

Mega city Cinemall Private Limited

Annual Report

2018-19

-: Auditors :-
G M C A & Co.
(Chartered Accountant)

~: Board Of Directors :~

1. Imtiyaz Ibrahimhai Desai
2. Shobha Imtiyaz Desai

~: Registered Office :~

City Pulse Building, Near Samrat Hotel,
Vishala Sarkhej Road, Ahmedabad
Ahmedabad GJ 382210 IN



GMCA & Co.

Office : 101, "PARISHRAM", 5-B, Rashmi Society, Nr. LG Showroom, Mithakhali Six Road, Navarangpura, Ahmedabad-380 009. Ph. 079-40037372, E-mail : gmca1973@gmail.com • www.gmca.co.inc

Independent Auditors' Report

To,
The Members Of,
M/S Mega City Cinemall Pvt. Ltd.
Report on the Financial Statements

We have audited the accompanying financial statements of 'M/S Mega City Cinemall Pvt. Ltd.' ("the Company"), which comprise the Balance Sheet as at **March 31, 2019** and the Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from misstatements.

Audit involves performing procedure to obtain audit evidence about the amounts and disclosure in the financial statements. The procedure selected depends upon auditor's judgment, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Basis of Qualification

Company has not followed the provisions as prescribed under Schedule II of The Companies Act, 2013. The Company has calculated the depreciation according to the Provisions of the Companies Act, 2013.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required except for the matters stated as in '**Basis of Qualification**', give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in case of the Balance Sheet, of the state of affairs of the Company as at **31/03/2019**;
- (b) in case Statement of Profit and Loss Account, of the **Loss** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143 of the Act, the same is Not Applicable to this Company.
2. As required by section 143(3) of the Act, we report that:
 - a. We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by Law have been kept by the Company so far as appears from our examinations of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, comply with the Accounting +
 - e. Standards referred to in section 133 of the Act.
 - f. On the basis of written representations received from the directors as on **31/03/2019** and taken on record by the Board of Directors, none of the directors are disqualified as on **31/03/2019**, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.



For, G M C A & CO.
Chartered Accountants
FRN NO.:109850W

Amin G. Shaikh
PARTNER
MEMBERSHIP No. 108894

Place: Ahmedabad
Date: 29/05/2019

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

We have audited the internal financial controls over financial reporting of **M/S. Mega City Cinemall Private Limited**("the Company") as of March 31, 2019 in conjunction with our audit of the 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019.

Place: Ahmedabad

Date: 31/05/2019



For, G M C A & Co.

Chartered Accountants

FRN: 109850W

Amin G. Shaikh

(Partner)

Membership No. 108894

Mega City Cinemall Private Limited

Balance Sheet as at March 31, 2019

Amount in Rs.

	Notes	As at 31-Mar-19	As at 31-Mar-18
Non-current Assets			
(a) Property, Plant and Equipment	1a	2,81,59,668	3,02,34,980
(b) Capital Work-In-Progress	1b	8,90,13,055	8,90,13,055
(c) Other Intangible Assets		-	-
Financial Assets			
(i) Investments	2	4,85,000	4,85,000
(ii) Other Non-current Financial Assets	3	14,34,856	10,31,785
(d) Deferred Tax Assets (Net)		2,46,875	2,50,550
(e) Other Non-current Assets	4		
		11,93,39,453	12,10,15,369
Current Assets			
Financial Assets			
(i) Trade Receivables	5	90,000	1,00,000
(ii) Cash and Cash Equivalents	6	8,39,525	11,64,906
(iii) Loans	7	-	19,000
(iv) Other Current Assets	8	2,84,244	35,742
		12,13,769	13,19,648
Total Current Assets			
		12,05,53,222	12,23,35,017
Equity and liabilities			
Equity			
(a) Equity Share Capital	9	55,00,000	55,00,000
(b) Other Equity	10	(5,11,09,448)	(4,61,23,034)
Total Equity		(4,56,09,448)	(4,06,23,034)
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Other Financial Liabilities		-	-
(b) Provisions non-current		-	-
(a) Deferred Tax Liabilities (Net)	11	-	-
(b) Other Non-current Liabilities		-	-
Total Non-current Liabilities			
Current Liabilities			
Financial Liabilities			
(i) Borrowings	12	16,50,62,000	16,16,12,000
(ii) Trade Payables	13	10,32,670	12,07,878
(iii) Other Financial Liabilities	14	68,000	1,38,174
(b) Provisions current		-	-
(c) Current tax liabilities (net)		-	-
(d) Other Current Liabilities	15	-	-
Total Current Liabilities		16,61,62,670	16,29,58,052
Total Equity and Liabilities		12,05,53,222	12,23,35,017

See accompanying notes to the financial statements

In terms of our report attached

For G. M. C. A. & CO.

Chartered Accountants

Firm's Registration Number : 109850W

AMIN SHAIKH

Partner

Membership No. 108894

Place: Ahmedabad

Date: 31/05/2019



For and on behalf of
Mega City Cinemall Pvt Ltd

Imtyaz I. Desai

Director

DIN : 01650220

Place: Ahmedabad

Date: 31/05/2019

Shobha I. Desai

Director

DIN : 03552552



Mega City Cinemall Private Limited

Amount in Rs.

Statement of Profit and Loss

	Notes	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Other income	16	12,00,000	17,04,445
Other income		12,00,000	17,04,445
Employee Benefit Expenses	17	2,57,000	1,77,000
Finance Costs	18	-	45,53,794
Depreciation and Amortisation Expense	1a	30,10,560	34,36,202
Other Expenses	19	29,18,854	9,05,715
		-	-
Total Expenses		61,86,414	90,72,711
Profit (Loss) before tax		(49,86,414)	(73,68,266)
Tax Expense:	20		
Current Tax		-	-
Deferred Tax		-	(9,07,966)
		-	(9,07,966)
Profit (Loss) after tax		(49,86,414)	(64,60,300)
Other Comprehensive Income		-	-
Other Comprehensive Income		-	-
Other Comprehensive Income (After Tax)		-	-
Total Comprehensive Income / (Loss) for the Year		(49,86,414)	(64,60,300)
Earnings Per Equity Share (EPS)			
Basic and Diluted EPS (₹)	21	(9.07)	(11.75)

See accompanying notes to the financial statements

in terms of our report attached

For G. M. C. A. & CO.

Chartered Accountants

Firm's Registration Number : 109850W


AMIN SHAIKH




Membership No. 108894

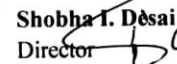
Place: Ahmedabad

Date: 31/05/2019

For and on behalf of
Mega City Cinemall Pvt Ltd


Imtiyaz I. Desai
Director

DIN : 01650220
Place: Ahmedabad
Date: 31/05/2019


Shobha I. Desai
Director

DIN : 03552552



Mega City Cinemall Private Limited

Cash Flow Statement

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cash flow from operating activities		
Profit (Loss) before tax	(49,86,414)	(73,68,266)
Adjustments for:		
Add		
Depreciation and amortisation	30,10,560	34,36,202
Finance Costs	-	45,53,794
Loss on write off of assets	-	7,876
Less		
Liabilities no longer required to be paid is written back	-	15,00,000
Operating profit before working capital changes	(19,75,854)	(8,70,394)
Changes in Working Capital:		
(Increase) / Decrease in Operating Assets :		
Trade Receivables	10,000	(1,00,000)
Other Non Current Assets	3,675	51,000
Other Current Assets	(2,48,502)	(473)
Increase / (Decrease) in Operating Liabilities :		
Trade Payables	(1,75,208)	(1,59,052)
Other Current Liabilities	-1	-1
Other Financial Liabilities	(70,174)	1,38,174
Cash generated from operations	(24,37,064)	(9,40,746)
Less: Tax Refund received / (Tax Paid) (net)	-	-
Net cash flow from / (used in) Operating Activities (A)	(24,37,064)	(9,40,746)
Cash flow from investing activities		
Purchase of Fixed Assets	(9,35,248)	-
Increase in Security Deposit	(4,03,071)	-
Net cash flow from / (used in) investing activities (B)	(13,38,319)	-
Cash flow from financing activities		
Finance Costs Paid	-	(45,53,794)
Loan Taken during the year	88,00,000	9,75,00,000
Loan Repaid during the year	(53,50,000)	(9,08,03,903)
Net cash flow from / (used in) financing activities (C)	34,50,000	21,42,303
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(3,25,383)	12,01,557
Cash and cash equivalents at the beginning of the year	11,64,906	11,59,615
Cash and Cash equivalents at the end of the year	8,39,523	23,61,172

The Cash Flow Statement has been prepared under the indirect method as set out in Ind As 7 on Cash Flow Statements notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of The Companies (Indian Accounting Standards) Rules, 2015 (as amended).

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For G. M. C. A. & CO.

Chartered Accountants

Firm's Registration Number : 109850W

Amin Shaikh

AMIN SHAIKH

Partner

Membership No. 108894

Place: Ahmedabad

Date: 31/05/2019



For and on behalf of
Mega City Cinemall Pvt Ltd

Imtiyaz I. Desai

Imtiyaz I. Desai

Director

DIN : 01650220

Place: Ahmedabad

Date: 31/05/2019

Shobha T. Desai

Shobha T. Desai

Director

DIN : 03552552



Mega City C'Inemall Private Limited

Notes to the Financial Statements

1a Property, Plant and Equipment

Amount in Rs.

Particulars	Gross Block			Depreciation			Net Block As At		
	As at April 1, 2018	Additions during the year	Disposal	As at March 31, 2019	As at April 1, 2018	For the year	On disposals	March 31, 2019	March 31, 2018
Land	48,40,932	-	-	48,40,932	-	-	-	48,40,932	48,40,932
Buildings	2,14,90,981	-	-	2,14,90,981	13,46,261	3,97,282	-	1,97,47,438	2,01,44,720
Plant and Equipment	49,98,455	-	-	49,98,455	16,11,808	12,22,033	-	21,64,614	33,86,647
Furniture and Fixtures	33,87,767	-	-	33,87,767	23,32,226	8,86,153	-	1,69,388	10,55,541
Electrical Installations	15,03,328	9,35,248	-	24,38,576	6,96,189	5,05,092	-	12,37,295	8,07,139
Total	3,62,21,463	9,35,248	-	3,71,56,711	59,86,483	30,10,560	-	2,81,59,668	3,02,34,980
Particulars	Gross Block			Depreciation			Net Block As At		
	As at April 1, 2017	Additions during the year	Disposal	As at March 31, 2018	As at April 1, 2017	For the year	On disposals	March 31, 2018	March 31, 2017
Land	48,40,932	-	-	48,40,932	-	-	-	48,40,932	48,40,932
Buildings	2,14,90,981	-	-	2,14,90,981	9,48,979	3,97,282	-	2,01,44,720	2,05,42,002
Plant and Equipment	49,98,455	-	-	49,98,455	3,89,775	12,22,033	-	33,86,647	46,08,680
Furniture and Fixtures	33,87,767	-	-	33,87,767	10,17,584	13,14,642	-	10,55,541	23,70,183
Electrical Installations	15,03,328	-	-	15,03,328	1,93,944	5,02,245	-	8,07,139	13,09,384
Computers	23,154	-	23,154	-	15,278	-	15,278	-	7,876
Total	3,62,44,617	-	23,154	3,62,21,463	25,65,559	34,36,202	15,278	59,86,483	3,36,79,058



1b Capital Work In Progress

Particulars	Gross Block			Depreciation			Net Block As At		
	As at April 1, 2018	Additions during the year	Disposal	As at March 31, 2019	As at April 1, 2018	For the year	On disposals	March 31, 2019	March 31, 2018
Land	1,40,68,090	-	-	1,40,68,090	-	-	-	1,40,68,090	1,40,68,090
Buildings	6,86,05,542	-	-	6,86,05,542	-	-	-	6,86,05,542	6,86,05,542
Plant and Equipment	58,23,543	-	-	58,23,543	-	-	-	58,23,543	58,23,543
Furniture and Fixtures	3,10,070	-	-	3,10,070	-	-	-	3,10,070	3,10,070
Electrical Installations	2,05,810	-	-	2,05,810	-	-	-	2,05,810	2,05,810
Total	8,90,13,055	-	-	8,90,13,055	-	-	-	8,90,13,055	8,90,13,055
Particulars	Gross Block			Depreciation			Net Block As At		
	As at April 1, 2017	Additions during the year	Disposal	As at March 31, 2018	As at April 1, 2017	For the year	On disposals	March 31, 2018	March 31, 2017
Land	1,40,68,090	-	-	1,40,68,090	-	-	-	1,40,68,090	1,40,68,090
Buildings	6,86,05,542	-	-	6,86,05,542	-	-	-	6,86,05,542	6,86,05,542
Plant and Equipment	58,23,543	-	-	58,23,543	-	-	-	58,23,543	58,23,543
Furniture and Fixtures	3,10,070	-	-	3,10,070	-	-	-	3,10,070	3,10,070
Electrical Installations	2,05,810	-	-	2,05,810	-	-	-	2,05,810	2,05,810
Total	8,90,13,055	-	-	8,90,13,055	-	-	-	8,90,13,055	8,90,13,055

Note:

The Company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition i.e. April 1, 2016 and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note 2c for the gross block value and the accumulated depreciation on April 1, 2016 under Indian GAAP (IGAAP).

Particulars	Gross Block(at cost) as on 01/04/2016	Accumulated Depreciation on 01/04/16	Net Block as on 01/04/2016
Land	4840932	0	4840932
Buildings	28412533	6921552	21490981
Plant and Equipment	8205787	3207332	4998455
Furniture and Fixtures	10711406	7323639	3387767
Electrical Installations	2743202	1239874	1503328
Computers and softwares	94250	71096	23154
Total	55008110	18763493	36244617



Mega City Cinemall Private Limited

Statement of changes in equity for the period ended March 31, 2019

Particulars	Amount in Rs.		Amount in Rs.	
	2018-19	Amount	2017-18	Amount
A. Equity Share Capital				
i) Opening Balance at the beginning of Financial Year	5,50,000	55,00,000	5,50,000	55,00,000
Changes in equity share capital during the year	-	-	-	-
Closing Balance at the end of Financial Year	5,50,000	55,00,000	5,50,000	55,00,000

Particulars	Reserves and Surplus		Total
	Retained Earnings	Securities Premium	
Balance as at 1st April, 2017	(6,91,62,734)	2,95,00,000	(3,96,62,734)
Profit / (Loss) for the year	(64,60,300)	-	(64,60,300)
Balance as at March 31, 2018	(7,56,23,034)	2,95,00,000	(4,61,23,034)
Profit / (Loss) for the year	(49,86,414)	-	(49,86,414)
Other comprehensive income	-	-	-
Total Comprehensive Income / (loss) for the year	(49,86,414)	-	(49,86,414)
Balance as at March 31, 2019	(8,06,09,448)	2,95,00,000	(5,11,09,448)

See accompanying notes to the financial statements
In terms of our report attached

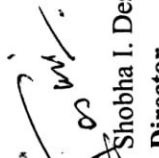
For G. M. C. A. & CO.
Chartered Accountants

Firm's Registration Number : 109850W


AMIN SHAIKH
Partner

Membership No. 108894
Place: Ahmedabad
Date: 31/05/2019

For and on behalf of


Shobha I. Desai
Director

DIN : 03552552
Place: Ahmedabad
Date: 31/05/2019




Imtiaz I. Desai
Director
DIN : 01650220

Amount in Rs.

	As at	
	31-Mar-19	31-Mar-18
Share Capital		
Authorised Share Capital		
10,00,000 Equity Shares of ` 10 each	1,00,00,000	1,00,00,000
Issued, Subscribed and Fully paid-up equity shares		
5,50,000 fully paid up Equity Shares of ` 10 each	55,00,000	55,00,000
Total	55,00,000	55,00,000

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a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at 31/03/2019		As at 31/03/2018	
	No. Shares	(in INR)	No. Shares	(in INR)
Equity Shares				
At the beginning of the year	5,50,000	55,00,000	5,50,000	55,00,000
Add : Additional during the year	-	-	-	-
Outstanding at the end of the year	5,50,000	55,00,000	5,50,000	55,00,000

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company the holders of the 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 share holders.

c. Details of shareholders holding more than 5% shares in the Company

Shareholders	As at 31/03/2019		As at 31/03/2018	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of ` 10 each fully paid				
Shobha Imtiyaz Desai	2,75,000	50%	2,75,000	50%
Nila Infrastructures Limited	2,33,750	42.5%	2,33,750	42.5%
Imtiyaz Ibrahim Desai	41,250	7.5%	41,250	7.5%
Total	5,50,000	100%	5,50,000	100%



Mega City Cinemall Private Limited
Notes to financial statements

2	Investments	As at 31-Mar-19	As at 31-Mar-18
	Other Investments		
	National Savings Certificate	4,85,000	4,85,000
	Total	4,85,000	4,85,000

Particulars	Book value	
	As at March 31, 2019	As at March 31, 2018
Aggregate value of unquoted investment	4,85,000	4,85,000
Aggregate value of quoted investment	-	-
Total of Non-Current Investments	4,85,000	4,85,000
Aggregate market value of quoted investment		

3	Other Non-current Financial Assets	As at 31 March 2019	As at 31-Mar-18
	Security and other deposits	14,34,856	10,31,785
	Total	14,34,856	10,31,785

4	Other Non-current Assets	As at 31 March 2019	As at 31-Mar-18
	Advances to Suppliers		
	To related parties		-
	To Others	2,46,875	2,50,550
	Total	2,46,875	2,50,550

5	Trade Receivables	As at 31 March 2019	As at 31-Mar-18
	Receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured but considered good		
	Cash on hand		
	Receivables outstanding for a period less than six months from the date they are due for payment Unsecured, considered good	90,000	1,00,000
	Total	90,000	1,00,000

6	Cash and Cash Equivalents	As at 31 March 2019	As at 31-Mar-18
	Cash on hand	7,71,013	9,89,720
	Balances with banks		
	-In current accounts	68,512	1,75,186
	Total	8,39,525	11,64,906



7	Loans	As at 31 March 2019	As at 31-Mar-18
	loans to Employees	-	19,000
	Total		19,000

8	Other Current Assets	As at 31 March 2019	As at 31-Mar-18
	GST receivable	1,69,244	
	TDS Receivable	1,15,000	
	Prepaid Expenses	-	35,742
	Total	2,84,244	35,742

10	Other Equity	As at 31 March 2019	As at 31-Mar-18
	Securities premium Account	2,95,00,000	2,95,00,000
	Surplus / (Deficit) in the Statement of Profit and Loss		
	Opening Balance	(7,56,23,034)	(6,91,62,734)
	Add : Profit / (Loss) for the period	(49,86,414)	(64,60,300)
	Closing Balance	(8,06,09,448)	(7,56,23,034)
	Total	(5,11,09,448)	(4,61,23,034)

11	Deferred Tax Liabilities (Net)	As at 31 March 2019	As at 31-Mar-18
	Deferred tax assets:		
	Disallowed u/s 40(a)		-
	Deferred tax liability:		
	Property, Plant and Equipments		-
	Net Deferred Tax liability		-

In absence of reasonable certainty, the company has recognised deferred tax assets only to the extent of the extent of deferred tax liability.

12	Borrowings	As at 31 March 2019	As at 31-Mar-18
	Unsecured Borrowings		
	Current Borrowings:		
	Term Loans from related parties	15,83,12,000	15,50,12,000
	Term loans from other parties	67,50,000	66,00,000
	Total	16,50,62,000	16,16,12,000

Note:

(A) Unsecured Loans are repayable on demand

(B) The company has not provided interest on unsecured loans from related parties and others as stated above



13	Trade Payables	As at 31 March 2019	As at 31-Mar-18
	Trade Payables		
	- Acceptances		-
	- Micro and Small Enterprises		-
	- Other than Micro and Small Enterprises	10,32,670	12,07,878
	Total	10,32,670	12,07,878

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the Financial Statements based on the information received and available with the company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts has been relied upon by the auditors.

14	Other Financial Liabilities	As at 31 March 2019	As at 31-Mar-18
	Security Deposit	50,000	1,00,000
	Employee related liabilities	18,000	15,000
	Others		23,174
	Total	68,000	1,38,174



Mega City Cinemall Private Limited

Notes to financial statements

16 Other Income	2018-19	2017-18
Liabilities no longer required to be paid is written back		15,00,000
Rent Income	12,00,000	2,00,000
Misc Income		4,445
Total	12,00,000	17,04,445

17 Employee Benefit Expenses	2018-19	2017-18
Salary, Allowances and Bonus	2,57,000	1,77,000
Total	2,57,000	1,77,000

18 Finance Costs	2018-19	2017-18
Interest on unsecured loans		44,81,972
Interest others		71,822
Total	-	45,53,794

19 Other Expenses	2018-19	2017-18
Power and Fuel Expense	-	16,410
Rates and Taxes	28,14,802	39,351
Entertainment Tax Penalty		5,92,694
Insurance Expense	35,742	38,083
Payment to Auditor		
Audit Fees	23,600	23,600
Legal & Professional fees	29,700	26,600
Security Charges		1,61,000
Loss on Discard of the assets		7,876
Repair & Maintenance	-	-
Office Expense	6,200	-
Miscellaneous Expense	8,810	101
Total	29,18,854	9,05,715



20 0 Current Tax

The major components of income tax expense for the period ended March 31, 2018 are:

Income Tax Expense :	2018-19	2017-18
Current Tax:		-
Current Tax		-
Current Tax relating to prior year		-
Current Income Tax Charge		-
Deferred Tax		3,47,989
In respect of current year origination and reversal of temporary differences	-	3,47,989.00
		3,47,989
Tax reconciliation		
Accounting profit / (loss) before tax		-
Income tax using the company's domestic tax rate @ 25.75%		-
Tax Effect of :		
i) Income and Expenses not allowed under Income Tax		-
Income tax recognised in profit and loss account at effective rate		-
Total Tax Expense for the year		-



Mega City Cinemall Private Limited

Financial statements for the period ended on 31st March, 2019

Corporate information

Mega City Cinemall Pvt Ltd is a Private Limited incorporated under companies Act 2013, having its registered office at City pluse Building near Samrat Hotel Vishala Sarkhej Road, Ahmedabad- 382210.

22 Significant accounting policies

Basis of preparation

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The Financial Statements up to year ended March 31, 2017 were prepared in accordance with Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These Financial Statements are the first Financial Statements of the Company under Ind AS. Refer Note 26 for an explanation of how the transition from previously applicable Indian GAAP (hereinafter referred to as 'IGAAP') to IND AS has affected the Company's financial position, financial performance and cash flows.

The Financial Statements have been prepared on a historical cost basis, except financial assets.

All the assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products 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 12 months for the purpose of current and non-current classification of assets and liabilities.

22 Summary of significant accounting policies

a Property, plant and equipment

Property, plant and equipment are stated at acquisition cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised along with respective asset.

Depreciation is recognised based on the cost of assets less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013 for year 2017-18. For year 2016-17 and 2015-16 Following are the rates adopted for various assets.

Asset	Depreciation Rates
Buildings	3.34%
Plant and machineries	4.75%
Furnitures and Fixtures	9.50%
Computer	16.21%
Electronic Installations	7.07%

Depreciation is not provided on Assets which are classified as commercial complex as the same are under construction.



Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial 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 of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Initial recognition and measurement

All financial assets, are recognised initially at fair value.

Impairment of Financial assets

A financial asset is assessed at each reporting date to determine whether there is an objective evidence which indicates that it is impaired. A financial asset is considered to be impaired if an objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The Company applies expected credit loss (ECL) model for measurement of impairment loss on the following

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cashflows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as expense / (income) in the statement of profit and loss.

d Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.



Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

Trade and other payables are recognised at the transaction cost, which is its fair value.

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

e Current versus non-current classification

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

- Expected to be realised or intended to be 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 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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company- has identified twelve months as its operating cycle.

f 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 financial asset or settle the financial liability takes place either:

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

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

