

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 Fourteenth Annual General Meeting of the members of the Company will be held on Thursday, September 22, 2016 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, 2016, including the audited Balance Sheet as at March 31, 2016, 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.

Item No. 3: Appointment of Auditors:

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

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, as amended from time to time, the Company hereby ratifies the appointment of Messrs Walker, Chandio & Co. LLP, Chartered Accountants (Firm's Registration No. **001076N/N500013**) as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Fifteenth Annual General Meeting of the Company to be held in year 2017 to examine and audit the accounts of the Company for the Financial Year 2016-17 at such remuneration plus service tax, out-of-pocket, travelling and living expenses etc., as may be mutually agreed between the Board of Directors and the Auditors.

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

Place: Mumbai
Date: August 9, 2016

Jatin J. Shah
Company Secretary

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 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 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-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup – West,
Mumbai – 400 078.
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 to 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 2015-16 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 Fourteenth 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 Fourteenth 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 Fourteenth AGM and the Annual Report 2015-16 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. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Members are requested to note that, pursuant to sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividend, application money, as applicable, remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, in relation to the Company, have been transferred to the IEPF established by the Central Government.

Members who have not yet en-cashed their dividend warrant(s) pertaining to the Dividend for the financial year 2008-09 are requested to make their claims without any delay to LIPL. It may be noted that the unclaimed Dividend for the financial year 2008-09 declared by the Company on September 10, 2009 can be claimed by the shareholders latest by October 09, 2016.

19. 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.

20. 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*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 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#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. 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 No. in the dividend bank details filled mentioned in instructions (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 sl. No. (i) to sl. No. (xvii) above to cast vote.

C. Other Instructions:

- (i) The e-voting period commences on Monday, September 19, 2016 (9.00 a.m. IST) and ends on Wednesday, September 21, 2016 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on September 15, 2016 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 September 15, 2016. 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, voting through ballot form, as well as 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 three days 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 of the accompanying Notice:

Item No. 3:

This explanatory statement is provided though strictly not required as per section 102 of the Act.

M/s Walker, Chandio & Co.LLP, (ICAI Firm Registration No. **001076N/N500013**), Chartered Accountants, Mumbai were appointed as the statutory auditors of the Company for a period of four years at the Annual General Meeting (AGM) of the Company held on September 17, 2014. As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by members at every AGM. Accordingly, ratification of the members is being sought for the proposal contained in the Resolution set out at the Item No. 3 of the Notice.

The Board recommends the Resolution set forth in Item No. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the accompanying Notice.

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

Place: Mumbai

Date: August 9, 2016

Jatin J. Shah
Company Secretary

Registered Office:

215 Atrium, 10th Floor,

Opp. Divine School,

J.B. Nagar, Andheri Kurla Road,

Andheri- East, Mumbai- 400093

Website: www.cineline.co.in

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Annexure

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

Particulars	Mr. Rasesh Kanakia
Date of Birth	14/09/1961
Date of Appointment	22/05/2002
Qualification	Owner President Management Programme from Harvard University
Experience in Functional Area	Mr. Rasesh Kanakia is the Chairman since incorporation and has career spanning around 32 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 theatres 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.
Directorship in other Companies (Public Limited Companies)	NIL
Membership/ Chairmanship of Board Committees of other Companies (Includes only Audit Committee and Stakeholders relationship/ Investor Grievance Committee)	NIL
No. of shares held in the Company	9368524
Terms & Conditions of Appointment/ Re-appointment	Appointed as a Director liable to retire by rotation
Relationship with other Directors/ Manager/KMP	Brother of Mr. Himanshu Kanakia and brother in-law of Mrs. Hiral Kanakia
Remuneration	The remuneration details are given in the Corporate Governance Section of the Annual Report.

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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 22, 2016 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 Fourteenth Annual General Meeting of the Company held on September 22, 2016 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:

1. Electronic copy of the Annual Report for 2016 and Notice of the Fourteenth 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.
2. Physical copy of the Annual Report for 2016 and Notice of the Fourteenth 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.

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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 22, 2016 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 Fourteenth Annual General Meeting of the Company to be held on September 22, 2016 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, 2016, including the audited Balance Sheet as at March 31, 2016, 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.			
3.	To appoint Walker, Chandiok & Co. LLP, Chartered Accountants as Statutory Auditors of the Company.			

** 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. _____

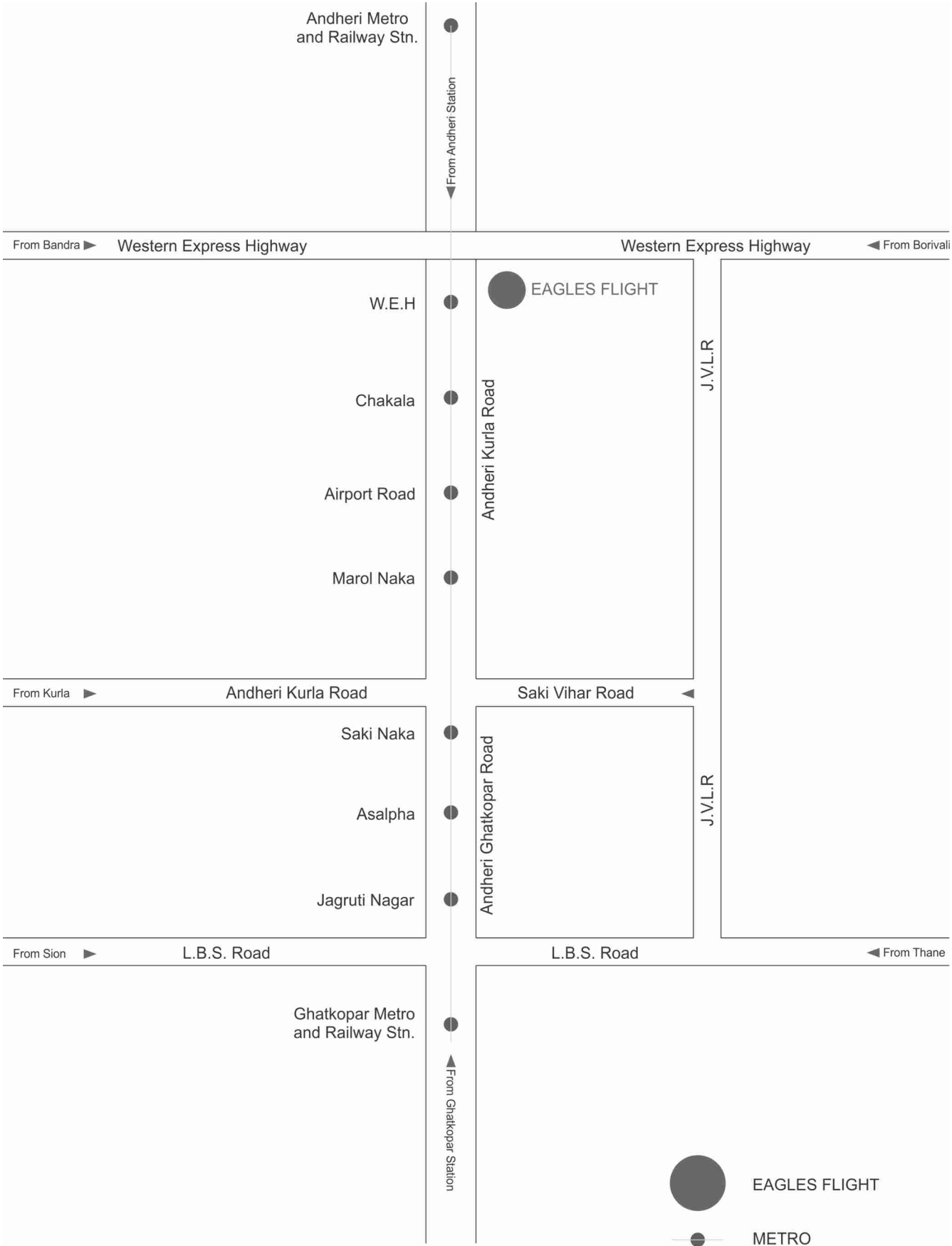
Affix One
Rupee
Revenue
Stamp

Signed thisday of2016

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.

Route Map to the AGM Venue



CINELINE

Annual Report 2015 - 2016

CINELINE INDIA LIMITED



***VALUE
DRIVEN
GROWTH***

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Growth has many facets.

What makes Cinline different and distinct is our pragmatic business model and our prudent investments in real assets - with an clear, long-term vision, focus and strategy to drive and deliver

VALUE DRIVEN GROWTH

Not with standing strong and challenging headwinds, we remained steady and steadfast, which is aptly reflected in our performance.

We delivered impressive gains in revenue and margins.

We augmented our cash flows.

We increased the intrinsic value of our assets.

We delivered

VALUE DRIVEN GROWTH

MESSAGE FROM THE CHAIRMAN



Dear Shareholders,

I am delighted to share with you my thoughts and views on the performance of your Company last year, as well as discuss prospects for the future.

Let me begin by echoing the remarkable positivity in the Indian economy since the last two years. The long-term initiatives taken by a determined government will have lasting impact on the overall progress of the country in the years to come. There are already visible signs that the country is moving ahead in the right direction and at the right speed. For the second year in a row, India emerged as the fastest growing major economy with a GDP growth rate of 7.6%. This is more remarkable considering that this performance was achieved in spite of two consecutive sub-par monsoons. With all the key building blocks in the right place, India is indeed in a 'sweet spot' on the global platform.

The effect of consistent economic growth has rubbed-off on every industry and sector, though in varying degrees. Demand, which had been subdued, has started picking up. Inflation has been largely stable, interest rates have remained low and

importantly, there have been many initiatives taken by the government to increase transparency in the sector and make it more attractive to foreign investors. Clarity on REITs and legislations like the Real Estate Regulation Act are steps in the right direction which are likely to attract more investments in the real estate sector.

There has been a marked improvement in the commercial lease and rental scenario over the last year. Buoyed by an overall positivity in sentiments and revival of confidence, absorption across all key cities have increased quite remarkably over the previous year. The average rentals have also shown a moderate improvement. As the economic climate improves, this augurs extremely well for the real-estate space in general, and your Company in particular.

Your Company has always been focused on VALUE DRIVEN GROWTH. It has always invested cautiously in carefully considered assets and pragmatically developed a business model that delivers a consistent cash-flow. It is this unique mix of cash-flow with capital appreciation of its assets that underline VALUE DRIVEN GROWTH at Cinline.

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₹ **3,207.57** lacs
Total Revenue For
the Year 2015-16

₹ **2,375.73** lacs
EBITDA For the
Year 2015-16

Today, Cinline has 9 (nine) Theatres and all these Theatres are leased to PVR Cinemas on a long-term basis, generating a steady cash-flow of rental income. In addition, your Company also owns Eternity Mall at Nagpur occupied by some of the top national and international brands, adding to the rental income. Your Company also has a modest presence in the emerging renewable energy space in the form of two windmills located at Viswada in Gujarat and at Revangaon in Maharashtra. Currently, the total capacity of these two windmills is 2.2 MWA. The Company earns additional revenues from the power generated by these windmills.

This year, your Company delivered excellent financial performance. The total revenues for the year increased to ₹ 3,207.57 lacs compared to ₹ 2,659.74 lacs in the previous year, an increase of 20.60%.

EBITDA for the year stood at ₹ 2,375.73 lacs against ₹ 1,965.16 lacs in 2014-15 lacs, increasing by 20.89%. PAT increased by 46% from ₹ 394.94 lacs in 2014-15 to ₹ 576.59 lacs in 2015-16.

Rental income increased to ₹ 1,658.91 lacs compared to ₹ 1,444.74 lacs in the previous year, an increase of 14.82%. Revenue from windmill business increased by a 4.86% to ₹ 166.08 lacs against ₹ 158.38 lacs last year.

The outlook for your Company continues to remain positive. The momentum gathered in the commercial and retail real estate space during the year is expected to gain further on the back of forecasts of continued economic growth in the next few years. Consumer demand is expected to pick up as the effects of the implementation of the 7th Pay Commission increase wages and augment consumer spending power of middle class in the country. The likely implementation of the Goods and Services Tax (GST) will give a major fillip to the overall economic growth, unleashing the potential of a one-marketplace for the first time.

It is amidst these extremely positive tidings that I wish to conclude my message. I am quite convinced that we are poised for a phase of sustained long-term growth in India. At Cinline, we shall continue with our focus to creating and delivering and sustained VALUE BASED GROWTH for all our stakeholder.

Thank you very much for your continued trust and confidence in Cinline.

Your sincerely,



Rasesh Kanakia
Chairman

EVENTS AND ACTIVITIES



Diwali Celebration



Ganesh Utsav



Christmas Celebration



Diwali Celebration



Navratri Celebration



Janmashtami Celebration

PROPERTIES



Goregaon (West)



Sona Shopping Centre,
Kandivali (West)



Wonder Mall, Thane



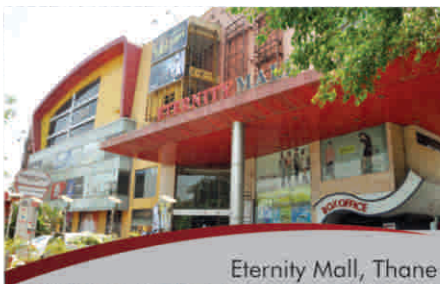
Cineline, Nashik



Eternity Mall, Nagpur



Cineline, Sion



Eternity Mall, Thane



Prime Mall, Mira Road



Eagle's Flight, Andheri (East)



FINANCIAL HIGHLIGHTS

2015-16

in ₹ Lacs (except per share data)

For the year ended 31st March	2015-16	2014-15
Total Income	3207.57	2659.74
Expenditure	831.84	694.58
EBITDA	2375.73	1965.16
Depreciation	611.67	611.27
Interest & Financial Charges	1006.26	777.9
Exceptional Items	0.00	214.99
Profit Before TAX (PBT)	757.8	790.98
Tax Expense	181.21	396.04
Profit After TAX (PAT)	576.59	394.94
Share Capital	1400.00	1400.00
Reserve and Surplus	6950.85	6374.26
Total Debt (including Current Maturity)	12612.23	5970.65
Gross Block	12976.28	12975.44
Net Block	8724.82	9335.65
Current Assets	7085.96	4973.06
Current Liabilities	989.82	629.14
Cash & Cash Equivalents	142.76	131.81
No. of Equity Shares	28000000	28000000
Earning Per Share (In ₹) = Basic & Diluted	2.06	1.41

FOR THE YEAR 2015-16, OUR GROSS INCOME WAS ₹ 3,207.57 LACS COMPARED TO ₹ 2,659.74 LACS IN THE PREVIOUS YEAR.

CORPORATE INFORMATION

Board of Directors

Mr. Rasesh Kanakia
Chairman

Mr. Himanshu Kanakia
Managing Director

Mrs. Hiral Kanakia
Executive Director

Mr. Kranti Sinha
Independent Director

Mr. Utpal Sheth
Independent Director

Mr. Anand Bathiya
Independent Director

Senior Management

Mr. Jitendra Mehta
Chief Financial Officer

Mrs. Manisha Vora
Senior GM-Finance & Accounts

Company Secretary & Compliance Officer

Mr. Jatin J. Shah

Statutory Auditors

Walker, Chandio & Co. LLP
Chartered Accountants
16th Floor, Tower II,
Indiabulls Finance Centre,
S.B. 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-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078.

Registered Office

215 Atrium, 10th Floor,
Opp. Divine Child High 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

Bankers

Central Bank of India Ltd.
Axis Bank Ltd.

DIRECTORS' REPORT

To,
The Members of
Cineline India Limited

Your Directors have pleasure in presenting their Fourteenth Annual Report together with the Audited Accounts and Auditors Report of the Company for the Year ended March 31, 2016.

1. FINANCIAL RESULTS:

Particulars	March 31, 2016 (Rs. in Lacs)	March 31, 2015 (Rs. in Lacs)
Gross Income	3207.57	2659.74
Profit before Interest, Depreciation and tax	2375.73	1965.16
Interest & Financial Charges	1006.26	777.90
Depreciation/ Amortisation	611.67	611.27
Profit/(loss) before exceptional items and taxes	757.80	576.00
Exceptional Items	-	214.99
Profit/(loss) before tax	757.80	790.99
Provision for Tax (including Deferred)	181.21	396.04
Profit/(loss) after Tax	576.59	394.95
Profit brought forward from previous year	2737.69	2342.74
Amount available for Appropriation	3314.28	2737.69

OPERATIONAL REVIEW:

Gross revenues increased to Rs. 3207.57 Lacs, a growth of around 20.60% against Rs. 2659.74 Lacs in the previous year. Profit before depreciation and taxation stood at Rs.757.81 Lacs. After providing for depreciation and taxation of Rs. 611.67 Lacs and Rs. 181.21 Lacs respectively, the net profit of the Company for the year under review was placed at Rs. 576.60 Lacs as against Rs. 394.95 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 2015-16.

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, 2016 was Rs. 14.00 Crores. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

5. FINANCE:

Cash and cash equivalents as at March 31, 2016 were Rs. 142.76 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.

Your Company prepares its financial statements in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2016.

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, 2016 forms part of this report as **Annexure 1**.

7. SUBSIDIARY COMPANIES:

The Company does not have any subsidiary, Joint Venture or Associate Companies.

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 Directors' 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 31.03.2016.

Mrs. Hiral Kanakia, who was appointed as an Additional Director on 5th February, 2015, was reappointed as an executive director by the Board of Directors of the Company, in their meeting held on 27th May, 2015, subject to the approval of members. Members in their 13th Annual General Meeting held on 10th September, 2015, approved the appointment of Mrs. Hiral Kanakia as a Whole-time Director of the Company.

Mr. Anand Bathiya was appointed as an Additional Director on 5th February, 2015 by the Board of Directors of the Company. His appointment as an Independent Director of the Company was approved by the members at their 13th Annual General Meeting held on 10th September, 2015.

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 year under review, there is no change in the Board of Directors of the Company.

11.2 Key Managerial Personnel:

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

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

During the year under review, there was no appointment or cessation of any Key Managerial Personnel of the Company.

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.

13. MEETINGS:

A calendar of meeting is prepared and circulated in advance to the Directors.

During the year Six (6) Board Meetings and Six (6) Audit Committee Meetings were convened and held. 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 Regulations, 2015.

14. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- In the preparation of the annual accounts for the year ended 31-03-2016, the applicable accounting standards have been followed.
- 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.
- 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.
- The Directors have prepared the annual accounts on a going concern basis.
- 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.
- 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.

15. COMPOSITION OF AUDIT COMMITTEE:

The Board has constituted the Audit Committee which comprises of Mr. Kranti Sinha, Independent Director as Chairman and Mr. Rasesh Kanakia, Executive Director, Mr. Utpal Sheth, Independent Director, Mr. Anand Bathiya, Independent Director, as the members. More details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report.

16. PERFORMANCE EVALUATION OF THE BOARD:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 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, Appointment & 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.

17. FAMILIARIZATION PROGRAMME:

The Company had conducted various sessions during the financial year to familiarize Independent Directors with the Company, their roles, responsibilities in the Company, and the technology and the risk management systems of the Company. Further, the Directors are encouraged to attend the training programmes being organized by various regulators/bodies/ institutions on above matters. The details of such familiarization programmes are displayed on the website of the Company (www.cineline.co.in).

18. 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. 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.

19. LISTING AGREEMENT:

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective from December 1, 2015. Accordingly, all listed entities were required to enter into Listing Agreement within six months from the effective date. The Company entered into Listing Agreement with BSE Limited and National Stock Exchange of India Limited during February, 2016.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans, guarantees or provided any security or made investments covered

under the provisions of section 186 of the Companies Act, 2013 and accordingly information required to be provided under Section 134 (3) (g) of the Companies Act, 2013 in relation loans, guarantees, security or investments covered under the provisions of section 186 are not applicable to the Company.

21. RELATED PARTY TRANSACTIONS:

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. All such Related Party Transactions, are placed before the Audit Committee and the Board for their prior approvals. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the company on a materiality of related party transactions.

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

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company and the link for the same is (<http://www.cineline.co.in/investor/corporate-governance.html>).

22. POLICY ON DIRECTOR APPOINTMENT AND REMUNERATION:

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down the criteria for selection and appointment of Board members. The Remuneration Policy forms part of this report as **Annexure 3**.

23. WHISTLE BLOWER POLICY:

The Company has a whistle blower policy to report genuine concerns or grievances and provides for adequate safeguards against victimization of Whistle Blower who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time. The Whistle Blower policy has been posted on the Company's website www.cineline.co.in

24. RISK MANAGEMENT:

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has constituted a risk management committee. At present the company has not identified any element of risk which may threaten the existence of the company.

25. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Pursuant to section 135 of the Companies Act, 2013, the company has constituted a Corporate Social

Responsibility Committee and has adopted Corporate Social Responsibility Policy and link for the same is www.cineline.co.in The Report on information required to be provided under Section 134 (3) (o) of the Companies Act, 2013 read with the Rule 9 of the Companies (Accounts) Rules, 2014 in relation to disclosure about Corporate Social Responsibility is annexed as **Annexure - 4** and forms an integral part of this Report.

26. 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.

27. 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 together with a Certificate from the Statutory Auditors of the Company confirming compliance is annexed as **Annexure-C** to this report.

28. MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION:

The Managing Director and Chief Financial Officer Certification as required under Regulation 17 (8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs has been obtained.

29. AUDITORS:

29.1 Statutory Auditors

M/s. Walker Chandiok & Co. LLP, Chartered Accountants, Mumbai, will retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under for reappointment as Auditors of the Company. Accordingly, the Board of Directors has recommended the re-appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company to hold office from the ensuing AGM till the conclusion of the next AGM on remuneration to be decided by the Board or Committee thereof to the shareholders for approval.

29.2 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 2015-16. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Secretarial Audit

Report is included as **Annexure-5** and forms an integral part of this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

30. 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 and Secretarial Auditors, in their report for the financial year ended 31st March, 2016.

31. 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.

32. 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.

33. HUMAN CAPITAL AND PARTICULARS OF EMPLOYEES:

Your Company had 26 employees as of March 31, 2016. The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read along with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as no employees were in receipt of remuneration above the limits specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure 6** and forms part of this Report.

34. 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 / behaviors 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.

35. 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.

36. 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**

**Himanshu Kanakia
Managing Director**

**Kranti Sinha
Director**

**Date : May 30, 2016
Place: Mumbai**

Annexure 1 to Boards Report
Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and 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 Child High 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-13, Pannalal Silk Mills Compound LBS Marg, Bhandup – West, Mumbai - 400 078 Ph : 022 – 2596 0320 Fax: 022 – 2596 0329

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)

S. 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	92.70%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NA	NA	NA	NA	NA

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 beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% 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	Nil	19,394,636	69.2666	19,394,636	Nil	19,394,636	69.2666	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	280	Nil	280	0.0010	280	Nil	280	0.0010	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (1)	19,394,916	-	19,394,916	69.2676	19,394,916	-	19,394,916	69.2676	Nil
(2) Foreign									
a) NRI Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL (A)	19,394,916	Nil	19,394,916	69.2676	19,394,916	Nil	19,394,916	69.2676	Nil
B. Public Shareholding									
a) Mutual Funds	1,614	Nil	1,614	0.0058	1,614	Nil	1,614	0.0058	0.0000
b) Banks/ FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	1,614	Nil	1,614	0.0058	1,614	Nil	1,614	0.0058	0.0000
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3,138,748	Nil	3,138,748	11.2098	3,106,295	Nil	3,106,295	11.0939	(0.1159)
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3,832,531	103	3,832,634	13.6876	4,114,343	152	4,114,495	14.6941	1.0065
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1,413,446	Nil	1,413,446	5.0480	962,949	Nil	962,949	3.4391	(1.6089)
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Hindu Undivided Family	Nil	Nil	Nil	Nil	210,710	Nil	210,710	0.7525	0.7525
Clearing Members	80,957	Nil	80,957	0.2891	76074	Nil	76,074	0.2717	(0.0174)
Non Resident Indians (REPAT)	113,398	Nil	113,398	0.4050	120,733	Nil	120,733	0.4312	0.0262
Non Resident Indians (NON REPAT)	24,287	Nil	24,287	0.0867	12,214	Nil	12,214	0.0436	(0.0431)
Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	8,603,367	103	8,603,470	30.7263	8,603,318	152	8,603,470	30.7261	(0.0002)
Total Public Shareholding (B)=(B)(1) + (B)(2)	8,604,981	103	8,605,084	30.7321	8,604,932	152	8,605,084	30.7319	(0.0002)
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	27,999,897	103	28,000,000	100	27,999,848	152	28,000,000	100	Nil

(ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01.04.2015			Shareholding at the end of the year as on 31.03.2016			% 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	50.168	9,368,524	33.4590	50.1680	Nil
2	Mr. Himanshu Kanakia	9,368,424	33.4587	74.7191	9,368,424	33.4587	74.7191	Nil
3	Mrs. Rupal Kanakia	328,844	1.1744	Nil	328,844	1.1744	Nil	Nil
4	Mrs. Hiral Kanakia	328,844	1.1744	Nil	328,844	1.1744	Nil	Nil
5	M/s Kanakia Gruhnirman Pvt Ltd	140	0.0005	Nil	140	0.0005	Nil	Nil
6	M/s Kanakia Finance And Investments Pvt Ltd	140	0.0005	Nil	140	0.0005	Nil	Nil
	Total	19,394,916	69.2676	60.3251	19,394,916	69.2676	60.3251	Nil

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

S. No.	Particulars	Shareholding at the beginning of the year as on 01.04.2015		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	NA	NA	NA	NA
	Date wise increase/ Decrease during the year specifying the reasons for increase/ decrease (eg. Allotment/ transfer/ bonus/ sweat equity, etc.)	NA	NA	NA	NA
	At the end of the year	NA	NA	NA	NA

(iv) Shareholding Pattern of top ten Shareholders

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

S. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year (01-04-2015)		Increase/ Decrease in Shareholding	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of shares	% of total shares		No. of shares	% of total shares
1	ICICI Prudential Life Insurance Company Limited	1,860,422	6.6444	Nil	1,860,422	6.6444
2	River Sharesstake Private Limited	210,950	0.7534	Nil	210,950	0.7534
3	Revolutionary Shares and Securities Private Limited	210,950	0.7534	Nil	210,950	0.7534
4	Ulhas Vallabhji Gala	210,724	0.7526	Nil	210,724	0.7526
5	Vijay Kumar Agarwal	187,861	0.6709	2,139	190,000	0.6786
6	Priya Daga	160,456	0.5731	Nil	160,456	0.5731
7	Sushil Narendra Shah	148,900	0.5318	9,500	158,400	0.5657
8	Y T Entertainment Limited	144,940	0.5176	Nil	144,940	0.5176
9	Renoun Shares and Securities Private Limited	100,000	0.3571	Nil	100,000	0.3571
10	Wellbeing Shares and Securities Private Limited	94,169	0.3363	Nil	94,169	0.3363

Note: Top 10 shareholders of the Company as on 31.03.2016 has been considered for the above disclosure.

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01-04-2015)		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 Promoters share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer /bonus/ sweat equity, etc.)	-	-	Nil	Nil
	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%	Nil	Nil
	Date wise Increase / Decrease in Promoters share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer /bonus/ sweat equity, etc.)	-	-	Nil	Nil
	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 Promoters share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer /bonus/ sweat equity, etc.)	-	-	Nil	Nil
	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	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer /bonus / sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
5	Mr. Kranti Sinha Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer /bonus/ sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
6	Mr. Anand Bathiya Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer /bonus / sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
7	Mr. Jitendra Mehta - CFO				
	At the beginning of the year	25,968	0.09%	-	-
	Decrease in share holding during the year pursuant to sale in open market	-	-	-20,968	-0.07%
	At the end of the year	5,000	0.02%	5,000	0.02%
8	Mr. Jatin Shah - Company Secretary				
	At the beginning of the year	2	0.00%	-	-
	Date wise Increase / Decrease in Promoters share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer /bonus / sweat equity, etc.)	-	-	Nil	0.00%
	At the end of the year	2	0.00%	2	0.00%

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	597,062,162	-	-	597,062,162
ii) Interest due but not paid	6,421,746	-	-	6,421,746
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	603,483,908	-	-	603,483,908
Change in Indebtedness during the financial year				
* Addition	1,362,500,000	-	-	1,362,500,000
* Reduction	698,340,353	-	-	698,340,353
Net Change	664,159,647	-	-	664,159,647
Indebtedness at the end of the financial year				
i) Principal Amount	1,261,221,809	-	-	1,261,221,809
ii) Interest due but not paid	10,228,631	-	-	10,228,631
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,271,450,440	-	-	1,271,450,440

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Lakhs)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
	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	15.00	15.00	15.00	45.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	-as % of profit	Nil	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	15.00	15.00	15.00	45.00
	Ceiling as per the Act				80.59

B. Remuneration to other Directors

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Kranti Sinha	Mr. Utpal Sheth	Mr. Anand Bathiya	
1	Independent Directors				
(a)	Fee for attending board / committee meetings	1.00	0.70	0.20	1.90
(b)	Commission	Nil	Nil	Nil	Nil
(c)	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	1.00	0.70	0.20	1.90
2	Other Non-Executive Directors				
(a)	Fee for attending board / committee meetings	Nil	Nil	Nil	Nil
(b)	Commission	Nil	Nil	Nil	Nil
(c)	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	1.00	0.70	0.20	1.90
	Total Managerial Remuneration (A + B)				46.90
	Overall Ceiling as per the Act				88.64

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

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		Mr. Jitendra Mehta	Mr. Jatin Shah	
		CFO	CS	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	8.80	8.80
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (C)	Nil	8.80	8.80

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	NA	NA	NA	NA	NA
(ii)	Punishment	NA	NA	NA	NA	NA
(iii)	Compounding	NA	NA	NA	NA	NA
B	DIRECTORS					
(i)	Penalty	NA	NA	NA	NA	NA
(ii)	Punishment	NA	NA	NA	NA	NA
(iii)	Compounding	NA	NA	NA	NA	NA
C	OTHER OFFICERS IN DEFAULT					
(i)	Penalty	NA	NA	NA	NA	NA
(ii)	Punishment	NA	NA	NA	NA	NA
(iii)	Compounding	NA	NA	NA	NA	NA

Annexure 2 to Boards 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 2016, 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 or arrangement or transactions at arm's length basis for the year ended 31st March 2016, 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 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
c)	Duration of the contracts / arrangements/ transactions	One Time
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The total investment for an estimated amount for Rs. 144.66 crores (Rupees One Hundred and Forty Four Crores and Sixty Six Lakhs Only) is based on business requirements of the Company and is in ordinary course of business and at arms' length.
e)	Date(s) of approval by the Board	30-03-2016
f)	Amount paid as advances, if any	Rs. 58 Crores

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

**Himanshu Kanakia
Managing Director**

**Kranti Sinha
Director**

**Date : May 30, 2016
Place: Mumbai**

Annexure 3 to Boards Report
POLICY ON DIRECTORS APPOINTMENT 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.
- (i) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (ii) 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) Listing Agreement 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 fulfill 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.
- c) 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.
- d) 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**

**Himanshu Kanakia
Managing Director**

**Kranti Sinha
Director**

**Date : May 30, 2016
Place: Mumbai**

Annexure 4 to Boards Report
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
For The Financial Year Ended on March 31, 2016

(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 to the CSR Policy and projects and programs.	The Board of Directors (Board) adopted the CSR Policy(Policy) on 26th May, 2014 which is available on the Company's website. The Company's CSR is in alignment with the Companies focus initiatives - Education, Health, Art, Culture, etc. Besides, it also undertakes interventions in the areas of sports, environment and ethnicity all aimed at improving the quality of life of the communities.
2.	The Composition of the CSR Committee	1. Mr. Kranti Sinha(Chairman-CSR Committee) 2. Mr. Rasesh Kanakia, (Member) 3. Mr. Himanshu Kanakia, (Member)
3.	Average net profit of the Company (India - Standalone) for last three financial years.	Rs. 6,01,72,836/-
4.	Prescribed CSR Expenditure to be spent (two percent of the amount as in item 3 above).	Rs. 12,03,457/-
5.	Details of CSR spent during the financial year: a) Total amount spent for the financial year; b) Amount unspent, if any; c) Manner in which the amount spent during the financial year:	Rs. 28,50,000/- Nil The details are as under:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken.	Amount outlay (budget) project or programs wise (Rs. in Lakhs)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads: (Rs. in Lakhs)	Cumulative expenditure up to the reporting period (Rs. in Lakhs)	Amount spent: Direct or through implementation agency
1	Limbs for Life	Promoting Preventive Health Care Activity	Mumbai, Maharsatra	Rs. 25.00 Lacs	Rs. 25.00 Lacs	Rs. 25.00 Lacs	Through YuvakPratishthan Trust
2	Remedial Educare Programme 2015-2016	Promoting Education, Preventive Health, eradicating hunger, etc.	Mumbai, Maharsatra	Rs. 3.50 Lacs	Rs. 3.50 Lacs	Rs. 3.50 Lacs	Through Khushikinsip For humanitarian Social And Holistil Intervention Trust
	Total			Rs. 28.50 Lacs	Rs. 28.50 Lacs	Rs. 28.50 Lacs	

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.

Kranti Sinha
Chairman- CSR Committee
(Din: 00001643)

Himanshu Kanakia
Member- CSR Committee
(Din: 00015908)

Date: May 30, 2016
Place: Mumbai

Annexure 5 to Boards Report
SECRETARIAL AUDIT REPORT
Form No. MR-3

For The Financial Year Ended March 31, 2016

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

To,
The Members,
Cineline India Limited

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

Based on my verification of the Cineline India Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31st March, 2016, 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, 2016 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) and revised listing agreements entered with BSE/ 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, Standards, etc. mentioned above.

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

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

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

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

For D. M. Zaveri & Co
Company Secretaries

Dharmesh Zaveri
(Proprietor)

FCS. No.: 5418
CP No.: 4363
Place: Mumbai
Date: May 30, 2016

Annexure 6 to Boards 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, 2016:

Sr. No.	Director	Remuneration (Rs. In lacs)	Median Remuneration (Rs. In lacs)	Ratio
1.	Mr. Rasesh Kanakia	15	1.29	11.61
2.	Mr. Himanshu Kanakia	15	1.29	11.61
3.	Mrs. Hiral Kanakia	15	1.29	11.61
4.	Mr. Kranti Sinha	Nil	Nil	Nil
5.	Mr. Utpal Sheth	Nil	Nil	Nil
6.	Mr. Anand Bathiya	Nil	Nil	Nil

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

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

Sr. No.	Director	% increase
1.	Mr. Rasesh Kanakia	Nil
2.	Mr. Himanshu Kanakia	Nil
3.	Mrs. Hiral Kanakia	Nil
4.	Mr. Kranti Sinha	NA
5.	Mr. Utpal Sheth	NA
6.	Mr. Anand Bathiya	NA

Sr. No.	Company Secretary & CFO	% increase
1.	Mr. Jatin Shah, Company Secretary	6%
2.	Mr. Jitendra Mehta, CFO	NA

3. Percentage increase in median remuneration of employees in the financial year: 3.21%
4. The number of permanent employees on the rolls of the company as on 31 March, 2016: 26
5. The explanation on the relationship between average increase in remuneration and company performance:

(Rs. In lacs)

	2015-16	2014-15
Total Income	3207.57	2659.74
EBIDTA	2375.73	1965.16
EBIDTA as % of Total Income	74%	74%
PBT Before Exceptional Items	757.81	575.99
PBT Before Exceptional Items as % of Total Income	24%	22%
Increase in PBT (In percentage)	32%	

The PBT (before exceptional items) for the financial year ended 31.03.2016 increased by 32% and whereas average increase in remuneration of employees is 11.44% which is in line with the current year's performance, market dynamics and as a measure to motivate the employees for better future performance to achieve organization's growth expectations.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

The remuneration of the Key Managerial Personnel increased by 6% for the Financial Year 2015-16, though the Profit Before Tax (before exceptional item) of the Company has increased by 32%.

7. Variations in the market capitalization of the company as at the closing date of the current financial year and the previous financial year:

Particulars	31.03.2016	31.03.2015
Variation in Market Capitalisation	558600000	415800000
Price Earning Ratio	9.69	10.53
*Percentage Increase over decrease of market quotations of the shares of the Company in comparison to the rate at which the Company came out with last Public offer	NA	NA

*The Company came out with an IPO in 2006 at price of Rs. 155/- per share equity share having face value of Rs. 10/- each. The Theatre exhibition business of the Company has been demerged with effect from 1.04.2012 to a separate entity viz., Cinemax India Limited (now amalgamated with PVR Limited) in the manner provided for in then Scheme sanctioned by the Hon'ble High Court of Judicature at Bombay vide its order dated 09.03.2015. Pursuant to the said Scheme of arrangement for demerger, each individual shareholder of the Company whose name appeared on the Demerger Record Date, was issued and allotted 1 (One) fully paid Equity Share of Rs. 5 (Rupees Five) each of Cinemax India Limited for every 1 (One) fully paid Equity Share of Rs. 10 (Rupees Ten) each held in the Company. Hence the percentage increase over decrease in the market quotation of the shares of the Company in comparison to the rate at which the Company came out with last public offer has not been made.

8. 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. 2015-16 was 11.44% whereas there is no change in the remuneration of executive directors. However, there is 6% increase in the managerial remuneration of KMP for the same financial year.

9. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company:

Increase in remuneration of Key Managerial Personnel- Mr. Jatin Shah, Company Secretary: 6%

The remuneration of the Key Managerial Personnel increased by 6% for the Financial Year 2015-16, though the Profit Before Tax (before exceptional item) of the Company has increased by 32%.

10. The key parameters for any variable component of remuneration availed by the directors:

Please refer to the remuneration policy given as Annexure -2 to the Directors' Report.

11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None

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

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

**Himanshu Kanakia
Managing Director**

**Kranti Sinha
Director**

**Date : May 30, 2016
Place: Mumbai**

MANAGEMENT DISCUSSION AND ANALYSIS

ANNEXURE-A TO DIRECTORS' REPORT

ECONOMIC SCENARIO

Global economy

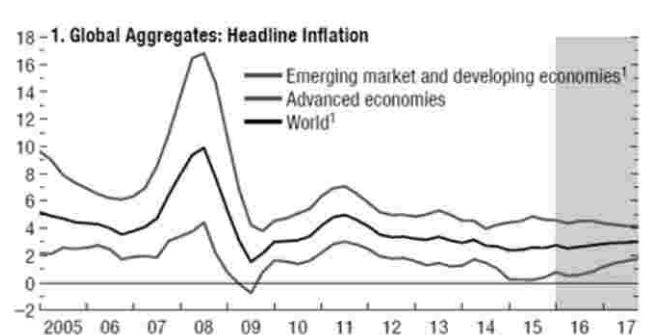
The global economy having grown 3.4% in 2014 and tangible signs of recovery failed to sustain the momentum and slowed to 3.1% in 2015. Geopolitical tensions, unstable financial markets, weak commodity prices, declining net capital flows to emerging economies and slowdown in global trade were some of the factors impacting growth.

Emerging and developing nations have been a primary contributor to global growth for past few years. However, declining trade and increased net capital outflow led to further depreciation of their currencies triggering adverse balance sheet and slowing down the average growth in the region to 4% compared to 4.6% in 2014. Consolidation in the China (world's largest economy by purchasing power), rebalancing of economy towards sustainable growth based on consumption and services and slowdown in manufacturing led to lower growth of 6.9% (7.3% in 2014). While Brazil and Russia continued to struggle with deep recessions resulting in its economy witnessing a negative growth of -3.8% and -3.7% respectively.

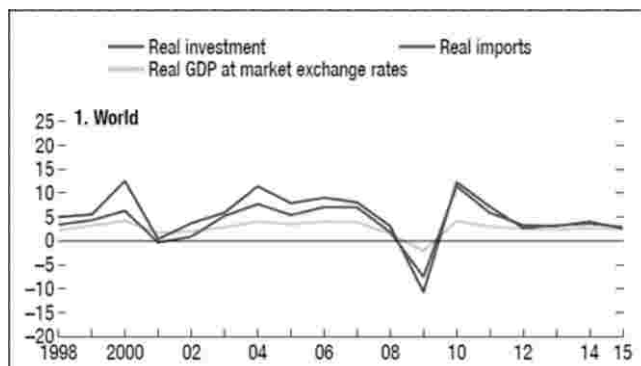
Recovery in the Euro area led to a partial recovery in the advanced economies as it grew marginally by 1.9% compared to 1.8% in 2014. Improving credit scenario and declining unemployment pulled up growth in Euro area to 1.6% compared to 0.9% in 2014. In the US, recoveries in housing markets, no fiscal drag and strengthening balance sheet was off-set by declining growth across certain sectors, weakening energy investments and strengthening dollar that led to weak exports. Growth in the US economy remained constant at previous year's level of 2.4%. Japanese economy continues to remain fragile.

The outlook for the global economy is not very attractive and it is expected to grow at a slow pace in the coming two years driven by macro-economic problems in various countries, global asset market volatility and stabilizing Chinese economy. Moreover, Britain's exit from the Euro area is further likely to dampen global trade and growth spirits. The global economy is expected to grow 3.2% in 2016 and then start picking-up momentum growing by 3.5% in 2017. (Source: *World Economic Outlook, International Monetary Fund*)

Global Inflation trend



Global investment and trade trend



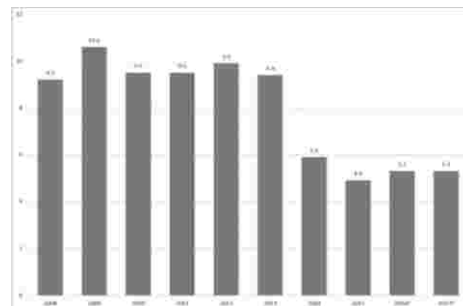
Indian economy

The Indian economy continues to outshine under the enigmatic leadership of the investment-friendly Prime Minister Mr. Narendra Modi. Roll-out of favourable policies, commitment to fiscal targets and rising private consumption driven by declining oil prices led to a robust growth of 7.6% in the real GDP in 2015-16 compared to 7.2% in 2014-15. All the sectors of the economy performed well – the agriculture sector grew 1.2% despite a rainfall deficit and droughts in certain areas, the consolidated services sector grew 8.8% and the industrial sector grew 7.4% driven by a robust growth in manufacturing sector by 9.3%.

Initiatives like 'Make in India', 'Start-up India', 'Digital India', 'Jan Dhan Yojana' and 'Swachh Bharat Abhiyan' along with various economic reforms, fast-tracking of project clearances, focus on single-window clearance mechanism and enhancing tourism has created a positive economic environment. As per World Bank's ease of doing business index, the country's ranking has improved by four spots to 130 out of 189 countries – clearly showing signs of recovery in the business activities.

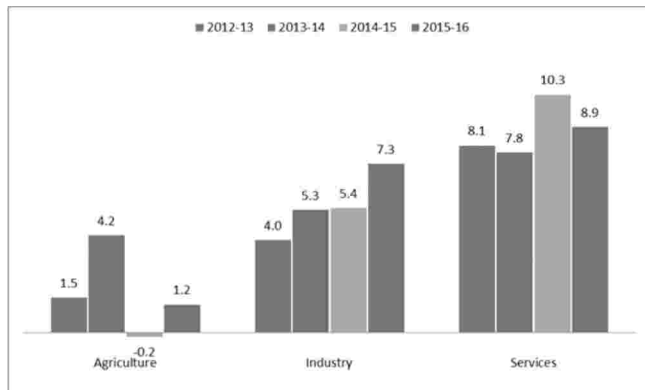
Macro-economic factors are under control. Inflation is under 5% and fiscal deficit declined to 3.99% of GDP by end of March, 2016. Repo rates have declined by 100 basis points to 6.5% as on April, 2016 while forex reserves have surged to an all-time high of USD 355.60 bn as on March, 2016, equivalent to 10 months of imports.

India: annual percentage change in consumer prices

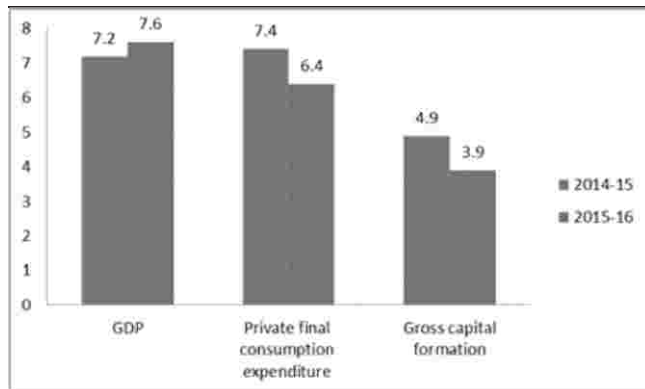


(Source: IMF economic outlook)

Year-on-year sectoral growth



Year-on-year changes in GDP, private final consumption expenditure and gross capital formation (in %)



The outlook for Indian economy is pretty strong with all the global financial agencies predicting India to be the fastest growing major economy in the coming years. Increased focus on infrastructure, low oil prices and various macro-level initiatives by the government is expected to drive GDP growth by 7.6%. The Finance Minister, Mr. Arun Jaitley expects the Indian economy to more than double to USD 5 trillion in a matter of few years as the government steps on its reforms agenda to accelerate growth. (Source: RBI: Monetary Policy Report, Central Statistics Office, The Economic Times)

INDUSTRY OVERVIEW

Investment in Indian real estate market

The Indian real estate sector grew aggressively during the 2000s driving strong economic growth momentum, liberalisation of policies, increasing private participation, surge in middle-class population and rising influx in urban areas. This had dual impact on the sector – firstly the real estate prices sky-rocketed and secondly the developers began rampant development of new projects anticipating high demand. This led to rising unsold inventory, escalating costs and project delays. The past few years have been a difficult one for the sector.

After witnessing an aggressive growth during the 2000s driven by strong economic growth momentum, liberalisation of policies, increasing private participation, surge in middle-class population and rising influx in urban areas, the real estate

sector has faced challenging times since the financial crisis of 2008. While the boom of 2000s soared the prices, it also led to rampant new projects, leading to a supply overhang. The demand-supply equation was aggravated with the financial crisis, leading to a difficult phase for the sector.

In spite of this, the sector is currently at an important inflection point as the economy is reviving strongly, interest rates are low, wages have risen (implementation of seventh pay commission), FDI policies relaxed and most importantly amendments in the real estate act that shall enhance transparency and boost buyer confidence in the industry. This overall improvement in both the macro-economic factors as well as encouraging changes in legislation has led to marked revival of interest and investment in the real estate sector by both domestic and foreign investors.

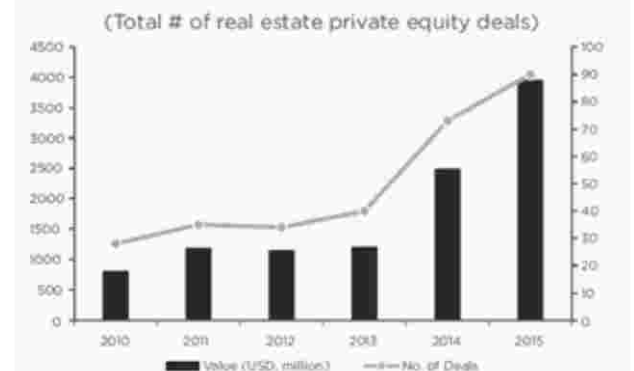
The year witnessed significant increase in private equity investments, primarily foreign-based. However, FDI inflows have significantly declined by 84% from Rs. 4,652 cr in 2014-15 to Rs. 727 cr. (Source: Department of Industrial Policy & Promotion)

Key numbers

59%	33%	USD 54-67 bn	900,000
Growth in private equity investments in 2015 to USD 3.96 billion.	Growth in investments from foreign based investors to USD 2.22 bn	Investment potential in grade A office stock in the next four years	Demand for residential segment in the next four years.

(Source: KPMG, The Hans India, Cushman & Wakefield)

REAL ESTATE PRIVATE EQUITY TRENDS



Source: Real Capital Analytics (RCA), Cushman & Wakefield

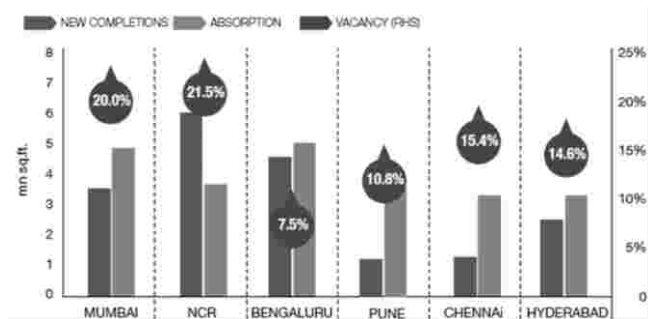
Commercial real estate

The year 2015 witnessed a rise in office space absorption from 38.3 mn sq. ft. (msf) in 2014 to 41.1 msf in 2015 driven by strengthening economy and rising business activities. However, the supply of new office declined marginally from 34.9 msf in 2014 to 34.5 msf leading to lower vacancy. The overall office space vacancy levels fell reduced to 15.6% in 2015 compared to peaks of 21% in 2012 owing to strong demand from the IT/ITeS and manufacturing industries.

NCR, Bengaluru and Mumbai are the prime destinations having the highest stock of office space and new launches during the year. The top six cities (Mumbai, NCR, Bengaluru,

Pune, Chennai and Hyderabad) have a combined office stock of 560 msf with nearly 85% occupancy level. Bengaluru, Pune and Hyderabad have the least vacancy levels at 7.5%, 10.8% and 14.6% respectively.

New completions, absorption and vacancy in top six cities

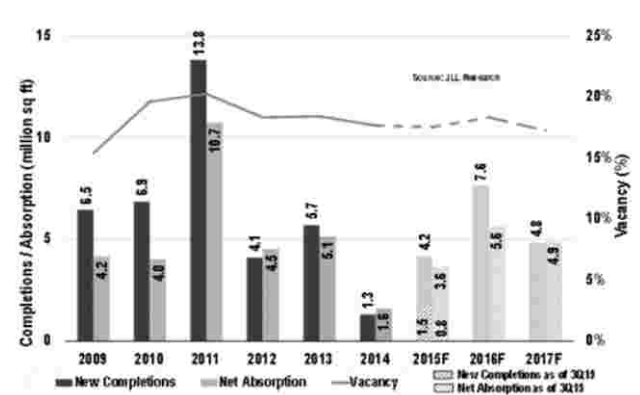


(Source: Knight Frank research)

Retail real estate

The retail real estate in India is witnessing major shift in trends as retail brands are focusing on consolidation by enhancing focus on profit-making malls while exiting loss-making ones and entry of institutional investors driven by relaxation in norms. The year 2015 witnessed a muted demand in retail real estate with very few quality launches. The trend is expected to continue in the coming years due to absence of quality projects. However, over long term the scenario is positive as consumption is rising, private investors are flocking and major international brands are entering the Indian market. Food and beverage (F&B) sector emerged as the strongest category for retail real estate and the trend is likely to continue. (Source: Jones Lang LaSalle)

Retail space supply and demand



(Source: Jones Lang LaSalle)

BUSINESS OVERVIEW

Cineline India Limited, a part of the Kanakia Group, is one of the most reputed and trusted real-estate players in Mumbai. The Company primarily operates in the business mall rentals, maintenance, parking, advertising and organizing various exhibitions/events at the mall premises. Its operations are

focused in western India, Maharashtra and Gujarat.

The Company own nine multiplexes in and around Mumbai that are leased out to PVR Cinemas on a long-term arrangement and generates steady rentals. It also has a mall (Eternity mall) in the prime area of Variety Square in Nagpur that is occupied by leading Indian and International retail brands. Apart from rental income, the Company earns revenues from car-parking, maintenance and advertising from the Eternity mall.

The Company has also diversified operations by entering in the renewable energy sector. It owns two windmills located at Viswada (Gujarat) and Revangaon (Maharashtra) with power generating capacities of 0.6 MWA and 1.6 MWA respectively. The Company earns additional revenues by selling the power generated from these windmills.

REVIEW OF FINANCIAL PERFORMANCE

The total revenue of the Company increased to 20.60% from Rs. 2,659.74 lacs in 2014-15 to Rs. 3,207 lacs in 2015-16. Revenues from operations accounted from 71% of the total revenues. EBITDA increased to 20.89% from Rs. 1,965.16 lacs in 2014-15 to Rs. 2,375.73 lacs in 2015-16. PAT increased to 46% from Rs. 394.94 lacs in 2014-15 to Rs. 576.59 lacs in 2015-16.

Segmental revenue

	2014-15	2015-16	% increase
Retail space	1,882	2,110.65	12.15%
Windmill	158.38	166.08	4.86%

OPPORTUNITIES AND OUTLOOK

Real estate sector is primarily driven by growth in the economy. Currently, the macro-economic scenario of the Indian economy is pretty strong with IMF and World Bank predicting the country to be fastest growing major economy in the coming few years. Inflation is low, interest rates have declined and overall wages have improved. This is a healthy sign for the real estate sector. Moreover, the rising demand for organised retail and increasing disposable income is likely to boost consumer sentiments driving retail growth.

Further, the relaxation in the real estate FDI policies, amendments in real estate regulatory act for increased transparency and introduction of REIT (Real Estate Investment Trust) shall boost the overall real estate sector.

Demand drivers

Rising demand: India adds nearly 10 million people to its urban yearly while more demand is expected to come from increasing nuclear families. This is likely to enhance the share of real estate in GDP from 6.3% in 2013 to 13% in 2028. (Source: KPMG report)

Government initiatives: Large scale projects (Housing for All and creation of 100 smart cities) from the government of India would create a huge demand for housing and enhance urban population.

Rising disposable income: The disposable income of the Indian consumers is expected to grow at a

compounded rate of 16.89% during 2014-2020 and reach USD 3,600 bn. (Source: Indian Brand Equity Foundation)

RISKS AND CONCERNS

Real estate, being a capital intensive business, involves high risks due to overestimation of demand, increase in project costs, rising interest rates, escalating unsold inventory, fund crunch and shortage of labour. These risks can severely impact profitability and net worth of the Companies. However, for Cinline India Limited, the typical risks associated with real estate industry do not apply as it is primarily in the business of renting properties that generates steady cash flows for maintaining healthy operations. Moreover, other income in the form of advertising, car parking and maintenance further improves the liquidity position.

While the windmill business of the Company is also secured owing to the high availability of natural resource (wind) and increased government's focus on the renewable power sector.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

Employees as the most valuable resources at Cinline India Limited who are responsible for its growth and steadiness. The Company, through its human resource policies, ensures highest levels of employee satisfaction and motivation. We focus on providing employees a safe, conducive and productive work environment. A well-defined Code of Conduct provides comprehensive guidelines that employees must adhere to while interacting with the stakeholders of the Company. Our strict safety policies ensure lowest incidents of work-related accidents (major or minor) across all our project sites. We also ensure that contract labourers are

compensated as per industry standards. Regular learning and development initiatives, training, workshops, seminars and programmes are conducted by internal and external experts to enhance employee skill-set. The Company maintained cordial relations with the employees during the year. As on 31.03.2016, the Company has a total of 26 employees.

INTERNAL CONTROL SYSTEMS

The Company has a comprehensive internal control systems that are commensurate with the size and industry in which it operates. It's well-documented and well-defined framework ensures that all processes, procedures and policies comply with various statutes and laws. It covers various aspects of governance, compliance, control, audit and reporting. Strict control and rigorous monitoring is ensured at all levels to safeguard assets, detect & prevent fraud & errors and ensure optimum utilisation of resources. The senior management regularly monitors all aspects of operations and accounts. All functions and processes are periodically audited by various internal and external auditors. Any deviation is immediately flagged-off and necessary corrective actions are taken.

CAUTIONARY STATEMENT

This report contains forward looking statements that involve risks and uncertainties including, but not limited to, risk inherent in the Company's growth strategy, acquisition plans, dependence on certain businesses, dependence on availability of qualified and trained manpower and other factors. Actual results, performances or achievements could differ materially from those expressed or implied in 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 March 31, 2016, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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 enhancing and retaining investor trust. Accordingly, we always seek to ensure that we attain our performance goals with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term.

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

Our corporate governance philosophy is based on the following principles:

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

The Company, through its Corporate Governance envisages an attainment of transparency, accountability, integrity and propriety in total functioning of the Company and conduct of business, both internally and externally. The Company defines Corporate Governance as a set of

guidelines that are followed by the Board of Directors and the Management of the Company voluntarily.

II. BOARD OF DIRECTORS

Composition and category of Directors

The Board of Directors of your company comprises of Six (6) Directors as on 31 March 2016 representing the optimum combination of professionalism, knowledge and experience. Of these six members, three of them are non independent directors 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	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 March 31, 2016 (including CINELINE):

Sr. No	Name of the Director	No. of Directorships*	Board Committees**	Chairman ships 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	Nil	Nil
5	Mr. Kranti Sinha	7	8	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 Celine 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.

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 thereunder 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.

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 Director 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 2015-16, the Board met Six times. The meetings were held on May 27, 2015, August 13, 2015, November 7, 2015, February 9, 2016, March 10, 2016 and March 30, 2016. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulation.

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

Sr. No.	Name of Director	No. of Board meetings held	No. of Board meetings attended	Attendance at Agm held on September 10, 2015
1	Mr. Rasesh Kanakia	6	5	Present
2	Mr. Himanshu Kanakia	6	6	Present
3	Mr. Kranti Sinha	6	6	Present
4	Mr. Utpal Sheth	6	3	Present
5	Mrs. Hiral Kanakia	6	6	Present
6	Mr. Anand Bathiya	6	5	Present

Information given to the Board:

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

Post Meeting Mechanism:

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

Board Support:

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

Familiarization Programme 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 programme are available on the weblink www.cineline.co.in

Disclosure of relationship between Directors inter-se:

Mr. Himanshu Kanakia is the 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 BORAD

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 presently comprises 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 permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary of the Audit Committee.

Objective:

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

Meetings and Attendance:

The Audit Committee met Six (6) times during the Financial Year 2015-16. The maximum gap between two meetings was not more than 120 days. The Committee met on May 27, 2015, August 13, 2015, November 7, 2015, February 9, 2016, March 10, 2016 and March 30, 2016. 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	6	6
Mr. Rasesh Kanakia	Member, Executive Director	6	5
Mr. Utpal Sheth	Member, Independent Director	6	3
Mr. Anand Bathiya	Member, Independent Director	6	5

Terms of References: The term of references / powers of the Audit Committee are as under:

A. Powers of the Committee:

The Committee has 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 comprises of three (3) Directors. Mr. Kranti Sinha, Non-Executive, Independent Director, is the Chairman of the Committee. The other members of the Nomination and Remuneration Committee include Mr. Utpal Sheth and Mr. Anand Bathiya. The Composition of Remuneration and Nomination 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 meeting was held on May 27, 2015. The necessary quorum was present at 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 Directors' 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 1 to the Directors' Report.

Criteria of making payments to non-executive directors are disclosed in Annexure 3 to the Directors' Report and also available on the weblink www.cineline.co.in.

Details of Remuneration to Directors during the financial year 2015-16:

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.	15,00,000
Mr. Himanshu Kanakia	N.A.	15,00,000
Mrs. Hiral Kanakia	N.A.	15,00,000
Non Executive Director		
Mr. Kranti Sinha, Independent Director	140,000	N.A.
Mr. Utpal Sheth, Independent Director	70,000	N.A.
Mr. Anand Bathiya, Independent Director	1,10,000	N.A.

(D) STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulation, the Stakeholder Relationship Committee comprises of three Directors. Mr. Kranti Sinha, Non-Executive, Independent Director is the Chairman of this Committee.

Meeting

The Stakeholders' Relationship Committee met two (2) times during the Financial Year 2015-16. The Committee met on May 27, 2015 and November 7, 2015.

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.

During the year under review no investor grievances were received.

(E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee was constituted on May 26, 2014, which comprises of three (3) Directors. Mr. Kranti Sinha, Non-Executive, Independent Director, is the Chairman of the Committee. The other members of the CSR Committee include Mr. Rasesh Kanakia and Mr. Himanshu Kanakia. The Composition of CSR Committee is pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. As per Section 135 of the Companies Act, 2013 the Company was required to spend Rs. Rs. 12,03,457/- for the Financial Year 2015 – 2016. The Company has formulated CSR Policy, which is uploaded on the website of the Company.

Terms of Reference:

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

- 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;

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

The CSR Committee met two (2) times during the Financial Year 2015-16. The Committee met on May 27, 2015 and February 09, 2016.

Attendance of each Member at the CSR 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

(F) INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on March 30, 2016, Inter alia, to discuss;

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

The necessary quorum was present at the meeting.

IV. GENERAL BODY MEETING:

ANNUAL GENERAL MEETING

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

Year	Venue/Location	Day & Date	Time
2015	Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road, Andheri(East), Mumbai-400093	Thursday, 10 September 2015	10.00 AM
2014	Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road, Andheri(East), Mumbai-400093	Wednesday, 17 September 2014	10.00 AM
2013	Cinemax Theatre, Eagle's Flight, Behind Gurunanak Petrol Pump, Andheri Kurla Road, Andheri(East), Mumbai-400093	Thursday, 19 September 2013	10.00 AM

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

Postal Ballot:

For the year ended March 31, 2016 there have been no ordinary or special resolutions passed by the Company's Share holders through postal ballot.

The Board in its meeting held on March 30, 2016 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') and Clause 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations, 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 Securities Exchange Board of India (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 7th April, 2016, at 9.00 a.m. and ended on 6th May, 2016 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 up to the last date of receipt i.e. 6th May, 2016 till 5:00 p.m. and submitted his report on 7th May, 2016, to the Chairman.

Based on the Scrutinizers report dated 7th May, 2016, the Chairman had declared the results of Postal Ballot on 9th May, 2016, as under:

Sr. No.	Particulars of the Resolutions	Consolidated (e-voting and voting through Postal Ballot Forms)				
		No. of Votes polled	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. 300 Crores over and above the paid up capital of the Company and its free reserves.	20061519	20060089	1430	99.9929	0.0071
2	To approve creation of charge on assets of the Company in respect of borrowings.	20061518	20060288	1230	99.9939	0.0061
3	To authorize the Board of Directors of the Company to enter into contracts or arrangement with Kanakia Spaces Realty Private Limited, being related party pursuant to Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.	675602	674402	1200	99.8224	0.1776

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 Agreement 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 materially significant transactions with related parties during the financial year. Related party transactions have been disclosed under the note giving significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18". 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, the Company has formulated a policy on dealing with Related Party Transactions. 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 Agreements entered into with Stock Exchanges as well as the regulations and guideline of SEBI. Consequently, there were no stricture or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

4. Whistle Blower Policy/ Vigil Mechanism Policy

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

5. Disclosure of Accounting Treatment

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

6. Non-Mandatory requirements

Adoption of non-mandatory requirements of Listing Regulation is being reviewed by the Board from time-to-time.

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 March 31, 2016. A declaration to this effect, signed by the Managing Director and CFO forms part of 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 change 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.

10. Managing Director and CFO certification

As required by Regulation 17(8) of the Listing Regulation read with Part B of Schedule II, the Certificate issued by the Managing Director and Chief Financial Officer has been obtained.

VI. 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 Agreement 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 filing 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 Agreement, the Company has created a separate email address viz., investor@cineline.co.in to receive complaints and grievances of the shareholders.

VII. GENERAL SHAREHOLDERS INFORMATION

1. Annual General Meeting for the Financial Year 2015-16:

Day & Date	Thursday, September 22, 2016
Time	10.30 A.M.
Venue	Cinemax Theatre, Eagle's Flight, Behind Gurnanak Petrol Pump, Andheri Kurla Road, Andheri(East), Mumbai-400093

2. Tentative Calendar for Financial Year 2016-2017:-

Sr. No.	The Financial year of the company ends on every March 31.	Tentative date
i)	Un-audited results for the quarter ended June 30, 2016	Second week of August 2016
ii)	Un-audited results for the quarter/half Year ending September 30, 2016	Second week of November 2016
iii)	Un-audited results for the quarter / nine months ending December 31, 2016	Second week of February 2017
iv)	Audited results for the year ending March 31, 2017	Last week of May 2017

3. Listing in Stock Exchanges and Stock Codes:

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

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

The Company has paid Annual Listing Fees for all the above Stock Exchanges for the financial year 2016 - 2017.

4. Depositories Information:

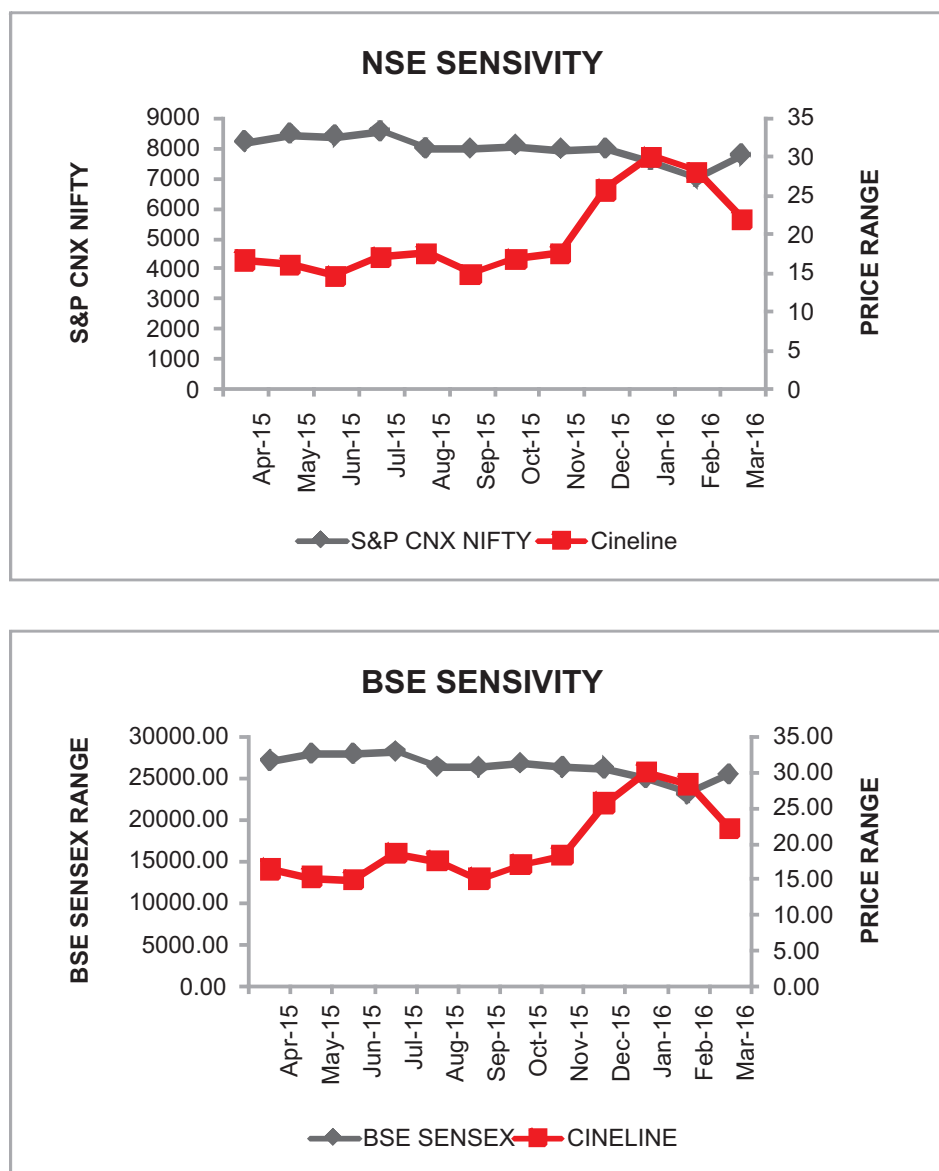
The ISIN number allotted to the Company for demats of shares is as under:

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

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

Month	BSE			Sensex	NSE			Nifty
	Month's High (In Rs.)	Month's Low (In Rs.)	Volume (No. in Lacs)		Month's High (In Rs.)	Month's Low (In Rs.)	Volume (No. in Lacs)	
Apr-15	16.35	14.10	11.62	27011.31	16.65	14.10	14.54	8181.50
May-15	15.25	13.80	7.95	27828.44	16.00	14.10	13.17	8433.65
Jun-15	14.90	13.15	4.61	27780.83	14.60	12.90	5.73	8368.50
Jul-15	18.48	13.20	12.86	28114.56	18.90	13.00	30.13	8532.85
Aug-15	17.45	12.55	13.88	26283.09	17.50	12.50	23.50	7971.30
Sep-15	15.00	12.25	4.67	26154.83	15.00	12.10	9.93	7948.90
Oct-15	16.90	12.75	9.17	26656.83	17.20	12.65	23.07	8065.80
Nov-15	18.25	15.15	12.03	26145.67	17.50	14.50	20.51	7935.25
Dec-15	25.50	16.00	171.98	26117.54	25.70	15.15	335.80	7946.35
Jan-16	29.85	20.00	220.78	24870.69	29.95	19.95	275.60	7563.55
Feb-16	28.20	17.75	70.79	23002.00	28.05	17.70	112.85	6987.05
Mar-16	22.00	17.90	34.51	25341.86	21.95	17.75	45.26	7735.20
Total:			574.85		Total:			910.09

6. Stock Performance vis-à-vis Index (NSE & BSE) as on 31.03.2016



7. Shareholding Pattern as on March 31, 2016:

Sr. No.	Category	Holders	%	Value	%
1	Clearing Member	75	0.35%	380,370	0.27%
2	Corporate Bodies (Promoter Co)	2	0.01%	1,400	0.00%
3	Nationalised Banks	1	0.00%	8,070	0.01%
4	Non Resident Indians (REPATRIABLE)	201	0.92%	603,665	0.43%
5	Non Resident Indians (NON REPATRIABLE)	69	0.32%	61,070	0.04%
6	Other Bodies Corporate	188	0.87%	15,531,475	11.09%
7	Promoters	9	0.04%	96,973,180	69.27%
8	Public	20,182	92.85%	25,387,220	18.13%
9	Hindu Undivided Family	1,008	4.64%	1,053,550	0.75%
Total :		21,735	100%	140,000,000	100%

8. Distribution Schedule as of March 31, 2016:

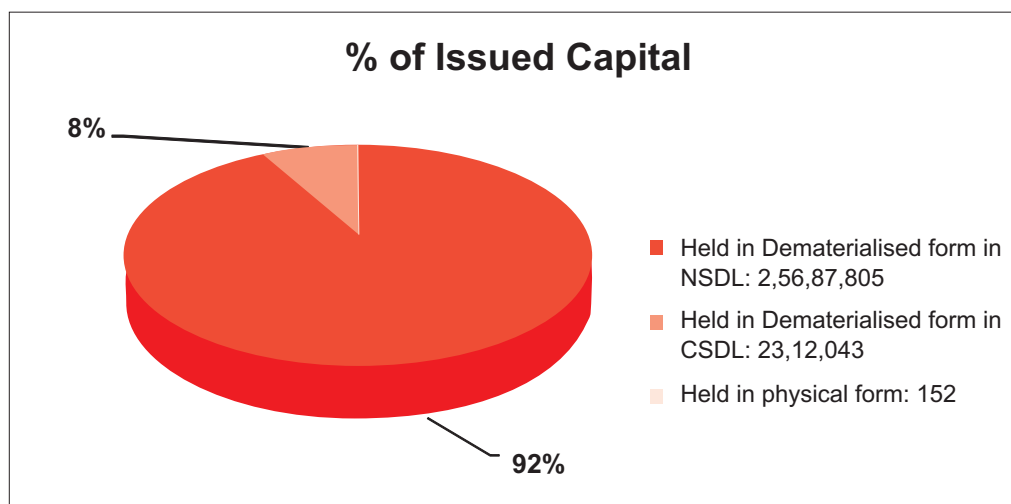
Distribution	No. of Shareholders	Shares Amount (In Rs.)	% of Shareholding
Less than 2500	20349	8477990	6.05
2501-5000	709	2961860	2.11
5001-10000	324	2489435	1.78
10001-15000	121	1579395	1.13
15001-20000	51	918355	0.66
20001-25000	46	1099415	0.79
25001-50000	60	2218465	1.58
Above 50000	75	120255085	85.90
Total	21735	140000000	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, 2016, 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 March 31, 2016. 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 confirms 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	Chief Financial Officer	Link Intime India Private Limited Registrar & Transfer Agent
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	Mr. Jitendra Mehta Phones: 022-6726 7777 Fax: 022-6693 7777 Email: investor@cineline.co.in	(Unit – Cineline India Limited) C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai-400 078 Ph : 022 – 2596 0320 Fax: 022 – 2596 0329 Email: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

Place: Mumbai
Date : May 30, 2016

For and on behalf of the Board of Directors

Himanshu Kanakia
Managing Director

Kranti Sinha
Director

DECLARATIONS

Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26 (3) read with Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Cineline India Limited Code of Business Conduct and Ethics for the year ended March 31, 2016.

For and on behalf of the Board of Directors

Place: Mumbai
Date : May 30, 2016

Himanshu Kanakia
Managing Director

ANNEXURE-C TO DIRECTORS' REPORT

Auditors' Certificate on compliance with the conditions of Corporate Governance

To the Members of Cineline India Limited

We have examined the compliance of conditions of Corporate Governance by Cineline India Limited (the 'Company') for the year ended 31 March 2016, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations, 2015').

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that the

Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We 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 Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants

Firm Registration No.: 001076N/N500013

per **Sudhir N. Pillai**
Partner
Membership No.: 105782

Place : Mumbai
Date : 30 May 2016

INDEPENDENT AUDITORS' REPORT

To the Members of Cinline India Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Cinline India Limited ("the Company"), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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 thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the

Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its profit and its cash flows for the year ended on that date.

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 of India in terms of Section 143(11) of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. Further to our comments in Annexure 1, 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 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 it appears from our examination of those books;
 - c. the financial statements dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received from the directors as on 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 30 May 2016 as per Annexure 2 expressed an unmodified opinion;
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;

- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per Sudhir N. Pillai
Partner
Membership No.: 105782

Place: Mumbai
Date: 30 May 2016

Annexure 1 to the Independent Auditors' Report of even date to the members of Cineline India Limited, on the financial statements for the year ended 31 March 2016

Annexure 1

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (which are included under the head 'fixed assets') are held in the name of the Company.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products and services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	29.06	Previous year 2006-07	Commissioner of Income Tax (Appeals)

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) In our opinion, the Company has applied the term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer/ further public offer (including debt instruments).
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP
 (Formerly Walker, Chandiok & Co)
 Chartered Accountants
 Firm's Registration No.: 001076N/N500013

per Sudhir N. Pillai
 Partner
 Membership No.: 105782

Place: Mumbai
 Date: 30 May 2016

Annexure 2 to the Independent Auditors' Report of even date to the members of Cineline India Limited, on the financial statements for the year ended 31 March 2016

Annexure 2

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Cineline India Limited ("the Company") as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.

5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR 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 IFCoFR 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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.

For Walker Chandiok & Co LLP
 (Formerly Walker, Chandiok & Co)
 Chartered Accountants
 Firm's Registration No.: 001076N/N500013

per Sudhir N. Pillai
 Partner
 Membership No.: 105782

Place: Mumbai
 Date: 30 May 2016

Balance Sheet as at 31 March 2016

(₹ in lacs)

Particulars	Note No.	As at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	4	1,400.00	1,400.00
Reserves and Surplus	5	6,950.85	6,374.26
Non Current Liabilities			
Long Term Borrowings	6	12,392.67	5,792.24
Deferred Tax Liabilities (Net)	7	669.38	653.40
Other long term liabilities	8	613.20	557.90
Long Term Provisions	9	17.06	11.40
Current Liabilities			
Trade Payables	35	-	-
total outstanding dues of micro and small enterprises		-	-
total outstanding dues of creditors other than micro and small enterprises		70.68	41.67
Other Current Liabilities	10	560.31	432.59
Short Term Provisions	11	358.83	154.88
Total		23,032.98	15,418.34
ASSETS			
Non Current Assets			
Tangible Assets	12	8,724.82	9,335.65
Capital work-in-progress		73.74	-
Long Term Loans and Advances	13	7,148.46	1,109.63
Current Assets			
Trade Receivables	14	272.32	193.09
Cash and Bank Balances	15	142.76	131.81
Short Term Loans and Advances	16	6,670.88	4,648.16
Total		23,032.98	15,418.34
Notes 1 to 36 form an integral part of the financial statements			

This is the Balance Sheet referred to in our report of even date

For Walker Chandiok & Co LLP
(Formerly known as **Walker, Chandiok & Co**)
Chartered Accountants

Sudhir N. Pillai
Partner

For and on behalf of the Board of Directors

Himanshu Kanakia
Managing Director
DIN No.-00015908

Kranti Sinha
Director
DIN No.-00001643

Jitendra Mehta
Chief Financial Officer
Place : Mumbai
Date : 30 May, 2016

Jatin Shah
Company Secretary

Place : Mumbai
Date : 30 May, 2016

Statement of Profit and Loss for the year ended 31 March 2016

(₹ in lacs)

Particulars	Note No.	Year ended 31 March 2016	Year ended 31 March 2015
REVENUE			
Revenue from Operations	17	2,276.73	2,040.38
Other Income	18	930.84	619.36
Total Revenue		3,207.57	2,659.74
EXPENSES			
Operating Expenses	19	133.15	89.54
Employee Benefits Expense	20	131.41	104.40
Finance Costs	21	1,006.26	777.90
Depreciation Expense	12	611.27	611.27
Other Expenses	22	567.28	468.23
Prior period items	23	-	32.41
Total Expenses		2,449.77	2,083.75
Profit before exceptional item and Tax		757.80	575.99
Exceptional item	24	-	214.99
Profit before Tax		757.80	790.98
Tax Expense :			
Current Tax		163.69	159.50
MAT Credit entitlement of earlier year		(126.67)	-
MAT credit reversal		99.15	-
Deferred Tax		15.98	235.92
Short provision for tax of earlier year		29.06	0.62
Profit after tax		576.59	394.94
Earnings Per Equity Share	29		
(1) Basic		2.06	1.41
(2) Diluted		2.06	1.41
Notes 1 to 36 form an integral part of the financial statements			

This is the Statement of Profit and Loss referred to in our report of even date

For Walker Chandiok & Co LLP
(Formerly known as **Walker, Chandiok & Co**)
Chartered Accountants

Sudhir N. Pillai
Partner

For and on behalf of the Board of Directors

Himanshu Kanakia
Managing Director
DIN No.-00015908

Kranti Sinha
Director
DIN No.-00001643

Jitendra Mehta
Chief Financial Officer

Jatin Shah
Company Secretary

Place : Mumbai
Date : 30 May, 2016

Place : Mumbai
Date : 30 May, 2016

Cash Flow Statement for the year ended 31 March 2016

	(₹ in lacs)	
	Year ended 31 March 2016	Year ended 31 March 2015
Cash Flow from Operating Activities		
Profit before tax	757.80	790.98
<u>Adjustments for non cash transactions</u>		
Depreciation expense	611.67	611.27
Bad debts	2.57	0.65
Provision for doubtful debts	0.05	1.11
Amortisation of Processing Fees	58.25	5.55
Sundry Balances written back	(70.57)	(1.21)
Provision no longer required written back	(1.73)	-
	1,358.04	1,408.35
Items considered separately		
Interest Expense	782.35	768.67
Loan Processing Charges	130.53	-
Interest Income	(856.63)	(585.90)
	56.25	182.77
Operating Profit before Working Capital Changes	1,414.29	1,591.12
Adjustments for change in working capital		
(Increase) / decrease in trade receivables	(81.85)	136.34
(Increase) / decrease in long term loans and advances	(11.22)	5.57
Increase in short term loans and advances	(2,028.28)	(1,327.01)
Increase / (decrease) in trade payables	29.01	(10.21)
Increase in long term provisions	5.66	3.03
Increase in other current liabilities	120.80	146.80
Increase in short term provisions	177.39	16.65
Increase in other long term liabilities	55.30	21.75
Net Changes in Working Capital	(1,733.19)	(1,007.08)
Income Taxes Paid	234.77	200.93
Net Cash generated from / (used in) Operating Activities (A)	(553.67)	383.11
<u>Cash Flow from Investing Activities</u>		
Purchase of Fixed Assets(including capital advances and capital work-in-progress)	(5,906.90)	(29.37)
Interest Received	856.63	585.90
Other bank balances	20.31	(17.90)
Net Cash generated from Investing Activities (B)	(5,029.96)	538.63
<u>Cash Flow from Financing Activities</u>		
Interest paid	(805.81)	(770.15)
Loan Processing Charges paid	(220.88)	-
Proceeds from long term borrowings	6,641.58	(178.41)
Net Cash generated from / (used in) financing activities (C)	5,614.89	(948.56)
Net (decrease) / increase in Cash and Cash Equivalents (A+B+C)	31.26	(26.82)
Cash and Cash Equivalents at the beginning of the year	73.04	99.86
Cash and Cash Equivalents at the end of the year	104.30	73.04
Net (decrease) / increase as disclosed above	31.26	(26.82)

Cash Flow Statement for the year ended 31 March 2016

(₹ in lacs)

	Year ended 31 March 2016	Year ended 31 March 2015
Notes to Cash flow statement		
1. Cash and cash equivalents at the year end comprise:		
Cash on hand	0.43	0.30
Balances with banks in current accounts	103.87	72.74
	104.30	73.04
2. The cash flow statement has been prepared under indirect method as set out in Accounting Standard 3 "Cash Flow Statement" as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).		

This is the Cash Flow Statement referred to in our report of even date

For Walker Chandiok & Co LLP
(Formerly known as **Walker, Chandiok & Co**)
Chartered Accountants

Sudhir N. Pillai
Partner

Place : Mumbai
Date : 30 May, 2016

For and on behalf of the Board of Directors

Himanshu Kanakia
Managing Director
DIN No.-00015908

Jitendra Mehta
Chief Financial Officer
Place : Mumbai
Date : 30 May, 2016

Kranti Sinha
Director
DIN No.-00001643

Jatin Shah
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

Background of the Company

Cineline India Limited was incorporated on 22 May 2002. The Company is into the business of renting out premises owned by the Company and operating windmill.

1. Basis of preparation of financial statements

The financial statements which have been prepared under historical cost convention on the accrual basis of accounting, are in accordance with the applicable requirements of the Companies Act, 2013 (the "Act") and comply in all material aspects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The accounting policies applied by the Company are consistent with those used in previous year.

2. Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

3. Significant accounting policies

a. Revenue recognition

- (i) Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.
- (ii) Interest income is recognised on a time proportionate basis, taking into account the amount outstanding and the rates applicable.
- (iii) Revenue from rent and common area maintenance is recognised based upon the agreement, for the period the property has been let out.
- (iv) 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 State Government.
- (v) 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.

- (vi) Advertisement income is recognised as and when advertisements are displayed at the property.

b. Fixed assets and depreciation

- (i) Fixed assets are stated at cost less accumulated depreciation, and impairment losses. Cost includes purchase price, inward freight, taxes and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use.
- (ii) Depreciation is provided, pro rata 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.

c. Capital work-in-progress

Cost of fixed assets not ready for their intended use before such date is disclosed under Capital work-in-progress.

d. Foreign currency transactions

- (i) Initial recognition - Transactions denominated in foreign currencies were recorded at the rates of exchange prevailing on the date of the transaction.
- (ii) Conversion - Monetary assets and liabilities denominated in foreign currencies were converted at the rate of exchange prevailing on the date of the balance sheet.
- (iii) Exchange differences - All exchange differences arising on settlement / conversion on foreign currency transactions were included in the statement of profit and loss in the year in which they arise.

e. Employee benefits

- (i) All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.
- (ii) 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.
- (iii) 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

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

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 or losses on such valuation are recognised immediately in the statement of profit and loss for the year.

- (iv) Liability for compensated absences is provided for on the basis of actuarial valuation at year end, made by an independent actuary as per Accounting Standard 15 "Employee Benefits" as specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

f. Borrowing costs

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalised as cost of that asset / project until it was ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs were charged to revenue and recognised as an expense in the statement of profit and loss.

g. Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

h. Taxes on income

Current tax

Current tax is computed and provided for in accordance with the applicable provisions of the Income Tax Act, 1961.

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 an 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.

Deferred tax

Deferred tax is measured based on the tax rates and

the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

i. Impairment of assets

In accordance with Accounting Standard 28 "Impairment of Assets" as specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014 as amended, the carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any impairment. 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. An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment loss is recognised in the statement of profit and loss or against revaluation surplus where applicable.

j. Provisions and contingencies

Provisions are 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 its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in respect of possible obligations or present obligations that arise from past events, whose existence would be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provisions or disclosure is made.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

(₹ in lacs)

	As at 31 March 2016	As at 31 March 2015
4. SHARE CAPITAL		
Authorised:		
80,000,000 (Previous year 80,000,000) Equity Shares of Rs. 5 each	4,000.00	4,000.00
250,000 (Previous Year 250,000) Preference Shares of Rs. 10 each	25.00	25.00
	4,025.00	4,025.00
Issued, Subscribed and Fully paid up:		
Equity Shares		
28,000,000 (Previous Year 28,000,000) Equity Shares of Rs. 5 each	1,400.00	1,400.00
Total	1,400.00	1,400.00
4 (a). RECONCILIATION OF SHARE CAPITAL	Amount (₹ in lacs)	Numbers
Equity Share Capital:		
<u>As at 31 March 2016</u>		
Balance at the beginning of the year	1,400.00	28,000,000
Add: Issued during the year	-	-
Total	1,400.00	28,000,000
<u>As at 31 March 2015</u>		
Balance at the beginning of the year	1,400.00	28,000,000
Add: Issued during the year	-	-
Total	1,400.00	28,000,000
4 (b). SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5 % SHARES	Numbers	% of Holding
<u>As at 31 March 2016</u>		
Himanshu B. Kanakia	9,368,424	33.46
Rasesh B. Kanakia	9,368,524	33.46
ICICI Prudential Life Insurance Company Limited	1,860,422	6.64
<u>As at 31 March 2015</u>		
Himanshu B. Kanakia	9,368,424	33.46
Rasesh B. Kanakia	9,368,424	33.46
ICICI Prudential Life Insurance Company Limited	1,860,422	6.64

4 (c). Rights and restrictions attached to equity shareholders

The Company has only one class of equity share having face value of Rs. 5 each. Every holder of equity share is entitled to one vote per equity share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company.

4 (d). Rights and restrictions attached to preference shareholders:-

The Company has only one class of preference share having face value of Rs. 10 each. Every holder of preference share is entitled to one vote per preference share.

4 (e). Details of shares allotted as fully paid up by way of bonus issues and bought back during the last 5 years to be given for each class of shares

The Company has not issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2016.

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

		(₹ in lacs)	
		As at 31 March 2016	As at 31 March 2015
5. RESERVES AND SURPLUS			
Capital Redemption Reserve			
Opening Balance		17.02	17.02
Add: Additions during the year		-	-
Closing Balance		<u>17.02</u>	<u>17.02</u>
Securities Premium Reserve			
Opening Balance		3,564.46	3,564.46
Add: Securities Premium credited		-	-
Closing Balance		<u>3,564.46</u>	<u>3,564.46</u>
General Reserve			
Opening Balance		55.10	55.10
Add: Additions made during the year		-	-
Closing Balance		<u>55.10</u>	<u>55.10</u>
Surplus			
Opening Balance		2,737.68	2,342.74
Add: Surplus as per Statement of Profit and Loss		576.59	394.94
Closing Balance		<u>3,314.27</u>	<u>2,737.68</u>
Total		<u>6,950.85</u>	<u>6,374.26</u>
6. LONG TERM BORROWINGS			
Term Loans from Banks (Refer Note 26)		12,390.00	5,788.00
Vehicle Loans (Refer Note 26)		2.67	4.24
Total		<u>12,392.67</u>	<u>5,792.24</u>
Note: There is no default, continuing or otherwise, as at the Balance Sheet date, in repayment of any of the above loans.			
7. DEFERRED TAX LIABILITIES (NET)			
Liability			
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961.		682.45	665.42
Total Deferred Tax Liability	(A)	<u>682.45</u>	<u>665.42</u>
Assets			
Provision for doubtful debts		0.87	0.80
Gratuity		3.79	2.50
Compensated Absences		2.60	1.35
Bonus		0.27	-
Demerger expenses		3.74	7.00
Lease equalisation reserve		1.80	0.37
Total Deferred Tax Assets	(B)	<u>13.07</u>	<u>12.02</u>
Deferred tax liabilities	(A-B)	<u>669.38</u>	<u>653.40</u>

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

	(₹ in lacs)	
	As at 31 March 2016	As at 31 March 2015
8. OTHER LONG TERM LIABILITIES		
Deposits received	613.20	557.90
Total	613.20	557.90
9. LONG TERM PROVISIONS		
Provision for Employee Benefits:		
- Gratuity (Refer Note 25 (i))	10.74	7.55
- Compensated Absences (Refer Note 25 (ii))	6.32	3.85
Total	17.06	11.40
10. OTHER CURRENT LIABILITIES		
<u>Current Maturities of Long-term debt (Refer Note 26)</u>		
- Term loan from Bank	218.00	177.00
- Vehicle Loan from bank	1.56	1.41
Interest accrued and not due on borrowings	102.29	64.22
Advances from customers	33.14	9.48
Lease equalisation reserve	5.45	1.20
Unclaimed Dividends	4.42	6.14
Deposits Received	55.63	47.39
Other Payables	20.15	7.63
Statutory Dues	86.53	106.78
Bank overdraft	18.52	11.34
Capital creditors	14.62	-
Total	560.31	432.59
11. SHORT TERM PROVISIONS		
<u>Provision for Employee Benefits</u>		
- Salary and Reimbursements	9.14	7.20
- Gratuity (Refer Note 25 (i))	0.72	0.56
- Compensated Absences (Refer Note 25 (ii))	1.52	0.49
<u>Others</u>		
- Expenses Payable	318.39	144.13
- Provision for Taxation (Net of Advance Tax)	29.06	2.50
Total	358.83	154.88

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

12. TANGIBLE ASSETS (Refer Note 26)

(₹ in lacs)

Gross block	Freehold lands	Theatre Buildings	Mall building	Other buildings	Plant and equipments	Theatre furniture and fixtures	Other furniture, fixtures and office equipments	Computers	Vehicles	Wind energy generator	Total
Balance as at 1 April 2014	1,971.68	3,720.35	1,969.93	2,396.60	0.94	1,189.84	160.77	2.50	22.44	1,536.70	12,971.75
Additions	-	-	-	-	-	-	3.32	0.37	-	-	3.69
Balance as at 31 March 2015	1,971.68	3,720.35	1,969.93	2,396.60	0.94	1,189.84	164.09	2.87	22.44	1,536.70	12,975.44
Additions	-	-	-	-	0.68	-	-	0.16	-	-	0.84
Balance as at 31 March 2016	1,971.68	3,720.35	1,969.93	2,396.60	1.62	1,189.84	164.09	3.03	22.44	1,536.70	12,976.28
Accumulated depreciation											
Balance as at 1 April 2014	-	1,631.20	65.79	96.28	0.41	678.26	91.70	0.97	1.79	462.12	3,028.52
Depreciation	-	122.90	65.72	79.87	0.08	255.58	17.44	0.80	2.97	65.91	611.27
Balance as at 31 March 2015	-	1,754.10	131.51	176.15	0.49	933.84	109.14	1.77	4.76	528.03	3,639.79
Depreciation	-	122.90	65.72	79.87	0.13	255.58	17.74	0.85	2.97	65.91	611.67
Balance as at 31 March 2016	-	1,877.00	197.23	256.02	0.62	1,189.42	126.88	2.62	7.73	593.94	4,251.46
Net block											
Balance as at 31 March 2015	1,971.68	1,966.25	1,838.42	2,220.45	0.45	256.00	54.95	1.10	17.68	1,008.67	9,335.65
Balance as at 31 March 2016	1,971.68	1,843.35	1,772.70	2,140.58	1.00	0.42	37.21	0.41	14.71	942.76	8,724.82

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

	(₹ in lacs)	
	As at 31 March 2016	As at 31 March 2015
13. LONG TERM LOANS AND ADVANCES (unsecured, considered good)		
Capital advances (refer note 34)*	6,009.88	25.68
Security Deposits**	11.57	0.35
Prepaid expenses	-	52.69
Advance Tax (Net of Provisions)	655.39	586.81
MAT Credit Entitlement	471.62	444.10
Total	7,148.46	1,109.63
*Includes amounts due by Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	5,858.00	-
**Includes amounts due by Kanakia Spaces Private Limited	10.85	-
14. TRADE RECEIVABLES		
Trade Receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good*	237.97	193.09
	237.97	193.09
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment :		
Unsecured, considered good*	34.35	-
Unsecured, considered doubtful	2.65	2.60
	37.00	2.60
Less: Provision for doubtful debts	2.65	2.60
	34.35	-
Total	272.32	193.09
*Includes dues from Company under the same management		
Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	-	12.68
RBK Education Solutions Private Limited	0.07	3.37
15. CASH AND BANK BALANCES		
Cash and Cash Equivalents		
- Cash on hand	0.43	0.30
Balances with Banks		
- in Current Accounts	103.87	72.74
	104.30	73.04
Other Bank Balances		
- in Unclaimed Dividend Accounts	4.44	6.14
- in Fixed Deposit Accounts with maturity less than 12 months	34.02	52.63
	38.46	58.77
Total	142.76	131.81
16. SHORT TERM LOANS AND ADVANCES		
Other loans and advances (unsecured, considered good)		
Advances recoverable in cash or in kind, or for the value to be received	123.02	115.17
Other advances	6,547.86	4,532.99
Total	6,670.88	4,648.16

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

	(₹ in lacs)	
	Year ended 31 March 2016	Year ended 31 March 2015
17. REVENUE FROM OPERATIONS		
<u>Rental Income</u>		
- Space Rentals	1,561.78	1,405.00
- Rental Income ATS/BTS	97.13	39.74
- Common Area Maintenance	158.55	161.55
	1,817.46	1,606.29
Advertisement Income	24.83	17.56
Income from Car Parking	107.61	89.22
Sale of Power	166.08	158.38
Other Operating Revenue	160.75	168.93
	459.27	434.09
Total	2,276.73	2,040.38
18. OTHER INCOME		
Interest Income	856.63	585.90
Sundry balances written back	70.57	1.21
Provision no longer required written back	1.73	-
Refund of property tax	-	30.46
Miscellaneous Income	1.91	1.79
Total	930.84	619.36
19. OPERATING EXPENSES		
Power and Fuel	124.81	86.25
Other Operating Expenses	8.34	3.29
Total	133.15	89.54
20. EMPLOYEE BENEFITS EXPENSES		
Salaries and Bonus (including Directors' Remuneration)	118.81	96.89
Contribution to Provident and Other Defined Contribution Funds	11.20	6.32
Staff Welfare Expenses	1.40	1.19
Total	131.41	104.40
21. FINANCE COSTS		
Interest		
- on term loans	781.83	764.49
- on vehicle loan	0.52	0.65
- on others	-	3.53
Finance charges	223.91	9.23
Total	1,006.26	777.90

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

	(₹ in lacs)	
	Year ended 31 March 2016	Year ended 31 March 2015
22. OTHER EXPENSES		
Rent (refer note 30)	26.49	6.62
Travelling and conveyance	5.05	6.53
Communication expenses	2.46	2.96
Insurance	7.19	32.26
Rates and taxes		
Property tax	196.09	200.06
Others	19.90	16.32
	215.99	216.38
Legal and professional fees	24.47	14.06
Directors' sitting fees	3.05	2.50
Repairs and maintenance		
Building	22.03	16.93
Common area maintenance	19.80	13.63
Cleaning charges	18.73	15.48
Plant and equipments	8.50	3.37
Others	63.01	72.08
	132.07	121.49
Advertising and publicity	2.86	3.00
Marketing and sales promotion	2.83	5.44
Auditors' remuneration (refer note 31)	8.59	3.81
Security charges	45.02	24.66
Bank charges	0.09	0.29
Printing and stationery	5.68	6.16
Bad debts	2.57	0.65
Provision for doubtful debts	0.05	1.11
Contribution towards corporate social responsibility (refer note 33)	28.50	-
Donation	26.00	-
Miscellaneous expenses	28.32	20.31
Total	567.28	468.23
23. PRIOR PERIOD ITEMS		
Prior period items consists of		
Insurance	-	21.11
Service Tax Expense	-	11.30
Total	-	32.41
24.EXCEPTIONAL ITEM		
Insurance claim received	-	214.99
Total	-	214.99

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

25. Disclosures pursuant to Accounting Standard 15 “Employee Benefits”

- i. The Company has a defined benefit gratuity plan. Every employee gets a gratuity on leaving the Company after the completion of five years, at fifteen days of last drawn salary for each completed year of service.

The following table set out the status of the gratuity plan as required under Accounting Standard 15 “Employee Benefits” and the reconciliation of opening and closing balances of the present value of the defined benefit obligation.

I. Assumption:		31 March 2016		31 March 2015		
Discount Rate		7.80%		7.99%		
Salary Escalation		10.00%		10.00%		
Attrition rate		12.00%		12.00%		
(₹ in lacs)						
II. Table Showing Change in Benefit Obligation:		31 March 2016		31 March 2015		
Liability at the beginning of the year		8.11		8.41		
Interest Cost		0.65		0.78		
Current Service Cost		1.41		1.31		
Benefits paid directly by the employer		-		(0.14)		
Actuarial losses on obligations - Due to change in financial assumptions		0.13		2.19		
Actuarial gains on obligations - Due to experience		1.16		(4.44)		
Liability at the end of the year		11.46		8.11		
(₹ in lacs)						
III. Amount Recognised in the Balance Sheet:		31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Defined benefit obligation		(11.46)	(8.11)	(8.41)	(2.61)	(121.19)
Deficit		(11.46)	(8.11)	(8.41)	(2.61)	(121.19)
(₹ in lacs)						
IV. Expenses Recognised in the Statement of Profit and Loss:		31 March 2016		31 March 2015		
Current Service Cost		1.41		1.31		
Interest Cost		0.65		0.78		
Actuarial (gain) / loss		1.29		(2.25)		
Expenses Recognised in Statement of Profit and Loss		3.35		(0.16)		
(₹ in lacs)						
V. Balance Sheet Reconciliation:		31 March 2016		31 March 2015		
Opening Net Liability		8.11		8.41		
Expenses as above		3.35		(0.16)		
Benefits paid directly by the employer		-		(0.14)		
Amount recognised in Balance Sheet		11.46		8.11		
(₹ in lacs)						
VI. Experience adjustment:		31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
On plan liability (gain) / loss		1.16	(4.44)	5.51	0.12	18.67

As the plan is unfunded, contribution is taken as equal to the benefit paid by the Company.

- ii. 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 following table set out the status of the compensated absences benefit obligation as required under Accounting Standard 15 “Employee benefits”:

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

	(₹ in lacs)	
Particulars	31 March 2016	31 March 2015
Liability at the end of the year	7.84	4.34
Amount recognised in the Balance Sheet		
- Non Current	6.32	3.85
- Current	1.52	0.49

26. Bank borrowings

- A. Term loan taken from Central bank of India is secured against:
- I) First and exclusive charge / hypothecation of all rental receivables arising out of leasing of following properties:
 - 1) All rental receivables arising out of leasing of following properties:
 - a) Theatre buildings
 - b) Boomerang property
 - 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) 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.
 - VI) Personal / corporate guarantee of Rasesh B. Kanakia and Himanshu B. Kanakia.
- B. The vehicle loan from Axis bank is secured against Maruti Suzuki SX4 for which the loan was taken.
- C. Terms of repayment

Particulars	Rate of interest	Principal outstanding (₹ in lacs)	Number of installments outstanding (Monthly)	Last installment	Security pledged
Term loan	Base rate plus 1%	12,608.00	143	February 2028	Refer note 26 (A)
Vehicle loan	10.40%	4.23	30	September 2018	Refer note 26 (B)

27. Disclosure of related party transactions under Accounting Standard 18 "Related Party Disclosures"

In accordance with the disclosure requirements of Accounting Standard 18 "Related Party Disclosures" the details of related party transactions are given below :

i. List of related parties:

Name of the related party	Relationship
Rasesh B. Kanakia	Director
Himanshu B. Kanakia	Director
Hiral H. Kanakia	Director
Jatin Shah	Key management personnel
Manisha Vora	Relative of director
Kanakia Spaces Private Limited	Entities under common control or significant influence can be exercised
Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	Entities under common control or significant influence can be exercised
Sarang Property Developers Private Limited	Entities under common control or significant influence can be exercised
RBK Education Solutions Private Limited	Entities under common control or significant influence can be exercised
Babubhai Kanakia Foundation	Entities under common control or significant influence can be exercised

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

ii. Transactions during the year

(₹ in lacs)

Particulars	Relationship	Year ended 31 March 2016	Year ended 31 March 2015
Capital advance given			
Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	Entities under common control or significant influence can be exercised	5,858.00	-
Security deposit given			
Kanakia Spaces Private Limited	Entities under common control or significant influence can be exercised	10.85	-
Expenses incurred on our behalf by			
Kanakia Spaces Private Limited	Entities under common control or significant influence can be exercised	-	0.16
Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	Entities under common control or significant influence can be exercised	15.78	39.50
Sarang Property Developers Private Limited	Entities under common control or significant influence can be exercised	5.85	-
Rental income / other operating revenue received			
Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	Entities under common control or significant influence can be exercised	63.42	322.59
Rental income			
Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	Entities under common control or significant influence can be exercised	10.74	131.56
Other operating revenue			
Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	Entities under common control or significant influence can be exercised	40.00	112.54
Advertisement income			
RBK Education Solutions Private Limited	Entities under common control or significant influence can be exercised	-	4.61
Babubhai Kanakia Foundation	Entities under common control or significant influence can be exercised	1.16	-
Common area maintenance charges			
Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	Entities under common control or significant influence can be exercised	20.29	17.28
Rent expenses			
Kanakia Spaces Private Limited	Entities under common control or significant influence can be exercised	22.54	5.55
Remuneration			
Rasesh B. Kanakia	Director	15.00	15.00
Himanshu B. Kanakia	Director	15.00	15.00
Hiral H. Kanakia	Director	15.00	-
Manisha Vora	Relative of director	11.79	10.68
Jatin Shah	Key management personnel	8.80	8.22

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

iii. Balance outstanding as at year end

(₹ in lacs)

Particulars	Relationship	As at 31 March 2016	As at 31 March 2015
Trade receivables			
Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	Entities under common control or significant influence can be exercised	-	12.68
RBK Education Solutions Private Limited	Entities under common control or significant influence can be exercised	0.07	3.37
Babubhai Kanakia Foundation	Entities under common control or significant influence can be exercised	0.23	-
Capital advance			
Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	Entities under common control or significant influence can be exercised	5,858.00	-
Security deposit			
Kanakia Spaces Private Limited	Entities under common control or significant influence can be exercised	10.85	-
Other payables			
Kanakia Spaces Realty Private Limited (formerly known as Centaur Mercantile Private Limited)	Entities under common control or significant influence can be exercised	1.40	-
Sarang Property Developers Private Limited	Entities under common control or significant influence can be exercised	2.92	-
Kanakia Spaces Private Limited	Entities under common control or significant influence can be exercised	1.89	5.72

28. Primary segment information

The Company is organised into two business segments viz. Retail space division comprising of construction of malls for sale and or lease to third parties and Windmill division comprising of wind energy generator.

(₹ in lacs)

Particulars	Retail space		Windmill		Total	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015
External sales (gross)	2,110.65	1,882.00	166.08	158.38	2,276.73	2,040.38
Total revenue	2,110.65	1,882.00	166.08	158.38	2,276.73	2,040.38
Segment results	821.32	734.23	50.12	45.89	871.44	780.12
Unallocated corporate income / (expenses)					35.99	(12.13)
Interest income					856.63	585.90
Finance costs					(1,006.26)	(777.90)
Exceptional item					-	214.99
Profit before tax					757.80	790.98
Tax expense					(181.21)	(396.04)
Profit after tax					576.59	394.94

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

(₹ in lacs)

Particulars	Retail space		Windmill		Total	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Other information						
Segment assets	14,176.24	8,629.53	1,027.59	1,034.69	15,203.83	9,664.22
Unallocable corporate assets					7,829.15	5,754.12
Total assets					23,032.98	15,418.34
Segment liabilities	1,212.72	923.83	0.33	0.56	1,213.05	924.39
Unallocable corporate liabilities					1,076.41	927.45
Total liabilities					2,289.46	1,851.84
Capital employed					20,743.52	13,566.50
Capital expenditure	74.58	3.69	-	-	74.58	3.69
Depreciation expense	545.76	545.36	65.91	65.91	611.67	611.27
Non cash expense other than depreciation	2.62	1.76	-	-	2.62	1.76

Secondary segment information

The Company does not have geographical distribution of revenue hence the secondary segmental reporting based on geographical location of its customers is not applicable to the Company.

29. Earnings per share (EPS)

The basic earnings per equity share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive. The earnings per share is calculated as under:

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Profit available for equity shareholders (Rs. in lacs)	576.59	394.94
Weighted average number of shares	280.00	280.00
Earnings per share (Rs.)		
- Basic	2.06	1.41
- Diluted	2.06	1.41
Face value per share (Rs.)	5.00	5.00

30. Operating lease

The Company has leasing arrangement in respect of operating lease for premises and utilities. Operating lease rental charged to statement of profit and loss amount to Rs. 26.49 lacs (previous year Rs. 6.62 lacs).

(₹ in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Payable not later than 1 year	24.46	22.24
Payable later than 1 year not later than 5 years	80.33	104.79
Payable later than 5 years	-	-
Total	104.79	127.03

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2016

31. Auditors' remuneration (excluding service tax) (₹ in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Statutory audit	8.00	3.50
Other services	0.30	-
Out of pocket expenses	0.29	0.31
Total	8.59	3.81

32. Contingent liability and capital commitment (to the extent not provided for) (₹ in lacs)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Contingent liability		
Income tax	-	29.06
Capital commitment		
Estimated amount of contracts remaining to be executed on capital account and not provided for	8,000.00	-
Total	8,000.00	29.06

33. Corporate social responsibility activities

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 Rs. 12.03 lacs as per Section 135(5) of Companies Act, 2013. The Company has spent Rs. 28.50 lacs on the activities mentioned in Schedule VII to the Companies Act, 2013.

Amount spent during the year: (₹ in lacs)

Particulars	Paid in cash	Yet to be paid in cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	28.50	-	28.50

34. The Company has 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. The Company has paid earnest deposits of Rs. 5,858.00 lacs and has capitalised borrowing cost as per Accounting Standard 16 "Borrowing costs" amounting to Rs. 151.88 lacs.

35. Based on the information available with the Company, there are no dues outstanding in respect of micro and small enterprises at the balance sheet date. Further, no interest during the year has been paid or payable in respect thereof. The above disclosures has been determined to the extent such parties have been identified on the basis of information available with the Company.

36. Previous year comparatives

Figures for the previous year have been regrouped wherever considered necessary to confirm with the current year's presentation.

For Walker Chandiook & Co LLP
(Formerly known as **Walker, Chandiook & Co**)
Chartered Accountants

Sudhir N. Pillai
Partner

Place : Mumbai
Date : 30 May, 2016

For and on behalf of the Board of Directors

Himanshu Kanakia
Managing Director
DIN No.-00015908

Kranti Sinha
Director
DIN No.-00001643

Jitendra Mehta
Chief Financial Officer
Place : Mumbai
Date : 30 May, 2016

Jatin Shah
Company Secretary

CINELINE

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