate (per annum)	10.00%

Demographic assumptions used

	As at 31 March 2019
Mortality table	IALM(2012-14)
Retirement age	60 years
Average remaining life (years)	6.79
Withdrawal rates for all ages	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 2019.

(₹ in lakhs)

	As at 31 March 2019	
	Increase by 1%	Decrease by 1%
Discount rate		
Increase/ (decrease) in the defined benefit liability	(1.30)	1.46
Salary escalation rate		
Increase/ (decrease) in the defined benefit liability	1.18	(1.09)
Withdrawal rates		
Increase/ (decrease) in the defined benefit liability	(0.18)	0.20

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 consolidated financial statements as at and for the year ended 31 March 2019

Compensated absences

The Holding 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 ₹2.02 lakhs (Previous year: net charge of ₹0.80 lakhs).

Actuarial assumptions used

Particulars	As at 31 March 2019
Discount rate	7.40%
Expected salary escalation rate	10.00%
Mortality table	IALM(2012-14)
Withdrawal rate	12% per annum

Note 32: 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)	Jitendra Mehta (up to 14 August 2017) Sunil Ranka (from 7 February 2018 to 15 April 2018) Vipul Parekh (from 12 October 2018) Jatin Shah
Entities under common control	Kanakia Spaces Realty Private Limited Sarang Property Developers Private Limited Babubhai Kanakia Foundation RBK Education Solutions Private Limited

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

b) Transactions during the year

(₹ in lakhs)

Particulars	Nature of relationship	Year ended 31 March 2019
Capital advance given		
Kanakia Spaces Realty Private Limited	Entity under common control	1,434.65
Other advance given		
Kanakia Spaces Realty Private Limited	Entity under common control	1,729.17
Advertisement income		
Babubhai Kanakia Foundation	Entity under common control	2.52
Sundry balances written back		
Sarang Property Developers Private Limited	Entity under common control	2.92
Rent expense		
Kanakia Spaces Realty Private Limited	Entity under common control	29.60
Reimbursement of expenses		
Kanakia Spaces Realty Private Limited	Entity under common control	2.40
Manisha Vora	Relative of director	5.46
Jatin Shah	KMP	1.20
Remuneration paid		
Rasesh B. Kanakia	Director	16.00
Himanshu B. Kanakia	Director	16.00
Hiral H. Kanakia	Director	15.00
Jatin Shah	KMP	10.04
Manisha Vora	Relative of director	9.09

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.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

Note 32: Related party transactions (contd.)

c) Balances outstanding at the year end

(₹ in lakhs)

Particulars	Nature of relationship	As at 31 March 2019
Trade Receivables		
Babubhai Kanakia Foundation	Entity under common control	0.11
Other advance given		
Kanakia Spaces Realty Private Limited (also refer note 40)	Entity under common control	1,729.17
Security deposit		
Kanakia Spaces Realty Private Limited	Entity under common control	10.85

Note 33: 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 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 2019	
	Amount (in lakhs)	% of revenue from operations
Total revenue from operations from:		
Major Customer	1,324.00	54.64%

Note 34.1: Financial instruments

i) Financial instruments by category

(₹ in lakhs)

Particulars	31 March 2019
Financial assets	
Measured at amortised cost	
Loans - Non current	0.92
Loans - Current	9.90
Trade Receivables	276.53
Cash and cash equivalents	2,214.18
Other Bank balances	0.93
Other financial assets	1,731.45
Total	4,233.91

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

Particulars	31 March 2019
Financial liabilities	
Measured at amortised cost	
Borrowings (including current maturity)	15,791.51
Trade payables	17.29
Other financial liabilities - Non current	566.92
Other financial liabilities - Current	121.17
Total	16,496.89

- (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.

Note 34.2: 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.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

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.

Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in lakhs)

	As at 31 March 2019
Line of credit from Aditya Birla Finance Limited	1,628.49
	1,628.49

Contractual maturities of financial liabilities

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

(₹ in lakhs)

31 March 2019	Up to 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	187.00	1,717.66	13,886.85	15,791.51
Trade payables	17.29	-	-	17.29
Other financial liabilities	121.17	566.92	-	688.08
Total	325.45	2,284.57	13,886.85	16,496.88

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

(₹ in lakhs)

31 March 2018	Upto 1 year	1-5 years	More than 5 years	Total
Non-derivatives				
Borrowings	482.94	3,282.00	9,144.00	12,908.93
Trade payables	73.14	-	-	73.14
Other financial liabilities	158.97	415.15	-	574.13
Total	715.04	3,697.15	9,144.00	13,556.20

C) Market risk - foreign exchange

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

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 2019
Variable rate borrowing	15,791.51

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:

Gain / (loss) on profit before tax

(₹ in lakhs)

Particulars	31 March 2019
Interest rate increases by 50 basis points	(78.96)
Interest rate decreases by 50 basis points	78.96

Note 35: 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.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

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 2019
Net debts	13,577.33
Total equity	11,434.07
Gearing ratio	118.75%

Note 36: 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 2019
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	-

Note 37: Operating leases

The Group has leasing arrangement for premises and utilities which is in the nature of operating lease. Operating lease rental charged to statement of profit and loss amount to ₹ 27.40 lakhs (previous year ₹ 27.40 lakhs).

The future minimum lease payments under operating leases are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2019
Payable not later than one year	23.82
Payable later than one year and not later than five years	-

Note 38: Corporate social responsibility

The Group has formed a Corporate Social Responsibility Committee as required under Section 135 of the Companies Act, 2013. The Group was required to spend ₹ 23.49 lakhs (previous year ₹ 19.84 lakhs) as per Section 135(5) of Companies Act, 2013. The Group has spent ₹ 23.71 lakhs (previous year ₹ 70.00 lakhs) towards CSR expenses on the activities mentioned in Schedule VII to the Companies Act, 2013 for the purpose other than construction/acquisition of any asset.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

Note 39: Disclosure required under Section 186(4) of the Companies Act, 2013

(₹ in lakhs)

Name of the loanee	Rate of interest	Due date	Secured / unsecured	Amount given during the year	As at 31 March 2019
Evergreen Financial Services*	12%	Repayable on demand	Unsecured	2,137.00	-

*The Holding Company had given the advance to Evergreen Financial Services for meeting their business requirements.

Note 40: The Holding Company had entered into a transaction with Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited) for purchase of commercial premises in Kanakia Wall Street project. The same was approved by the board in its meeting held on 30 March 2016 and approved by the shareholders by means of postal ballot on 9 May 2016. Advance against the property was ₹ 16,160.00 Lakhs including interest receivable on advances paid (previous year ₹ 14,095.90 lakhs). During the current year, the Holding Company has taken possession of the said premises and capitalised the total cost of ₹ 14,430.83 lakhs (including applicable taxes) and the total borrowing cost as per Ind AS 23 "Borrowing costs" amounting ₹ 1,926.86 lakhs has also been capitalised alongwith total cost. Balance advance of ₹ 1,729.17 Lakhs is recoverable from Kanakia Spaces Realty Private Limited

Note 41:

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

Note 42: Additional Information as required under Schedule III to the Companies Act, 2013 pertaining to Parent company & its Subsidiary for the year ended 31 March, 2019

(₹ in lakhs)

Name of the entity	31 March, 2019							
	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
Cineline India Limited	100.00%	11,433.78	100.07%	985.59	100.00%	(0.32)	100.07%	985.27
Subsidiary								
Transquare Realty Pvt Ltd	0.00%	0.29	(0.07)%	(0.71)	0.00%	-	(0.07)%	(0.71)
Total	100.00%	11,434.07	100.00%	984.88	100.00%	(0.32)	100.00%	984.56

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2019

Note 43: This being the first year of preparation of consolidated financial statements of the company, the corresponding figures/details of previous year are not applicable.

Note 44: Authorisation of financial statements

These consolidated financial statements as at and for the year ended 31 March 2019 have been approved by the Board of Directors on 09 May 2019.

As per our audit report of even date

For Khimji Kunverji & Co

Chartered Accountants
Firm Registration No.:105146W

Hasmukh B. Dedhia

Partner
Membership No. : 033494

Place: Mumbai
Date: 09 May 2019

For and on behalf of the Board of Directors

Rasesh B. Kanakia

Chairman
DIN: 00015857

Vipul N. Parekh

Chief Financial Officer

Place: Mumbai
Date: 09 May 2019

Himanshu B. Kanakia

Managing Director
DIN: 00015908

Jatin Shah

Company Secretary

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CINELINE

CINELINE INDIA LIMITED

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