inoxmovies.com

INOX LIVE the MOVIE | TEAM INDIA

OFFICIAL SPONSOR OF TEAM INDIA

MAKING MIRACLES HAPPEN

INOX LEISURE LIMITED | ANNUAL REPORT 2021-22

INSIGNIA | IMAX | MX4D | SCREENX | Kiddles | LASER | CLUB | Onyx Diner | BIGPIX

CONTENTS

To view the report online, log on to www.inoxmovies.com

HIGHLIGHTS OF THE YEAR

2.30Cr
Guests

₹217
Highest Ever Average Ticket Price

₹91
Highest Ever Spend Per Head

32
Highest Screen Addition in the Industry in FY22

₹205Cr
Cash & Cash Equivalents
As on 31st March 2022

Net debt-free

OPENING THE CURTAINS TO NEW POSSIBILITIES

While the world faced unprecedented challenges, we looked beyond challenges to the opportunities and crafted our way forward with resolve and resilience. When the pandemic showed signs of retreating and the restrictions were lifted, we were ready to welcome our audiences with our signature experiences, making INOX the leader in adding the largest number of new screens in FY22.

The magic was on. Awestruck by a plethora of magnificent content, our audiences savoured each movie experience and came back for more, for the specially-curated menu designed for them and alternative content, including sports and gaming, served amidst best-in-class hospitality.

Our joy at welcoming movie connoisseurs and audiences back to the big screen experience was overwhelming, further enhanced by the INOX-PVR proposed merger.

In our quest to exceed aspirations, expectations and experiences, INOX also shone magically, with a consistent rise in F&B revenues, a hike in advertising sales and an increase in the share of premium format screens, making it a powerful and miraculous comeback story.

Our quest is not yet over. The stage is set for further growth, expansion and innovation.

At INOX, miracles will continue to happen...

Twenty years ago, we started with 1 multiplex and a dream of bringing the best cinema experience to India. For the last two decades, we have redefined and rewritten what cinematic experience should mean to our guests, by offering them the best cinema technology, bringing grandeur and luxury to every cinema screen and expanding the definition of what is considered cinema food. **We have achieved a commendable feat in curating this signature INOX experience, right from the moment the patron decides to watch the movie, till the time he exits the multiplex.**

ABOUT INOX GROUP

A renowned Indian conglomerate, INOX Group has strengthened its presence with diversified offerings in the field of entertainment, medical & industrial gases and cryogenic solutions. Its journey of over nine decades has been punctuated by many firsts, aiding its continuous growth, success and profitability.

Our DNA

- Early identification of a winning business area.
- Building up scale rapidly.
- Market leadership in the segment.

Our Business Verticals

- Industrial & Medical Gases
- Cryogenic Engineering
- Entertainment

Our Group Companies

- INOX Leisure Limited
- GFL Limited
- INOX Air Products Private Limited
- INOX India Limited

BRINGING BEST-IN-CLASS EXPERIENCE TO OUR PATRONS

We had a modest beginning and have since grown to become one of India's top multiplex chains with top-notch luxury, services and technology standards in the movie exhibition business. Our aim is to expand and take the movie experience further to every citizen of our country across the social spectrum.

We have always maintained a sharp focus on F&B and architectural design to stay ahead on the 'Experience' curve and delight our patrons. Over the years, we have meticulously curated a mouth-watering range of F&B concepts, cuisines and menu options.

We are dedicated to operating a sustainable, responsible, and lucrative business venture and achieving new levels of operational brilliance, driven by our enthusiasm to improve unceasingly and offer moments that our patrons will cherish.

THRIVING ON INNOVATION

India's first ScreenX auditorium at INOX Megaplex at Inorbit Mall, Malad, Mumbai

India's first screen with MX4D® Theatre Effects at INOX Megaplex at Inorbit Mall, Malad, Mumbai

1st cinema chain in the country to operate a Laserplex with Laser projection in all auditoria

Insignia has emerged as a **top luxury cinema viewing proposition in the country**

At INOX Megaplex at Inorbit Mall, Malad, Mumbai, we operate **the multiplex with the highest number of cinema viewing experiences in the world.**

INOX is the first cinema chain to introduce a tier-based loyalty program, called INOX Rewards

INOX is the first cinema chain to have an payment wallet, built in its mobile app

INOX recently introduced its line of movie merchandise

Our highest ever

₹217
Average Ticket Price

₹91
Spend per head

Strong liquidity position

₹205Cr
Cash & Cash Equivalents
As on 31st March 2022

Highest Screen Addition in the Industry in FY22

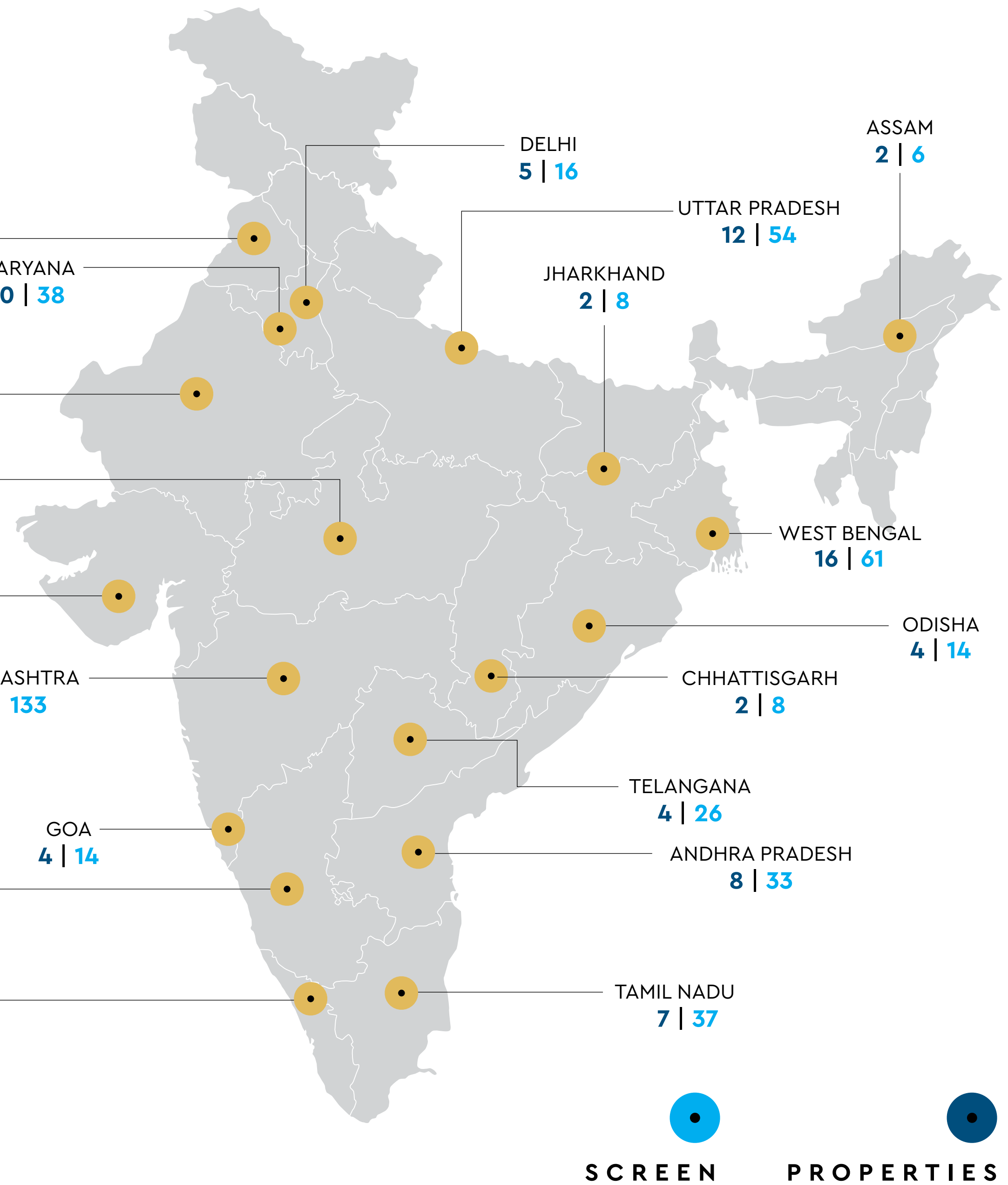
32
Screens added

net debt-free

Launched India's first cinema wallet

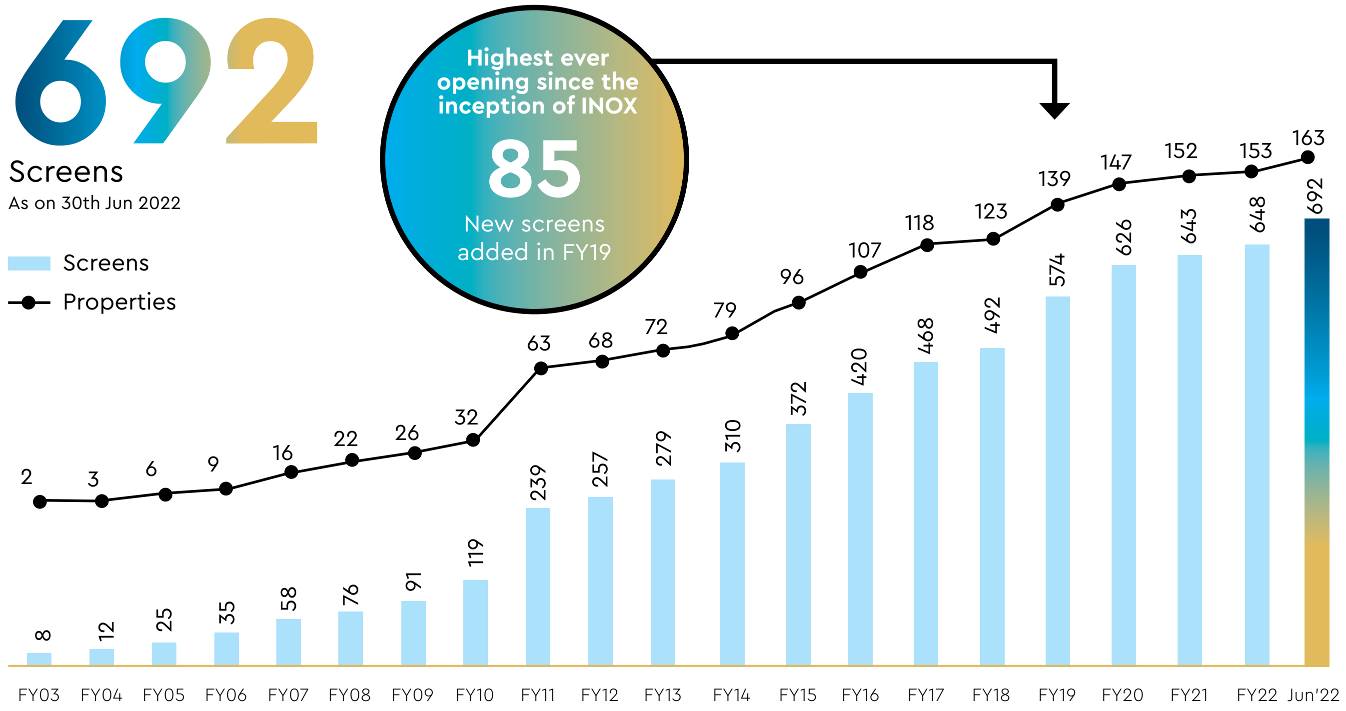
Geographic presence

TAKING ENTERTAINMENT FAR AND WIDE TO EVERY CITIZEN

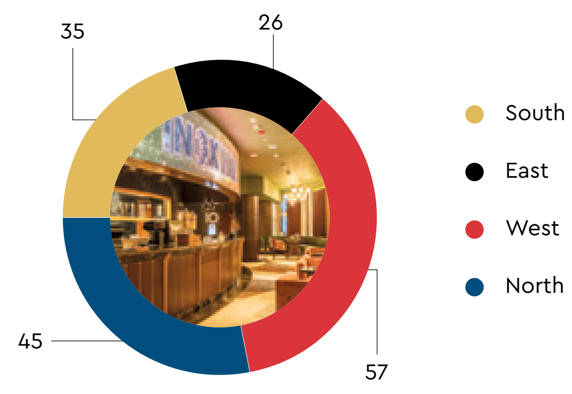


As on 30th Jun 2022
Note: Includes 9 management properties with 32 screens and 7,838 seats

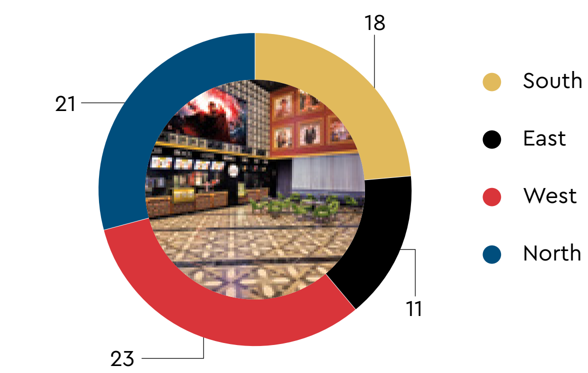
Track record of aggressive expansion



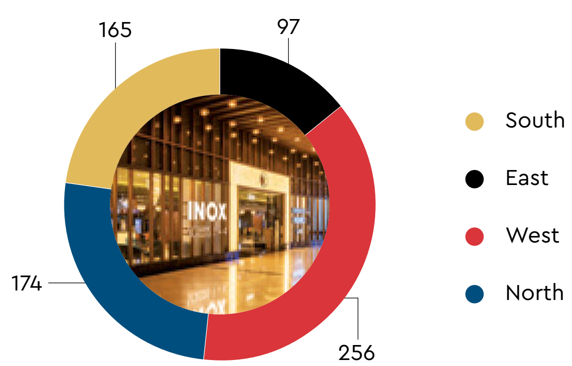
163 Properties



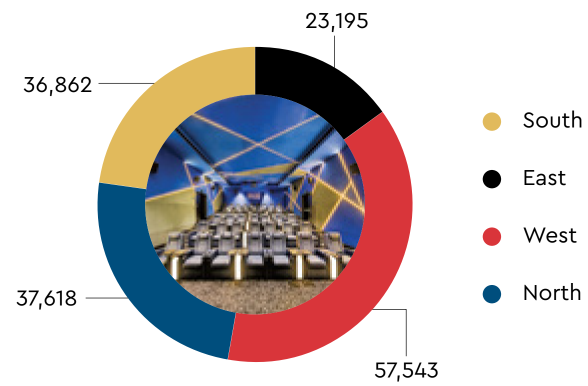
73 Cities



692 Screens



1,55,218 Seats



As on 30th Jun 2022

Financial performance

PERFORMING WITH FORESIGHT AND DILIGENCE

FY21 and FY22 were impacted due to COVID-19

Key highlight

Real estate on the balance sheet worth

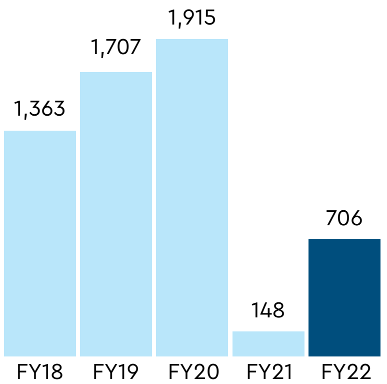
₹400 Cr.

44.04%

Promoter and Promoter Group Stake

Revenue

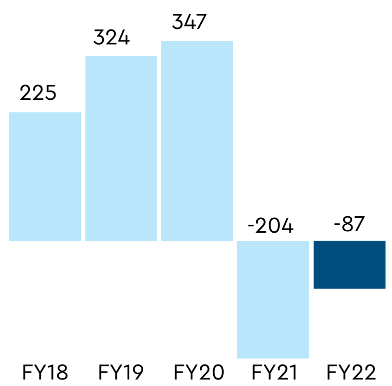
(₹ in Crore)



*Without INDAS 116 impact

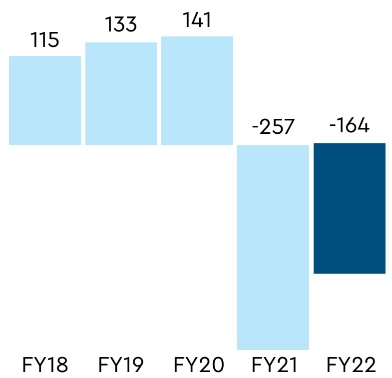
EBITDA

(₹ in Crore)



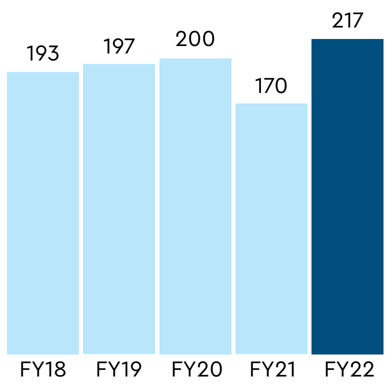
PAT

(₹ in Crore)



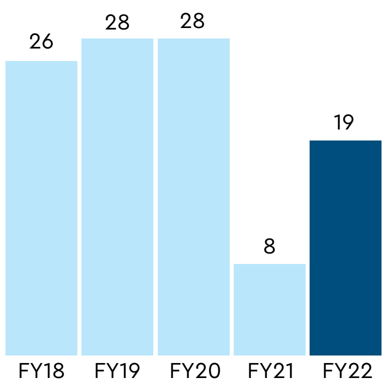
Average Ticket Price

(in ₹)



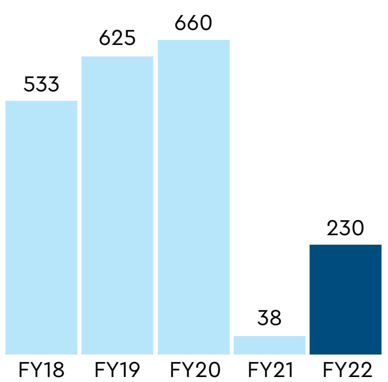
Average occupancy rate

(in%)

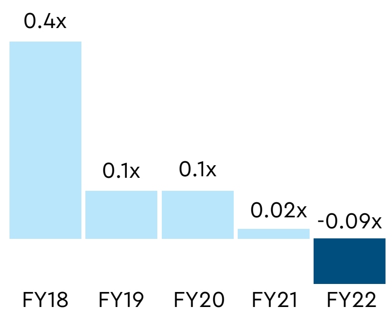


Footfall

(in lakhs)



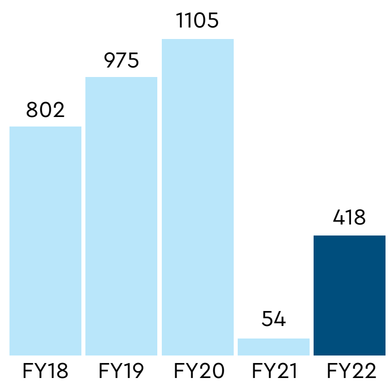
Net debt to equity ratio



Ind AS 116 impact has been excluded while calculating Net Debt to Equity

Net Box office Revenue

(₹ in Crore)

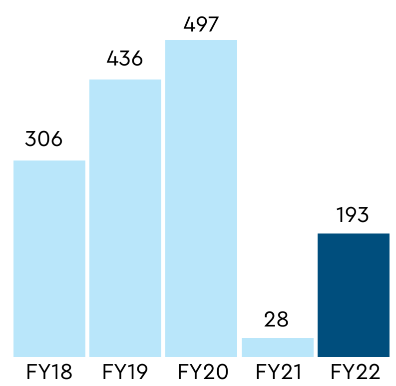


Financial performance (Contd.)

Food and Beverages

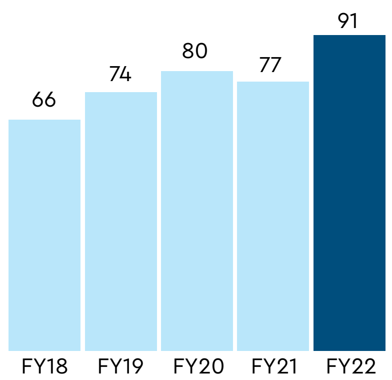
Net F&B revenue

(₹ in Crore)



Average F&B Spend Per Head

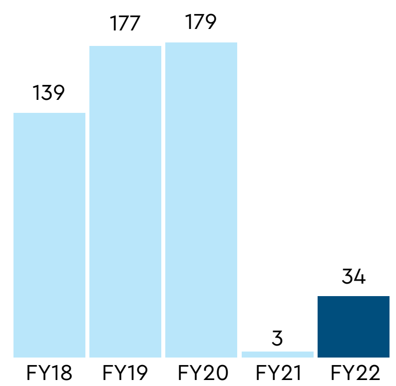
(₹)



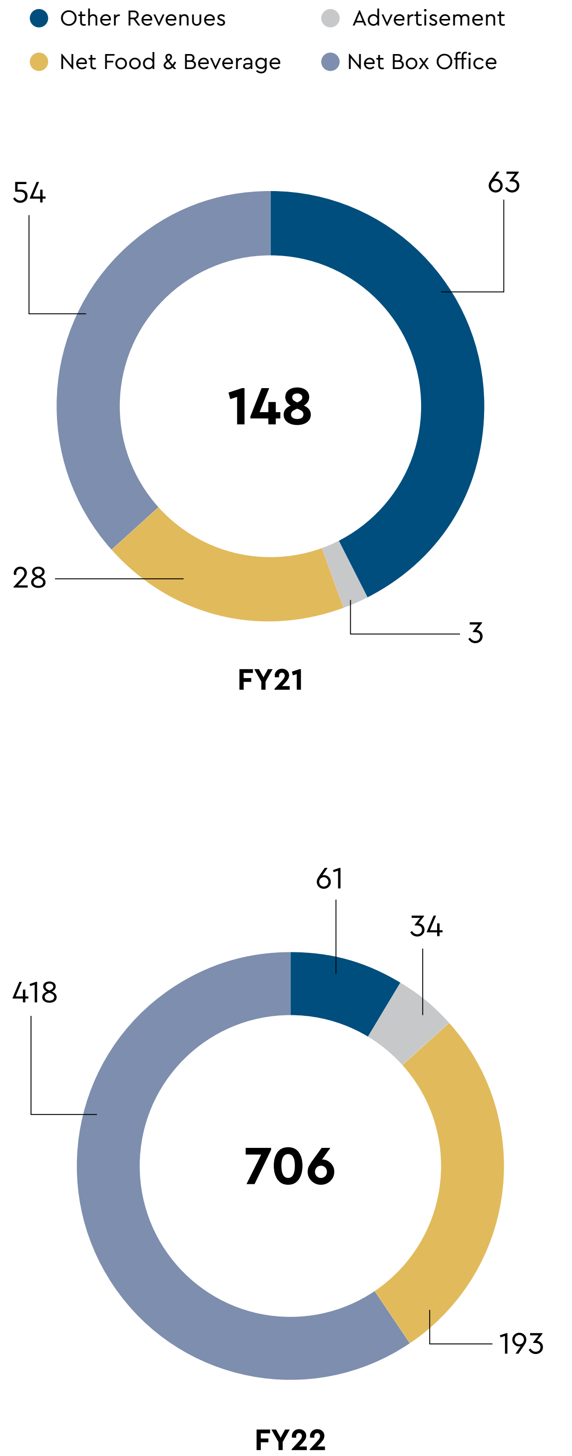
Advertising

Advertising revenue

(₹ in Crore)



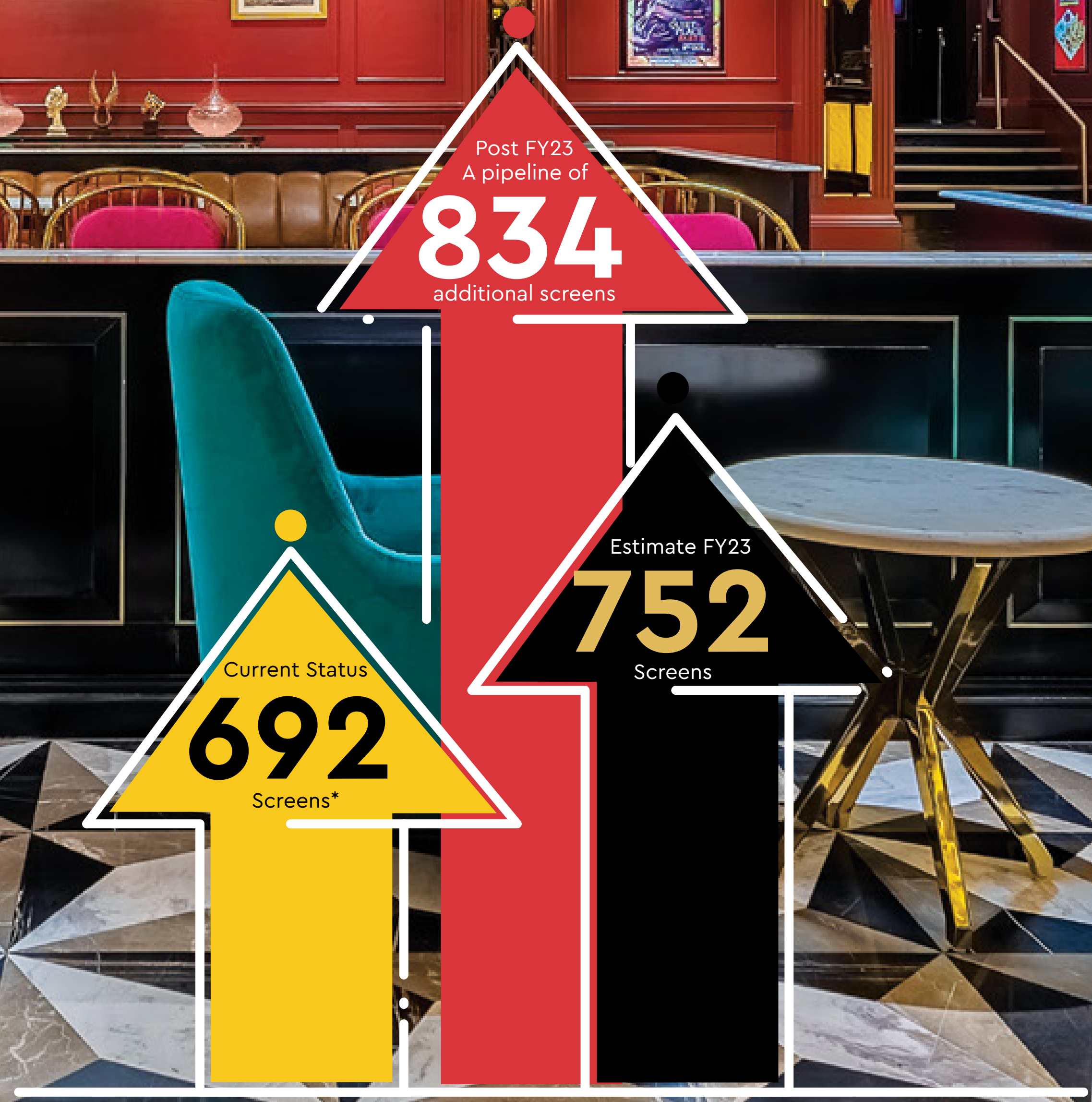
YOY Revenue Mix Comparison in ₹ Cr



PUTTING UP A GRAND SHOW

We are bouncing back from the shock of COVID-19 by bringing back audience to theatres through aggressive marketing which was complemented by many blockbuster movies.

We are confident about pursuing our expansion strategy and with diligent efforts, we continuously work to expand the number of screens around the nation and strengthen our balance sheet. We are prepared to welcome the movie-viewing audience back to our theatres and provide great services since we have a strong pipeline of future films.



*As on 30th Jun 2022

TOWARDS A SUSTAINABLE FUTURE

We are dedicated to going above and beyond compliance to uphold the highest standards of corporate governance in order to guarantee sustainable growth and minimal effect on environment. We work diligently to uphold our responsibilities towards people, community and environment. We are aligning with the SDGs in the right way to create desired impact for the greater global impact on specific area.

SUSTAINABLE DEVELOPMENT GOALS

5 GENDER EQUALITY — Committed to enhancing gender diversity across all levels

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE — Committed to innovate constantly and scale up infrastructure and leading the sectoral growth

7 AFFORDABLE AND CLEAN ENERGY — Committed to deploy renewable and clean energy at more and more multiplexes

8 DECENT WORK AND ECONOMIC GROWTH — Committed to offer high quality entry level jobs and opportunities to upskill the workforce

INDIA'S first CINEMA TO RECEIVE LEED GOLD CERTIFICATION — LEED CERTIFIED — INOX NARIMAN POINT

INDIA'S first ROOFTOP SOLAR POWERED CINEMA — METRO INOX

INDIA'S first CINEMA CHAIN TO OPERATE CINEMAS ON CAPTIVE WIND ENERGY

AWARDS AND ACCOLADES

MOST ADMIRED FOOD SERVICE RETAILER
PEPSI IMAGES 2021–22

MOST RESILIENT FOODSERVICE BRAND IN THE ENTERTAINMENT CATEGORY
PEPSI SWAGSTAR AWARD 2021–22

BEST TECHNOLOGY ADOPTER OF THE YEAR
IMAX BIG CINE AWARDS 2019

BEST LOYALTY PROGRAMME IN RETAIL INDUSTRY
ET NOW GLOBAL AWARDS FOR RETAIL EXCELLENCE 2019

INDIA'S MOST TRUSTED CINEMA DISPLAY BRAND
TRA'S BRAND TRUST REPORT 2019

BEST FILM MARKETING CAMPAIGN OF THE YEAR
ET NOW GLOBAL AWARDS FOR RETAIL EXCELLENCE 2019

MOST POPULAR MULTIPLEX
TIMES RETAIL ICON AWARDS 2018–19

INDIA'S TOP MULTIPLEX CHAIN OF THE YEAR
IMAX BIG CINE AWARDS 2019

BEST EMPLOYER OF THE YEAR
EMPLOYER BRANDING AWARDS 2018–19

MOST ADMIRED MULTIPLEX OF THE YEAR
ET NOW GLOBAL FOR RETAIL EXCELLENCE 2019

BEST MARKETED BRAND
KOTLER AWARD FOR EXCELLENCE

HIGHEST LUXURY STANDARDS
INTERNATIONAL FILM BUSINESS AWARDS 2018–19

Enhanced audience outreach and engagement

INOX Instapay

We introduced a wallet for payments called InstaPay. To buy tickets and meals at our cinemas, customers can use the INOX InstaPay wallet. Customers can use our website, application or the counter at the box office to activate, load, and reload their InstaPay Wallet. The InstaPay wallet becomes active when customer adds money between Rs. 100 and Rs. 5,000 using debit or credit cards, net banking, or through UPI transactions.

INOX Merchandise

We introduced our merchandise line, which is accessible through our website and mobile app. Now, our customers can choose from a wide variety of official and licensed products in the categories including mobile and electronic accessories, clothing, games and stationery, consumer electronics, and home and kitchen. Exclusively designed and curated by Macmerise, the full product line.

By working together, we will bring characters from Disney, Marvel, Lucas Films, Warner Bros, DC Comics and Universal closer to the audience.

INOX Rewards

Our loyalty programme, the INOX rewards, allows patrons to accrue reward points for spending money on movie tickets and beverages. Earned reward points can be redeemed for savings on subsequent purchases of movie tickets or Food and Beverages. It is a tiered scheme where membership is upgraded in accordance with customer purchasing patterns.

INOX BLUE INOX GOLD INOX BLACK

Boosting Esports with ESFI partnership

We partnered with the Esports Federation of India (ESFI) to popularise e-sport in India. As per the partnership, we will be hosting and promoting ESFI tournaments nationwide to do the same. We are leveraging our highly urbane and youth-centric locations with an unmatched ambience equipped with advanced cinema technology to enhance Indian e-sporting culture.

INOX Delights

Through Inox Delights, we have implemented a comprehensive and renewed F&B roadmap with the introduction of some new cuisines, concepts, processes and exciting innovations, apart from making its food available on online food ordering platforms.

Our offerings

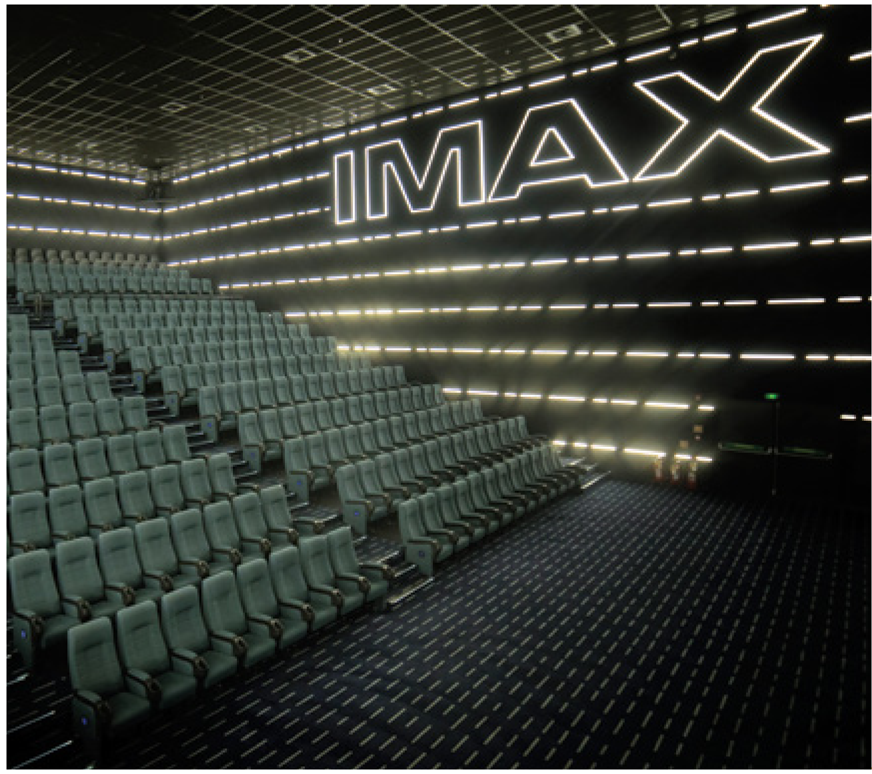
DELIGHTING OUR PATRONS IN INNUMERABLE WAYS

We firmly believe in giving our customers the best possible movie-going experience. With our cutting-edge formats, advanced technology and best-in-class expertise, we have established numerous firsts for the sector. We are still setting new industry milestones and redefining service standards. We amplify value for our patrons by combining ease and convenience with high-end services.

Insignia

Insignia is an embodiment of luxury, crafted to provide viewers with unrivalled experiences and created for the true film enthusiast. With luxurious and comfortable plush leather recliner seats, micro-adjustable neck rests, and cutting-edge audio-visual equipment, we provide movie lovers with a singular and breath-taking experience. The audiences also benefit from the services of an on-call butler to bring the finest gourmet meals right to their seats.

INSIGNIA
INOX'S *signature* EXPERIENCE



IMAX

With overwhelming music, 40% expansive image, dual projection system, best quality 3D experience and astonishingly striking interiors, IMAX offers the most immersive movie experience available worldwide.

IMAX®

MX4D

MX4D seeks to increase the rush of excitement more than regular movies can. The theatre offers in-cinema 4D effects that immerse viewers in the action and bring blockbuster action movies to life. These screens are a treat for the senses, with seats that move in sync with on-screen motions and the ideal combination of high-definition audio and pictures.

MEDIA Motion MX4D MOTION EFX EXPERIENCE

Our offerings (Contd.)

ScreenX

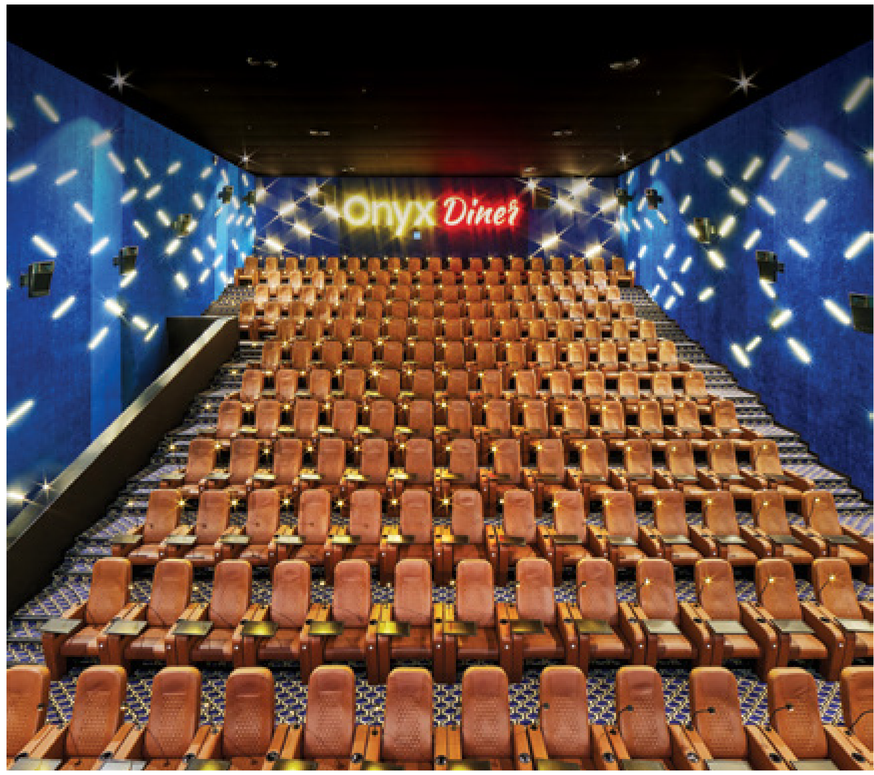
More favourite movies for our patrons will be available for viewing with Screen X. With multiple projection systems installed on three theatre walls, it offers a 270-degree, immersive panoramic viewing experiences.

Laser

The laser projector that provides an excellent movie viewing experience is where the name 'laser' originates. The audience can enjoy 3D screens that have 300% enhanced picture quality, and offers explosive surround sound.

Kiddles

Through Kiddles, we introduced a vibrant and engaging cinema format devoted solely for children. With the younger audience at INOX in mind, we carefully planned the space's bright décor. The area also features a children's play area that is well-stocked with games, books, activities and educational materials.



Onyx Diner

Our search for cutting-edge formats to improve the movie-going experience continues with Onyx. These theatres don't use projectors and instead use LED displays, which produce stunning contrast ratios, visual quality and 3D performance.

Club

A luxury arrangement with plenty of leg room keeps smart and discerning cinema-goers at ease and relaxed.

BigPix

With the help of BigPix, fans can now watch movies that are larger than life. Sitting in a stadium-like auditorium with the best sound systems and multimedia displays, they will experience a new dimension of movie watching.

Board of Directors

Pavan Kumar Jain
Chairman

Pavan Kumar Jain, Chairman, INOX Group, is a visionary industrialist with over 47 years of prolific experience. As a Founder of one of India's leading conglomerate, INOX Group, Mr. P. K. Jain continues to spearhead the Group companies, having successfully groomed them to secure a place in the top tier of their respective sectors. In his role at the helm of the Group, he has ensured accelerated growth, enhanced stakeholder value and built robust companies, driven by empowered teams. In the process, he has been the architect of numerous successful acquisitions and mergers and has scaled the Group's valuation to more than $ 5 Bn.

Mr. P. K. Jain has been a true torch-bearer of Make In India, as he envisioned his Companies playing an important part in nation-building, and also ensuring responsible and sustainable business operations. INOX Air Products is India's largest industrial and medical gases manufacturer, INOXCVA is India's largest cryogenic solutions company and is among top five companies in the world, and INOX Leisure Limited is India's leading multiplex chain.

A 1972 Batch, Chemical Engineering graduate from IIT Delhi, Mr. P. K. Jain is fond of Billiards, and loves to sing in his down time.

Vivek Kumar Jain
Director

Vivek Kumar Jain has over 37 years of business experience. He graduated in Economics from St. Stephens, New Delhi, and did his Post-Graduation in Business Administration from IIM, Ahmedabad, where he specialized in Finance. He is currently the Managing Director of Gujarat Fluorochemicals Limited and has grown the Company to be the country's largest manufacturer and exporter of refrigerant gases.

Siddharth Jain
Director

Siddharth Jain is a Member of the Board of the INOX Group, a diversified Indian conglomerate with activities spanning manufacturing of Industrial & medical gases, Cryogenic equipment and LNG Storage & Distribution equipment, besides owning one of the largest multiplex chains in India. The Group has a track record of building successful businesses over the past 90 years, distinguished by integrity, delivery & reliability and best practices, accompanied by sustainable growth.

Siddharth joined the Group in 2001 and has been actively involved in the Groups' strategic planning & business development initiatives. Under his leadership, each of the 3 Group companies, INOX Air Products, INOXCVA and INOX Leisure have achieved leadership positions in their respective industries.

He is an Alumnus of University of Michigan Ann Arbor, with a degree in Mechanical Engineering and has an MBA from INSEAD. He is a Member at the World Economic Forum at Davos. He is also a Member of Young Presidents' Organization & President of the Gas Industries Association of India. He is involved in various social work through his Family's foundation and is also an avid golfer.

Haigreve Khaitan
Director

Haigreve Khaitan is a Senior Partner of Khaitan & Co and leads the Firm's Corporate, M&A and Private Equity practices at the Firm. He is an elected member of the National Executive Committee of the Firm, which is responsible for the Firm's strategic growth and development. He is also one of the co-founders of the Firm's Mumbai office. He advises companies, boards of directors and financial

Board of Directors (Contd.)

institutions on a wide range of corporate matters, including mergers and acquisitions, private equity investments, corporate governance, corporate restructuring and other corporate and securities laws matters.

Haigreve has been involved in some of the most high-profile and complex M&A and private equity transactions in India and is sought after for his expertise by some of the most prominent Indian promoters, Indian and international companies, Indian regulatory agencies as well as some of the largest global funds investing in India. He advises a range of large Indian conglomerates and multinational clients in various business sectors, including financial services, manufacturing, retail, infrastructure, steel, software and information technology. A well-known name in India's legal industry, Haigreve is counted among the top lawyers of the country.

Haigreve is on the board of directors of various companies including Jio Platforms Limited, Torrent Pharmaceuticals Ltd, Mahindra & Mahindra Limited, CEAT Limited, JSW Steel Limited, Tech Mahindra Limited and Borosil Renewables.

Haigreve has been consistently recommended by many of the world's leading law chambers and accreditation bodies. Sources also praise him as an "outstanding lawyer" who is "extremely good and very sharp when it comes to large transactions''. He has been acknowledged for his experience and expertise by:

- Asian Legal Business amongst the top 15 M&A lawyers in Asia.
- Chambers and Partners as a ''Star Individual'' for M&A and an ''eminent practitioner'' for Private Equity;
- The Legal 500 as a 'Hall of Fame" for Corporate and M&A;
- IFLR 1000 as a ''market leading'' lawyer for Corporate M&A
- IFLR 1000 as "Best Lawyers in Asia" 2021.
- India Business Law Journal amongst top 100 lawyers in India.
- India Business Law Journal as "Icon" for Corporate and Commercial, Mergers & Acquisitions, Private Equity, Venture Capital & Funds and Project Finance.
- Who's Who Legal as a "Thought Leader' for M&A and Governance in India.
- Legal Era as "Leading Lawyer Legends" for Corporate M&A and Private Equity.
- Legal Era as "Lawyer of the Year" for Corporate M&A.

Amit Jatia
Director

Amit Jatia is the Vice Chairman at Westlife Development Limited, the master franchisee of McDonald's® restaurants in West & South India.

In his role as the leader of the world's largest and most loved QSR brand in West & South India, Amit is responsible for providing strategic direction to the business and leading the team towards achieving rapid growth and profitability.

Amit's tryst with entrepreneurship started early when he joined his family's manufacturing business and led many critical projects successfully. In 1996, Amit got the opportunity of setting up McDonald's in India and has been an integral part of the QSR industry for over 25 years. Under his leadership, McDonald's expanded its footprint to over 300 restaurants, launched its in-house coffee chain McCafé and scaled itself to a food tech company going from strength to strength.

Amit is passionate about mentoring businesses and often guides several other family-owned firms.

In 2003, Amit was bestowed with the 'Young Achievers Award', by the Indo-American Society. Business World, a leading business magazine named McDonald's the 'Most Respected Company in the Food Sector for three consecutive years.

Girija Balakrishnan
Director

Girija Balakrishnan, after graduating from the prestigious National Law School of India University in 1993, joined Malvi Ranchoddas & Co. as an associate in November 1993 and became a partner of the firm in April 2001. She is a member of the Bar Council of Karnataka. She presently heads the general corporate advisory practice at Malvi Ranchoddas & Co.

Ms. Balakrishnan specializes in Corporate Laws, Mergers and Acquisitions, Commercial Laws, Foreign Direct Investments, Joint Ventures and Foreign Collaboration.

Ms. Balakrishnan has advised clients across a spectrum of sectors including Chemical Industry, Clutch and Automotive parts Industry, Multiplex Industry, Retail Industry operating on franchise model, Industrial Gas Industry, Power sector, the Hotel Industry, the Advertisement Industry, Storage Tanks & Terminal Business, Computer Industry, Business Process Outsourcing sector, Real Estate Development sector, insurance sector, companies engaged in designing, manufacturing, installing and commissioning equipment in field of bio-technology, pharmaceutical and other allied industry, companies dealing in specialty materials and filtration and separation capabilities, strategy and general management consulting company etc. Ms. Balakrishnan also has immense experience in advising promoters of leading family owned business houses on family settlement matters.

Ms. Balakrishnan has also represented clients in various Courts, tribunals and forum including the High Court, Securities Appellate Tribunal, the Debt Recovery Tribunal, Consumer Forum, mediators, arbitrators, proceedings before the Estate Officer appointed under the Public Premises (Eviction) Act and adjudication proceedings before officers appointed by the Securities & Exchange Board of India.

In her spare time, Ms. Balakrishnan is actively engaged in dealing with social issues affecting the society at large through a non- governmental organization (NGO) with which she has been associated for several years.

Ms. Balakrishnan has also presented papers on "Key Aspects of Legal Documentation in Business Transaction" to a select group of chartered accountants. She was also invited by the Bombay Chartered Accountants Society and a leading on-line legal research company to speak on various aspects of law.

Vishesh Chandiok
Director

As Chief Executive Officer of Grant Thornton Bharat, Vishesh leads the execution of the Firm's strategy and vision and is responsible for its operations and growth.

Vishesh drives the Firm's relationship with some of the most dynamic private, public, and multinational clients and assists them in unlocking their growth potential. He has been involved with UK and US IPOs of several Indian businesses and cross-border acquisitions by Indian companies and has helped global multinationals succeed in India.

For over 20 years, Vishesh has been one of the most vocal promoters of the need for Indian family businesses to adopt formal governance structures and succession planning frameworks, thereby preserving business legacy.

Vishesh has been the primary advisor to the World Bank's report, Observance of Standards and Codes (ROSC), on accounting and auditing. In collaboration with large corporates, the audit profession and regulators, the report set out the action plan on accounting and auditing for India.

Vishesh works closely with the global Grant Thornton network and its member firms. He has been associated with several global committees, including the Senior Leadership Program at SAID Business School, the University of Oxford, and in incubating Global Research and Global Delivery from India for benefit of the network. On 1 January 2016, Vishesh became the youngest member to be elected to the Global Board of Governors of Grant Thornton International Limited, the ultimate decision-making authority within the Firm.

Vishesh is a Chartered Accountant from the Institute of Chartered Accountants in England and Wales, UK, and holds a Master of Science in Business and Management from the University of Strathclyde, Glasgow, UK. He has been working with Grant Thornton in the UK and India for over 20 years.

Professional qualifications and memberships

- Member of the Board, Chapter Education Office 2015–16 and Chapter Chair 2016–17 – Delhi Chapter, Young Presidents Organization (YPO)
- South Asia Chair – Deal Network & Co. Chair – Family Business Network, YPO
- Northern Region Council Member – Confederation of Indian Industry (CII), Chair – Economic Affairs and Taxation Committee, and Member of the CII National Committee on Accounting Standards
- Independent Director, Indian Institute of Management (IIM) Amritsar
- Member of the Entrepreneurs' Organization
- Member of the Advisory Board, US-India Business Council

Leadership Team

Alok Tandon
Chief Executive Officer

Alok Tandon is the Chief Executive Officer of INOX Leisure Limited. As a member of the start-up team of INOX, he has spearheaded the organization for two decades from scratch to a footprint of about 700 screens across India. He has been responsible for making INOX Leisure adopt an aggressive growth outlook, along with building a knack for innovativeness across the length and breadth of the organization. In 2016, he was rated among the Business Today-PwC list of India's top 100 CEOs 2016. In 2018, he received the award for CEO Of The Year at the Economic Times Retail Excellence Awards. In June 2019, Business World put him in the coveted list of 20 Most Valuable CEOs in India. As a torch-bearer of the multiplex industry in the retail domain, Alok was recognized as one of India's Retail Icons by IMAGES Retail magazine in August 2019. India Retail Forum, one of the most celebrated forums of the Retail industry, recognized Alok as The Most Admired Retail Personality Of The Year for FY19.

Kailash B. Gupta
Chief Financial Officer

Kailash B. Gupta is a seasoned professional with over 25 years of experience in Business Strategy, Investor Relations, Fund Raising through Debt and Equity , Financial Planning & Analysis, Controlling, Treasury & Taxation functions and Commercial negotiations. Prior to joining INOX, Kailash has worked with Entertainment Network (India) Limited (ENIL), Thomas Cook (India) Limited, Tata Teleservices Limited & Aditya Birla Group. At INOX, Kailash is responsible for Finance & Accounts, Strategic Planning, Procurement, Legal & Compliances and Investor Relations. He has led numerous initiatives including Fund Raising through Equity & Debt, M&A and Crises Management. He has been awarded as the 'Best CFO in the Media & Entertainment Sector' for his exceptional performance & achievements by The Institute of Chartered Accountants of India (ICAI) and nominated by White Page International as one of 'Asia's 100 Power Leaders in Finance 2022'.

Anand Vishal
Chief Operating Officer

With a career spanning over two decades, Anand Vishal has helmed critical management roles with prestigious cinema exhibition entities in marquee functions such as Business Operations, Sales, Revenue and Marketing. He currently leads the Operations, Sales & Revenue functions at INOX as Chief operating Officer and is responsible for driving box office growth & advertising revenue generation for the company across platforms and channels, besides leading the Operations across the country.

With a holistic and in-depth knowledge of the cinema exhibition business, Anand's expertise lies in driving impeccable operations, developing and executing advertising sales strategies, building strategic coalitions and mapping opportunities for admit growth at the box-office to drive overall revenue growth and performance. Anand's ability and understanding of all the business functions allow him to drive operational excellence consistently across the length and breadth of the business.

Prior to joining INOX, Anand was the Head of Business and Sales for Fun Cinemas.

Anand is a Commerce graduate from Bhopal School of Social Sciences, University of Bhopal. When not focused on driving numbers and closing deals, Anand unwinds by tuning in to his love for music, movies and cooking for his friends & family.

Jitender Verma,
Chief Information Officer

Jitender Verma has over 25 years of rich experience across organisations in Media & Entertainment Industry. He leads Technology function with strategic responsibility of new product innovation, evaluation and operational responsibility of IT Service Management. He holds a Bachelor's degree in Science from Delhi University, an MBA from Amity University and various awards to his credit, with the latest being 'Retail Tech ICONS' at Images Retail Tech Awards 2021, 'Best Technology Adopter of the Year 2019' four years in a row (2016 – 2019) at Big Cine Expo Awards, 'Payment Project Implementation 2018' at Images Retail Tech Awards, 'CIO of the Year' at Images Retail Tech Awards 2017, 'Samsung Mobility Mavens Special Award' at CIO100 IDG Conference 2017, 'Best Mobile Technology Implementation of the Year' at Images Retail Tech Awards 2017. Jitender has been instrumental in digital transformation at INOX and plays a vital role in introducing technology innovations to the business in the form of new and enhanced IT services that enables the business to operate, engage and grow in B2C space. InstaPay – Closed Loop Wallet, Contactless Payments, Queue Buster, Serve-On-Seat, Paperless Check-in, Assisted and Non-Assisted Kiosks, ScreenX – 270° Cinema Viewing Experience, MX4D Motion Technology, Onyx Cinema LED Screen, Laser Projection, High Efficiency 3D Systems, High Gain Projection Screens, Immersive Sound – ATMOS, DTSX are few initiatives undertaken in his leadership to enhance Customer Experience through latest Digital Sound, Projection, Mobile and In-store technologies.

Rajender Singh Jyala
Chief Programming Officer

Rajender Singh Jyala has more than 25 years of experience in cinema exhibition and film distribution. He joined INOX in 2010 and has held various positions in the company. He is responsible for handling programming of films and overseeing the growth of box office revenues. He has worked with companies like UTV Software Communications Ltd. and Reliance MediaWorks before joining INOX. Rajender has a Bachelor's degree in Commerce from Delhi University and a Diploma in Computer Applications from NIIT, New Delhi.

Shirish Handa
Chief Growth and Product Design Officer

Shirish Handa is a Management post-graduate with more than 25 years of experience across industries. The scope of work over his tenure in the Cinema Exhibition sector spans business strategy, expansions, pricing & promotional strategies, branding and e-commerce. The years preceding cinema were spent in advertising to create launch and sustenance for brands – especially in the Entertainment and Retail sectors. Shirish is currently leading expansions for INOX Leisure Limited across India. He is also responsible for determining screen configuration as well as interior designs for all new cinema properties, and curating new cinema experiences as per the aspirations of the ever-evolving consumer.

Leadership Team (Contd.)

Arun Bhatia
Chief Human Resource & Corporate Affairs Officer

Arun Bhatia is a seasoned professional with a comprehensive experience spanning the hospitality and entertainment industries. He effortlessly performed many roles ranging from Operational Excellence, Corporate Affairs and Human Resource. Having spent 15 prolific years at INOX, Arun has played a significant role in Company's growth by showcasing futuristic foresight in decision making during his stint as Regional Director for the West Region.

Currently, handling the dual responsibilities of leading the Human Resources and the Corporate Affairs functions, Arun has been a catalyst in strategizing change management at INOX, especially during the COVID-19 impacted period. His people-centric approach and innovative leadership style has set high benchmarks in curating a dedicated and highly motivated work force.

A Hotel Management Graduate, Arun genuinely believes that happy and engaged People drive a good business performance. Arun also believes that an organization's ability to attract, retain, motivate and develop Talent determines its ability to compete and win in the market place.

He has worked with companies like Hyatt, Holiday Inn, Ramada Group in his stint with hospitality industry before joining INOX.

Corporate Information

Board of Directors

Mr. Pavan Kumar Jain
Chairman, Non-Executive Director

Mr. Vivek Kumar Jain
Non-Executive Director

Mr. Siddharth Jain
Non-Executive Director

Mr. Haigreve Khaitan
Independent Director

Mr. Amit Jatia
Independent Director

Ms. Girija Balakrishnan
Independent Director

Mr. Vishesh Chandiok
Independent Director

Key Managerial Personnel

Chief Executive Officer
Mr. Alok Tandon

Chief Financial Officer
Mr. Kailash B. Gupta

Company Secretary
Mr. Vishav Sethi

Auditors

M/s. Kulkarni and Company
Chartered Accountants
Firm Reg.No. 140959W
Flat No. B-401, 4th Floor, Sunit Riddhi Siddhi Apartment, S. No. 120A+B, Plot no. 545/2, Sinhgad Road,
Pune – 411030.
Telephone: 020-24250715

Registrar & Transfer Agent

KFin Technologies Limited (Formerly known as
"KFin Technologies Private Limited")

Selenium Tower-B, Plot No. – 31 & 32, Financial District, Nanakramguda,

Serilingampally Mandal,

Hyderabad – 500 032, Telangana

E-mail: einward.ris@kfintech.com

Registered & Corporate Office

INOX Leisure Limited

5th Floor, Viraj Towers, Next to Andheri Flyover, Western Express Highway, Andheri (E), Mumbai – 400 093

Website Address

www.inoxmovies.com

Email ID for Investors

investors@inoxmovies.com

Corporate Identification Number (CIN)

L92199MH1999PLC353754

Board Level Committees

Audit Committee

Mr. Haigreve Khaitan, Chairman
Mr. Amit Jatia, Member
Mr. Vishesh Chandiok, Member
Mr. Siddharth Jain, Member

Compensation, Nomination & Remuneration Committee

Mr. Haigreve Khaitan, Chairman
Mr. Amit Jatia, Member
Mr. Siddharth Jain, Member

Stakeholders' Relationship Committee

Mr. Siddharth Jain, Chairman
Mr. Pavan Kumar Jain, Member
Ms. Girija Balakrishnan, Member

Corporate Social Responsibility (CSR) Committee

Mr. Pavan Kumar Jain, Member
Mr. Siddharth Jain, Member
Mr. Haigreve Khaitan, Member

Risk Management Committee

Mr. Pavan Kumar Jain, Chairman
Mr. Siddharth Jain, Member
Ms. Girija Balakrishnan, Member
Mr. Alok Tandon, Member

Business Responsibility Report Committee

Mr. Pavan Kumar Jain, Member
Mr. Siddharth Jain, Member

ILL Committee of Board of Directors for Operations

Mr. Pavan Kumar Jain, Chairman
Mr. Siddharth Jain, Member
Mr. Haigreve Khaitan, Member

Committee of Independent Directors

(w.e.f. 27th March, 2022)
Mr. Haigreve Khaitan, Member
Mr. Amit Jatia, Member
Ms. Girija Balakrishnan, Member
Mr. Vishesh Chandiok, Member

NOTICE

INOX LEISURE LIMITED

(**CIN:** L92199MH1999PLC353754)
Regd. Office: 5th Floor, Viraj Towers, Next to Andheri Flyover, Western Express Highway,
Andheri (East), Mumbai – 400 093.
Telephone: 022 40626900 | **Website:** www.inoxmovies.com | **Email ID:** contact@inoxmovies.com

Notice is hereby given to the Members of **INOX Leisure Limited** that the Twenty-Third ANNUAL GENERAL MEETING of the Company will be held on Friday, 23rd September, 2022 at 12:00 noon through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements

To consider and adopt:

a. the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022, the reports of the Board of Directors and Independent Auditors thereon; and

b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022 and the report of the Independent Auditors thereon.

2. Re-appointment of Mr. Vivek Kumar Jain (DIN: 00029968) as a Director of the Company

To appoint a Director in place of Mr. Vivek Kumar Jain (DIN: 00029968), who retires by rotation and being eligible, offers himself for re-appointment.

3. Re-appointment of Statutory Auditors of the Company and to fix their remuneration

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time and as recommended by Audit Committee and Board of Directors of the Company, M/s Kulkarni and Company, Chartered Accountants (Firm's Registration No.: 140959W) be and is hereby re-appointed as Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years starting from the conclusion of this Annual General Meeting until the conclusion of the 28th Annual General Meeting of the Company at a remuneration (including reimbursement of actual out of pocket expenses) as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

By order of the Board of Directors
For INOX Leisure Limited

Vishav Sethi
Company Secretary & Compliance Officer

Place: Mumbai
Date: 3rd August, 2022

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 2/2022 dated 5th May, 2022 read together with General Circular Nos. 20/2020 dated 5th May, 2020, 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020 and 02/2021 dated 13th January, 2021, 19/2021 dated 8th December, 2021, and 21/2021 dated 14th December, 2021 (collectively referred to as 'MCA Circulars') have permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the "Act") (including any statutory modification or re-enactment thereof for the time being in force) read with rules made there under, as amended from time to time, read with MCA Circulars, SEBI Circular and pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended, the AGM of the Company is scheduled to be held on Friday, 23rd September, 2022, at 12:00 noon (IST) through VC/ OAVM.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**

3. In pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

4. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

5. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, is enclosed herewith and forms part of this Notice.

6. Information as required to be provided under the Secretarial Standard – 2 / Regulation 36(3) of the Listing Regulations, in respect of a Director being re-appointed is annexed hereto.

7. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM facility.

8. Corporate Members intending to appoint their authorised representatives pursuant to Section 113 of the Act, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Company at investors@inoxmovies.com.

9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

10. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Compensation, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.

11. In line with the MCA Circulars and SEBI Circular dated 13th May, 2022, the Notice of the AGM along with the Annual Report 2021–22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 23rd AGM along with the Annual Report 2021–22 has been uploaded on the website of the Company at www.inoxmovies.com under 'Investor Relations' section and may also be accessed on the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Notice is also available on the website of CDSL at www.evotingindia.com.

12. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at www.inoxmovies.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.

13. SEBI vide its notification dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical

shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Registrar and Share Transfer, for assistance in this regard.

14. In compliance with provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, Annual Report for Financial Year 2021–22 of your Company has been sent via Electronic Mode (E-mail) to the Members whose E-mail ID was made available to us by the Depositories. We request the Members to register / update their e-mail address with their Depository Participant, in case they have not already registered / updated the same. Members who are holding shares in physical form are requested to get their email address registered with the Registrar and Share Transfer Agents.

15. **Process for registering e-mail addresses to receive this Notice electronically and cast votes electronically:**

    A. For Members holding shares in Physical – please provide necessary details like Folio No., Name of Member, scanned copy of the Share Certificate (front and back), PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) by email to Company at investors@inoxmovies.com/ RTA at einward.ris@kfintech.com.

    B. For Members holding shares in Demat – please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) to Company at investors@inoxmovies.com / RTA at einward.ris@kfintech.com.

16. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014, as amended and Regulation 44 of the Listing Regulations, as amended and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a Member using remote e-Voting system as well as e-Voting during the AGM will be provided by CDSL.

17. In case of joint holders, 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 during the AGM.

18. Members will be provided with the facility for voting through electronic voting system during the VC / OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again.

19. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Friday, 16th September, 2022 (cut-off date) shall be entitled to avail the facility of remote e-Voting before as well as during the AGM.

    Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date should follow the same procedure of e-Voting as mentioned below.

20. Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below:

    A. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

    i. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under Shareholders/Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in Shareholder/Members login where the EVSN of the Company will be displayed.

    ii. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

    iii. Further, Shareholders will be required to allow Camera and use the Internet with a good speed to avoid any disturbances during the meeting.

    iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connected via Mobile Hotspot may experience Audio/Video loss due to Fluctuations in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

    v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@inoxmovies.com.

    vi. The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance atleast **7 days prior to**

meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@inoxmovies.com. These queries will be replied to by the Company suitably by email.

vii. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

B. **THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER**:

(i) The remote e-voting period will commence on Tuesday, 20th September, 2022 at 09:00 a.m. and ends on Thursday, 22nd September, 2022 at 05:00 p.m. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 16th September, 2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

(iv) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(v) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KFin/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL**	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(vi) Login method for e-Voting and joining virtual meeting for shareholders.

(vii) The Shareholders should log on to the e-voting website www.evotingindia.com.

(viii) Click on "Shareholders" tab.

(ix) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

(x) Next enter the Image Verification as displayed and Click on Login.

(xi) 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.

(xii) 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) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company at investors@inoxmovies.com / RTA at einward.ris@kfintech.com.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

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

(xiv) Members holding shares in physical form will then directly reach 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.

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

(xvi) Click on the EVSN for 'INOX LEISURE LIMITED'.

(xvii) 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.

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

(xix) 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.

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

(xxi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

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

(xxiii) **Facility for Non – Individual Shareholders and Custodians – Remote Voting**

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at investors@inoxmovies.com, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

C. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

i. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

ii. Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

iii. If any votes are cast by the Shareholders through the e-voting available during the AGM and if the same Shareholders have not participated in the meeting through VC/ OAVM facility, then the votes casted by such Shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the Shareholders attending the meeting.

iv. Shareholders who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

In case you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

21. The voting rights of Members shall be in proportion to their shares of the Paid - Up Equity Share Capital of the Company as on the cut-off date of Friday, 16th September, 2022. For all others who are not holding shares as on cut-off date and receive the Annual Report of the Company, the same is for their information.

22. Mr. Dhrumil M. Shah, Practicing Company Secretary (FCS: 8021; CP: 8978) and failing him Ms. Monica Momaya, Practicing Company Secretary (ACS: 62561; CP: 23319) have been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

23. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, 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 2 working days of the conclusion of the AGM, 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. The Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

24. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.inoxmovies.com and on the website of CDSL and communicated to the BSE Limited and National Stock Exchange of India Limited.

25. Members holding shares in physical form are requested to intimate Registrar and Transfer Agents of the Company viz., M/s. KFin Technologies Limited, Unit: INOX Leisure Limited, Selenium Building, Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingamapally, Hyderabad - 500 032, changes, if any, in their Bank details, registered address, Email ID, etc. along with their Pin Code in prescribed Form ISR-1 and other Forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P / CIR/2021/655 dated 3rd November, 2021. As required under the aforesaid SEBI Circular, the Company has sent letters to the Members for furnishing the required details. Members holding shares in electronic form may update such details with their respective Depository Participant. Further, Members may note that Securities and Exchange Board of India ('SEBI') has mandated the submission of PAN by every participant in the securities market.

26. Members desiring any relevant information on the accounts at the Annual General Meeting are requested to write to the Company Secretary at least seven days in advance, so as to enable the Company to keep the information ready.

27. Pursuant to provisions of Section 124 of the Companies Act, 2013, the total amount of interim dividend which remained unpaid or unclaimed were transferred to the Company's Unpaid Dividend Account 2019-20. Members

who have still not encashed or claimed the dividend declared in Financial Year 2019-20, are advised to write to the M/s. KFin Technologies Limited for claiming the same immediately at einward.ris@kfintech.com. The dividend which remains unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company. Members may visit the Company's website https://www.inoxmovies.com/Index.aspx for tracking details of any unclaimed amounts, pending transfer to IEPF.

Members whose unclaimed dividends/shares are/will be transferred to the IEPF Authority can claim the same by making an online application to the IEPF Authority in the prescribed Form No. IEPF-5 by following the refund procedure as detailed on the website of IEPF Authority http://www.iepf.gov.in/IEPF/refund.html.

28. Members holding shares in single name and in Physical form are advised to make nomination in respect of their shareholding in the Company.

29. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice and the Explanatory Statement will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. Friday, 23rd September, 2022. Members seeking to inspect such documents can send an email to investors@inoxmovies.com.

30. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting, by use of e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes through remote e-Voting facility.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (the "Act")

Item No. 3:

This explanatory statement is in terms of Regulation 36(5) of the SEBI Listing Regulations, however, the same is strictly not required as per Section 102 of the Act.

M/s. Kulkarni and Company, the Statutory Auditors of the Company, were appointed by Shareholders in Annual General Meeting held on 28th September, 2017 for a period of five years to hold office until the conclusion of 23rd Annual General Meeting of the Company.

After evaluating and considering various factors such as eligibility, competency in audit, industry experience, efficiency in conduct of audit, independence, etc, the Board of Directors of the Company based on the recommendation of the Audit Committee, at its meeting held on 3rd August, 2022, considered and proposed the re-appointment of M/s. Kulkarni and Company as Independent Statutory Auditors of the Company, for a period of five consecutive years starting from the conclusion of 23rd Annual General Meeting till the conclusion of 28th Annual General Meeting of the Company at a remuneration (including reimbursement of actual out of pocket expenses) as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors. Additionally the Company is in the process of merger with PVR Limited, hence any change/rotation of Statutory Auditors at this stage makes no difference.

Brief Profile of M/s. Kulkarni and Company:

"M/s. Kulkarni and Company, Chartered Accountants, Pune (Firm Registration No. 140959W), ("the Audit Firm"), is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India ("ICAI"). The firm is holding valid peer review certificate. The firm is providing the audit and assurance services to its clients."

M/s. Kulkarni and Company, have consented to the said re-appointment and confirmed that their re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be re-appointed as independent auditors in terms of the provisions of the Section 139 and Section 141 of the Act read with the provisions of the Companies (Audit and Auditors) Rules, 2014. Further, M/s. Kulkarni and Company, have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the Listing Regulations.

None of the Directors/ Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members.

Annexure A

Information as required pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), in respect of Directors seeking appointment / reappointment / revision in remuneration at the Annual General Meeting.

Name of the Director	**Mr. Vivek Kumar Jain**
Item No.	**2**
Brief Resume	Mr. Vivek Kumar Jain has over 37 years of business experience. He graduated in Economics from St. Stephens, New Delhi, and did his post-graduation in business administration from IIM, Ahmedabad, where he specialized in Finance. He is currently the Managing Director of Gujarat Fluorochemicals Limited and has grown the Company to be the country's largest manufacturer and exporter of refrigerant gases.
Date of Birth	30th August, 1955
Age	67 Years
Date of first Appointment on the Board	09/11/1999
Directors Identification Number	00029968
Qualification	Mr. Vivek Kumar Jain graduated in Economics from St. Stephens, New Delhi, and did his post-graduation in business administration from IIM, Ahmedabad, where he specialized in Finance.
Experience / Expertise in Specific Functional Area	Mr. Vivek Kumar Jain is a Non-executive Director of our Company. He has been a director on our Board since November 9, 1999. He holds a master's degree in management from Indian Institute of Management, Ahmedabad. He is currently on the board of directors of various companies including INOX Leasing and Finance Limited, INOX Wind Energy Limited, Gujarat Fluorochemicals Limited etc.
Directorships held in other Companies as on 31st March, 2022	1. INOX Leasing and Finance Limited 2. Gujarat Flourochemicals Limited 3. INOX Wind Energy Limited 4. Devansh Gases Private Limited 5. Rajni Farms Private Limited 6. GFCL EV Products Limited 7. GFCL Solar & Green Hydrogen Products Limited
Membership / Chairmanship of Committees of other Public Companies as on 31st March, 2022	1. Gujarat Flurochemicals Limited: Member of Stakeholders Relationship Committee, Committee of Directors for Operations, Corporate Social Responsibility Committee, Audit Committee and Chairman of Risk Management Committee 2. INOX Leasing and Finance Limited: Member of Share Transfer & Stakeholders Relationship Committee and CSR Committee 3. INOX Wind Energy Limited: Member and Chairman of Stakeholders Relationship Committee and Committee of Board of Directors for Operations.
The number of Meetings of the Board attended during the year	1 out of 6
Remuneration last drawn	₹ 0.20 Lakhs by way of sitting fees.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. Pavan Kumar Jain and Mr. Vivek Kumar Jain are brothers. Mr. Vivek Kumar Jain is the uncle of Mr. Siddharth Jain.
Shareholding in the Company as on 31st March, 2022	6,40,445 Equity Shares

By order of the Board of Directors
For INOX Leisure Limited

Vishav Sethi
Company Secretary & Compliance Officer

Place: Mumbai
Date: 3rd August, 2022

Registered Office:
5th Floor, Viraj Towers, Next to Andheri Flyover
Western Express Highway, Andheri (East)
Mumbai – 400 093.

BOARD'S REPORT

Board's Report

To the Members of

INOX Leisure Limited

Your Directors take pleasure in presenting to you their Twenty-third Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2022.

1. FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2021-22	2020-21	2021-22	2020-21
Income				
Revenue from operations	67,787.34	9,874.56	67,787.34	9,874.56
Other operating Income	606.47	718.57	606.47	718.57
Total Income from Operations	**68,393.81**	**10,593.13**	**68,393.81**	**10,593.13**
Less: Total Expenses	76,109.26	33,936.88	76,097.91	33,935.24
Profit/Loss from operations before Other Income and Finance Cost and Exceptional Items	**(7,715.45)**	**(23,343.75)**	**(7,704.10)**	**(23,342.11)**
Add: Other Income	2,183.53	4,226.38	2,181.80	4.223.88
Profit/ Loss from operations after Other Income and before Finance Cost and Exceptional Items	**(5,531.92)**	**(19,117.37)**	**(5,522.30)**	**(19,118.23)**
Less: Finance Costs	25,799.20	25,109.82	25,799.20	25,109.82
Profit/ Loss before exceptional items and tax	**(31,331.12)**	**(44,227.19)**	**(31,321.50)**	**(44,228.05)**
Add/(Less): Exceptional items	-	408.11	-	408.11
Profit/Loss from ordinary activity before Taxation	**(31,331.12)**	**(44,635.30)**	**(31,321.50)**	**(44,636.16)**
Tax Expense:				
Current tax	-	-	-	-
Deferred tax	(7,798.93)	(10,689.76)	(7,798.93)	(10,689.76)
Taxation pertaining to earlier years	411.11	(180.05)	411.11	(180.72)
Net Profit/ Loss for the year	**(23,943.30)**	**(33,765.49)**	**(23,933.68)**	**(33,765.68)**
Profit/Loss for the year attributable to:				
Equity holders of the Parent	(23,943.30)	(33,765.48)	-	-
Non-controlling interests	-*	(0.01)	-	-
	(23,943.30)	**(33,765.49)**	**-**	**-**
Other Comprehensive Income				
A) Items that will not be reclassified to Profit & Loss				
(i) Remeasurement of the defined benefit plans	125.77	170.40	125.77	170.40
(ii) Tax on above	(31.65)	(42.89)	(31.65)	(42.89)
Total Other Comprehensive Income	**94.12**	**127.51**	**94.12**	**127.51**
Total Comprehensive Income for the year comprising Profit/(Loss) & Other Comprehensive Income	**(23,849.18)**	**(33,637.98)**	**(23,839.56)**	**(33,638.17)**
Profit/(Loss) brought forward from earlier year/s	**(24,983.79)**	**8,654.18**	**(25,482.27)**	**8,155.90**
On account of change in non-controlling interest	(0.39)	-	-	-
Balance Carried forward to Balance Sheet	**(48,833.36)**	**(24,983.79)**	**(49,321.83)**	**(25,482.27)**

* Amount less then ₹ 0.01 Lakhs

During the year under review, 8 Multiplex Cinema Theatres with 32 screens were added. Accordingly, the Multiplex Cinema Theatres of your Company stands at 160 Multiplexes with 675 screens and 1,52,173 seats across India as on 31st March, 2022.

Detailed analysis of the Financial Performance of the Company has been given in the Management Discussion and Analysis annexed to this Report.

2. CONSOLIDATED FINANCIAL STATEMENTS

As per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules issued thereunder, the Consolidated Financial Statements of the Company for the Financial Year 2021-22, have been prepared in compliance with applicable Accounting Standards and on the basis of Audited Financial Statements of the Company and its subsidiary company, as approved by the respective Board of Directors.

The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report. The Audited Standalone and Consolidated Financial Statements for the Financial Year 2021-22 shall be laid before the Annual General Meeting for approval of the Members of the Company.

3. DIVIDEND

With a view to conserve resources for future operations and growth, the Board has not recommended any dividend for Financial Year 2021-22.

In accordance with Regulation 43A of the Listing Regulations, the Company has formulated a 'Dividend Distribution Policy' and details of the same have been uploaded on the Company's website https://www.inoxmovies.com/Corporate.aspx?Section=3.

Unclaimed Dividend:

The Board of Directors at their meeting held on 23rd October, 2019, had declared interim dividend of ₹ 1/- per Equity Share of ₹ 10/- each for the Financial Year 2019-20. The interim dividend was paid to the shareholders holding shares as on Record Date i.e. 5th November, 2019.

Pursuant to provisions of Section 124 of the Companies Act, 2013 ("Act"), the total amount of interim dividend which remained unpaid or unclaimed were transferred to the Company's separate bank account opened in the name of "Unpaid Dividend Account 2019-20 INOX Leisure Limited", on 25th November, 2019.

As on 31st March, 2022, an amount of ₹ 1,44,421/- remained unclaimed in the Unpaid Dividend Account of the Company.

Members who have not claimed the dividend for FY 2019-20, are advised to write to the Nodal Officer of the Company at vishav.sethi@inoxmovies.com.

Investor Education and Protection Fund:

During the year under review, the Company in compliance with section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, has transferred 7526 Equity Shares to the Investor Education and Protection Fund Authority.

4. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to General Reserves.

5. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Mr. Vivek Kumar Jain (00029968), who retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other required details forms part of the Notice of Annual General Meeting.

During the year under review, there were no changes in the KMP of the Company. The Board of Directors of the Company at its meeting held on 2nd May, 2022 has appointed Mr. Vishav Sethi as a Company Secretary and Compliance Officer w.e.f 3rd May, 2022 in place of Mr. Parthasarathy Iyengar, who has resigned w.e.f close of working hours on 2nd May, 2022.

6. MAJOR EVENTS/MATERIAL CHANGES OCCURRED DURING THE YEAR AND TILL THE DATE OF THIS REPORT

COVID-19 Impact:

Due to the COVID-19 pandemic, the cinema exhibition sector continued to be either under complete or partial lockdown or operated under numerous restrictions, which adversely impacted the cinema exhibition industry and consequently the business activities of the Company were affected during the year under review. July 2021 onwards, various State Governments started easing the lockdown norms, which allowed the cinema exhibition sector to resume operations, slowly and gradually, while assigning topmost priority to guest health and safety. Subsequently, the industry started witnessing a healthy availability of fresh content in the form of new movies in Hindi, English and other regional languages, which led to a significant recovery and an improved financial performance towards the end of the financial year.

The Company has implemented various measures to ensure complete safety of its employees as well as customers, details of which are provided under the Management Discussion and Analysis Report forming part of this Annual Report.

Merger of INOX Leisure Limited with PVR Limited:

The Board of Directors of the Company at its meeting held on 27th March, 2022, approved a draft Scheme of Amalgamation of INOX Leisure Limited ("Company" or "Transferor Company") with PVR Limited ("Transferee Company") and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013 and other applicable laws including the rules and regulations ("the Scheme"). The Scheme is subject to the receipt of requisite approvals, including approvals from the respective jurisdictional Hon'ble National Company Law Tribunal (Hon'ble NCLT), SEBI, BSE Limited and the National Stock Exchange of India Limited and such other approvals, permissions, and sanctions of regulatory and other authorities as may be necessary. As per the Scheme, the appointed date for the amalgamation is the effective date of the Scheme, or such other date as may be mutually agreed by the Transferor Company and Transferee Company.

The Company has received observation letter with "no adverse observations" dated 20th June, 2022 from BSE Limited and observation letter with "no objection" dated 21st June, 2022 from National Stock Exchange of India Limited in relation to the Scheme of Amalgamation. The Company has filed necessary application with the Hon'ble NCLT, Mumbai.

Qualified Institutional Placement (QIP):

During the year under review, the ILL Committee of the Board of Directors for Operations ("Committee") at its meeting held on 11th June, 2021, approved the issue and allotment of 96,77,419 Equity Shares to eligible qualified institutional buyers at an issue price of ₹ 310 per Equity Share (including a premium of ₹ 300 per Equity Share), aggregating to approximately ₹ 30,000 lakh. Further, please refer Note No. 47 to the Standalone Financial Statements of the Company for the details of utilisation of funds as specified under Regulations 32 (7A) of Listing Regulations.

Pursuant to the Regulation 32(1) of the Listing Regulations there is no deviation/ variation in the utilization of proceeds as mentioned in the objects stated in the placement document of Qualified Institutional Placement.

In terms of SEBI Circular No. CIR/CFD/CMD1/162/2019 dated 24th December, 2019, the Company had submitted the Statement of Nil Deviation or Variation to the Stock Exchanges within prescribed time.

Merger of Shouri Properties Private Limited (SPPL), a wholly owned subsidiary with INOX Leisure Limited:

At the meeting of the Board of Directors of the Company held on 21st January, 2022, the Board has approved the draft Scheme of Amalgamation (Merger by Absorption) ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 ("the Act") and relevant applicable sections of the act for amalgamation of SPPL with the INOX Leisure Limited subject to approval of the Scheme by the Shareholders, Creditors of the respective Companies (if required), Hon'ble National Company Law Tribunal, Bench at Mumbai (NCLT Mumbai) and subject to approval of any other statutory authorities as may be required. Once sanctioned, the Scheme will be effective from the Appointed Date i.e., 1st February, 2022.

The NCLT Mumbai vide its order dated 6th May, 2022 had dispensed with the requirement to hold the meeting of shareholders and creditors of both the companies. The Company has filed a petition with NCLT Mumbai for approval of the amalgamation of SPPL with Company.

7. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2022 is ₹ 122,33,90,940/- comprising of 12,23,39,094 Equity Shares of ₹ 10/- each. During the year under review, the Company has issued and allotted 96,77,419 Equity Shares pursuant to Qualified Institutional Placement.

8. NOMINATION & REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company is annexed to this report as **Annexure- A**. The Policy is also available on the website of the Company at https://www.inoxmovies.com/Corporate.aspx?Section=3.

9. DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Section 149 (6) of the Act read with the Schedules and Rules issued thereunder as well as Regulation 16 of Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). There has been no change in the circumstances affecting their status as Independent Directors of the Company. Further, all Independent Directors of the Company have registered their names in the Independent Directors' Data bank.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Act.

10. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Details of Familiarisation Programme for Independent Directors is given in the Corporate Governance Report, which forms part of this Annual Report.

11. PERFORMANCE EVALUATION

Performance Evaluation forms containing criteria for evaluation of Board as a whole, Committees of the Board and individual Directors and Chairperson of the Company were sent to all the Directors with a request to provide their feedback to the Company on the Annual Performance Evaluation of Board as a whole, Committees of Board, Individual Directors & Chairperson of the Company for the Financial Year 2021-22. Further, based on the feedback received by the Company, the Compensation, Nomination and Remuneration Committee ("CNR Committee") at its Meeting held on 2nd March, 2022 had noted that Annual Performance of each of the Directors including Chairman is highly satisfactory and decided to continue the terms of appointment of all the Independent Directors of the Company.

12. MEETINGS OF THE BOARD

During the year under review, the Board met 6 (Six) times and details of Board Meetings held are given in the Corporate Governance Report. The intervening gap between the two Meetings were within the time limit prescribed under Section 173 of the Act read with Regulation 17 (2) of the Listing Regulations.

13. AUDIT COMMITTEE

The Composition of Audit Committee is disclosed in the Corporate Governance Report which forms part of this Annual Report.

The Board accepted all the recommendations made by Audit Committee during the year.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm:

i. That in preparation of the Annual Accounts for the financial year ended 31st March, 2022, the applicable Accounting Standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;

ii. That such Accounting Policies have been selected and applied by them consistently and made judgments and estimates that are 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 and Loss of the Company for that period;

iii. That proper and sufficient care has been taken by them 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;

iv. That the Annual Accounts have been prepared by them on a going concern basis;

v. That they have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and

vi. That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company has complied with the provisions of Section 186 of the Act in respect of investments made and guarantees provided. The Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Act and the Company has not provided any security as specified under Section 186 of the Act. Please refer to Note nos. 8, 9, 41 and 44 to the Standalone Financial Statements of the Company.

16. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All Contracts /Arrangements /Transactions entered by the Company during the year under review with Related Parties are approved by the Audit Committee and/or Board, as per the provisions of Section 188 of the Act read with the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Listing Regulations.

The Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board may be accessed on the Company's Website at the link https://www.inoxmovies.com/Corporate.aspx?Section=3.

All transactions entered with Related Parties for the year under review were on arm's length basis. Further, there are no material related party transactions during the year under review with any Related Party. Hence, disclosure in Form AOC-2 is not required to be annexed to this Report.

17. DEPOSITS

During the year under review, the Company has not accepted any deposits covered under Chapter V of the Act.

18. SUBSIDIARY COMPANY

Shouri Properties Private Limited

As on 31st March, 2022, Shouri Properties Private Limited (SPPL) is a wholly owned subsidiary of the Company. SPPL is engaged in the business of operating a multiplex cinema theatre.

During the year under review, the Company has acquired the balance 0.71% shares in SPPL and accordingly, SPPL has become a wholly owned subsidiary of the Company with effect from 20th January, 2022.

A separate statement containing the salient features of financial statements of subsidiary of the Company forms part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013. In accordance with Section 136 of the Companies Act, 2013, the financial statements of the subsidiary company are available for inspection by the Members on the website of the Company. The financial statements including the consolidated financial statements, financial statements of subsidiary and all other documents required to be attached to this report have been uploaded on the website of the Company https://www.inoxmovies.com/Corporate.aspx?Section=3

The Company has formulated a policy for determining material subsidiaries. The policy may be accessed on the website of the Company https://www.inoxmovies.com/Corporate.aspx?Section=3

The Report on the highlights of performance and financial position of the Subsidiary of the Company in Form no. AOC-1 pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 and Rule 5 of Companies (Accounts) Rules, 2014 along with the contribution of the Subsidiary Company to overall performance of the Company during the year in terms of Rule 8 of Companies (Accounts) Rules, 2014 is annexed to this Report as **Annexure – B**.

19. INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls commensurate with its size and nature of its business. The Board has reviewed internal financial controls of the Company and the Audit Committee monitors the same in consultation with Internal Auditors of the Company and these are tested independently by M/s. Deloitte Touche Tohmatsu India LLP, Chartered Accountants, Internal Auditors of the Company.

20. INDEPENDENT AUDITOR'S REPORT

There are no reservations, qualifications or adverse remarks in the Independent Auditor's Report. The notes forming part of the accounts are self-explanatory and do not call for any further clarifications under Section 134 (3)(f) of the Act.

21. INDEPENDENT AUDITORS

The Members of the Company, at their eighteenth Annual General Meeting (AGM) held on 28th September, 2017 had appointed M/s. Kulkarni and Company, (Firm Registration No.: 140959W), Chartered Accountants, Pune as Independent Auditors of the Company from the conclusion of the eighteenth AGM till the conclusion of the twenty-third AGM of the Company. The first tenure of a period of five years of the Independent Auditors shall be completed on the conclusion of the ensuing AGM of the Company.

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Board of Directors on recommendation of the Audit Committee and subject to Shareholders' approval, recommended the re-appointment of M/s. Kulkarni and Company, (Firm Registration No.: 140959W), Chartered Accountants, Pune as Statutory Auditors of the Company for a term of Five consecutive years, starting from the conclusion of ensuing 23rd Annual General Meeting till the conclusion of 28th Annual General Meeting of the Company at a remuneration (including reimbursement of actual out of pocket expenses) as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Consent cum eligibility certificate has been received from M/s. Kulkarni and Company to the effect that their appointment as Independent Statutory Auditors of the Company, if appointed at ensuing Annual General Meeting, would be according to the terms and conditions prescribed under Section 139 of the Act and Rules framed there under. A resolution seeking their re-appointment forms part of the Notice convening the twenty-third Annual General Meeting and the same is recommended for your consideration and approval.

22. COST AUDITORS

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is not required to maintain cost records. Accordingly, the Company is not required to appoint the Cost Auditors for the Financial Year 2021 – 22.

23. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Dhrumil M. Shah & Co., Practising Company Secretaries to conduct Secretarial Audit of the Company. The Secretarial Audit Report given by M/s. Dhrumil M. Shah & Co., Practising Company Secretaries in Form No. MR-3 is annexed to this Report at **Annexure – C**.

There is no qualification in the Secretarial Audit Report submitted by M/s. Dhrumil M. Shah & Co., Practising Company Secretaries to the Company.

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

24. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors and Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or the Board of Directors under Section 143 (12) of the Act, including rules made thereunder.

25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Listing Regulations is presented in a separate Section forming part of this Annual Report.

26. CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 of the Listing Regulations, Corporate Governance Report and Auditor's Certificate regarding compliance of conditions of Corporate Governance is annexed to this report.

In compliance with the requirements of Regulation 17 (8) of the Listing Regulations, a Certificate from the Chief Executive Officer and Chief Financial Officer of the Company was placed before the Board.

All the Board Members and Senior Management Personnel of the Company had affirmed compliance with the Code of Conduct for Board and Senior Management Personnel. A declaration to this effect duly signed by the Chief Executive Officer is enclosed as a part of the Corporate Governance Report.

27. BUSINESS RESPONSIBILITY REPORT

A Business Responsibility Report as per Regulation 34 of the Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and governance front forms an integral part of this report. The said report is available on the website of the Company at https://www.inoxmovies.com/Corporate.aspx?Section=3.

28. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return of the Company in Form MGT-7 as on 31st March, 2022 can be accessed on the Company's website at https://www.inoxmovies.com/Corporate.aspx?Section=3

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

Information in respect of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to Section 134 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, in the manner prescribed is annexed to this Report at **Annexure – D**.

30. EMPLOYEE STOCK OPTION SCHEME

During the year under review, Compensation, Nomination and Remuneration Committee at its meeting held on 1st June, 2021, has granted 1,47,500 Stock Options to the eligible employees of the Company under the Employee Stock Option Scheme ("Scheme"). Further, 28,750 options were exercised by the eligible employees during the relevant year and shares were transferred to the respective accounts of the employees pursuant to the exercise of options under the Company's Scheme. There are no changes in the Scheme and the Scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

During the year ended 31st March, 2006, the Company had issued 500,000 equity shares of ₹ 10 each at a premium of ₹ 5 per share to INOX Leisure Limited – Employees' Welfare Trust ("ESOP Trust") to be transferred to the employees of the Company under the scheme framed by the Company in this regard. Each share option converts into one equity share of the Company on exercise. The options are granted at an exercise price of ₹ 15 per option. The option carry neither rights to dividends nor voting rights. The options granted are required to be exercised within a period of one year from the date of vesting of the respective options.

The disclosures as required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 have been disclosed on the website of the Company and the same can be viewed at https://www.inoxmovies.com/ Corporate.aspx?Section=3.

A certificate from Secretarial Auditors, with respect to implementation of the Company's Employee Stock Option Scheme will be placed at the ensuing AGM for inspection by the Members electronically.

31. PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197 (12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report at **Annexure – E**.

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company up to the date of the 23rd Annual General Meeting.

32. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility (CSR) Committee of the Company comprises of Mr. Haigreve Khaitan, Independent Director, Mr. Pavan Kumar Jain and Mr. Siddharth Jain, Non-Executive Directors of the Company. The CSR Policy of the Company is disclosed on the website of the Company which can be viewed at https://www.inoxmovies.com/Corporate.aspx?Section=3.

The report on CSR activities as per Companies (Corporate Social Responsibility) Rules, 2014 is annexed to this Report at **Annexure – F**.

33. INSURANCE

The Company's property and assets have been adequately insured.

34. RISK MANAGEMENT

The Board of Directors of the Company at its Meeting held on 31st October, 2017 have approved Enterprise Risk Management (ERM) of the Company which is derived from COSO ERM – Aligning Risk with Strategy and Performance 2016 (Draft) framework established by Committee of sponsoring organizations. ERM is "The culture, capabilities, and practices, integrated with strategy-setting and its execution, that organizations rely on to manage risk in creating, preserving, and realizing value". ERM ensures that all the current and future material risk exposures are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management. The Company has, therefore, adopted residual risk approach and the Board of Directors at its Meeting held on 2nd May, 2022 have approved Enterprise Risk Register, Risk Reporting and its Monitoring system. In the Board's view, there are no material risks, which may threaten the existence of the Company. For further details, please refer to the Management Discussion and Analysis Report annexed to this report.

35. VIGIL MECHANISM

The Company has established a vigil mechanism vide its Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.

The details of the policy have been disclosed on the Company's website at https://www.inoxmovies.com/Corporate.aspx?Section=3.

36. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at work place in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company has formed Internal Complaints Committee to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The following is the summary of sexual harassment complaints received and disposed off during the year 2021-22:

Number of complaints pending as on 1st April, 2021	01
Number of complaints received during the year	05
Number of complaints disposed off during the year	06
Number of complaints pending as on 31st March, 2022	Nil

37. CREDIT RATING

The details of Credit Rating(s) are disclosed in the Corporate Governance Report forming part of this Annual Report.

38. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

39. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of the business of your Company during the financial year.

40. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the period under review, the Company has not made any application or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

41. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the period under review, the Company has not made any such valuation.

42. ACKNOWLEDGEMENT

Your Directors express their gratitude to all other external agencies for the assistance, co-operation and guidance received. Your Directors place on record their deep sense of appreciation for the dedicated services rendered by the workforce of the Company.

By Order of the Board of Directors

Place: Mumbai
Date: 3rd August, 2022

Pavan Kumar Jain
Chairman
(DIN: 00030098)

Annexure – A

Nomination and Remuneration Policy

1. Preface

a. The present Human Resource Policy of the Company considers human resources as its invaluable assets and has its objective the payment of remuneration to all its employees appropriate to employees' role and responsibilities and the Company's goals based on the performance of each of its employees in the Company.

b. This Nomination and Remuneration Policy (NR Policy) has been formulated, inter alia, for nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees of INOX Leisure Limited (hereinafter referred to as the Company), in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and Listing Agreement.

2. Objectives of this Nomination and Remuneration Policy

a. To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down by CNR Committee and recommend to the Board their appointment and removal.

b. To lay down criteria to carry out evaluation of every Director's performance.

c. To formulate criteria for determining qualification, positive attributes and Independence of a Director;

d. To determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, KMP, Senior Management Personnel & other employees to work towards the long term growth and success of the Company.

3. Definitions

a. "Board" means the Board of Directors of the Company.

b. "Directors" means the Directors of the Company.

c. "CNR Committee" means the Compensation, Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time.

d. "Company" means INOX Leisure Limited.

e. "Key Managerial Personnel"(KMP) means

- Managing Director; or Chief Executive Officer; or Manager and in their absence, a Whole-time Director;
- Company Secretary;
- Chief Financial Officer

f. "Senior Management Personnel" means, the personnel of the Company who are members of its core management team excluding Board of Directors and KMPs, comprising of all members of management on level below the Executive Directors including the functional heads.

g. "Other employees" means, all the employees other than the Directors, KMPs and the Senior Management Personnel.

4. Nomination and Remuneration Policy

Nomination and Remuneration Policy is divided into three parts as follows:

I. Qualifications

Criteria for identifying persons who are qualified to be appointed as a Directors / KMP /Senior Management Personnel of the Company:

a. Directors

Section 164 of the Companies Act, 2013 states disqualifications for appointment of any person to become Director of any Company. Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

b. Independent Directors

For appointing any person as an Independent Director he/she should possess qualifications as mentioned in Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014.

c. Senior Management Personnel and KMP and Other Employees

The Company has an Organogram displaying positions of Senior Management including KMP and other positions with the minimum qualifications and experience requirements for each positions which commensurate with the size of its business and the nature and complexity of its operations. Any new recruit in the Company is to match the requirements prescribed in the Organogram of the Company.

II. Remuneration

a. Structure of Remuneration for the Managing Director, Key Managerial Personnel and Senior Management Personnel

The Managing Director, Key Managerial Personnel and Senior Management Personnel (other than Non-executive Directors) receive Basic Salary and other Perquisites. The Perquisites include other allowances. The total salary includes fixed and variable components.

The Company's policy is that the total fixed salary should be fair and reasonable after taking into account the following factors:

- The scope of duties, the role and nature of responsibilities
- The level of skill, knowledge and experience of individual
- Core performance requirements and expectations of individuals
- The Company's performance and strategy
- Legal and industrial Obligations

The table below depicts the standard components of remuneration package

Fixed Component		
Basic Salary	Allowances	Superannuation

b. Structure of Remuneration for Non-executive Director

Non-executive Directors are remunerated to recognize responsibilities, accountability and associated risks of Directors. The total remuneration of Non-executive Directors may include all, or any combination of following elements:

i. Fees for attending meeting of the Board of Directors as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.

ii. Fees for attending meetings of Committees of the Board which remunerate Directors for additional work on Board Committee as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.

iii. Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and decided by the Board from time to time to be payable to any of the Non-executive Director.

iv. Non-Executive Directors are entitled to be paid all traveling and other expenses they incur for attending to the Company's affairs, including attending and returning from General Meetings of the Company or Meetings of the Board of Directors or Committee of Directors.

v. Remuneration by way of professional fees to the non-executive Directors who, in the opinion of the CNR Committee, possesses the requisite qualifications for the practice of the profession, for providing professional services to the Company.

Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders' at the Annual General Meeting by special resolution and/or of the Central Government, as may be applicable.

c. Structure of Remuneration for Other Employees

The power to decide structure of remuneration for other employees has been delegated to HR Department of the Company.

III. Evaluation

a. Criteria for evaluating Non-executive Board Members:

Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act states that the Independent Directors shall at its separate meeting review performance of non-independent directors and the Board as a whole and the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

b. **Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel**

Criteria for evaluating performance of KMP and Senior Management Personnel shall be as per the HR Guideline on Performance Management System and Development Plan of the Company.

c. **Criteria for evaluating performance of Other Employees**

The power to decide criteria for evaluating performance of Other Employees has been delegated to HR Department of the Company.

5. Communication of this Policy

For all Directors, a copy of this Policy shall be handed over within one month from the date of approval by the Board. This Policy shall also be posted on the website of the Company and in the Annual Report of the Company.

6. Amendment

Any change in the Policy shall, on recommendation of CNR Committee, be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time and the decision of the Board in this respect shall be final and binding.

The Nomination and Remuneration Policy is placed on the website of the Company and web link is https://www.inoxmovies.com/Corporate.aspx?Section=3.

Annexure – B

FORM AOC-1

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

Part A – Subsidiary

(₹ in Lakhs)

Particulars	Name of Subsidiary Company
	Shouri Properties Private Limited
The date of acquisition of subsidiary	24th November, 2014
Reporting period, if different from the holding Company	Not Applicable
Reporting currency and exchange rate as on the last date of the relevant Financial Year in case of foreign subsidiaries	Not Applicable
Share Capital	141.00
Other Equity	(56.11)
Total Assets	1,417.33
Total Liabilities	1,332.44
Investments	31.87
Turnover	58.24
Loss before taxation	(0.06)
Provision for taxation	Nil
Loss for the year	(0.06)
Proposed Dividend	Nil
% of Shareholding	100%
Name of subsidiaries which are yet to commence operations:	Nil
Names of subsidiaries which have been liquidated or sold during the year:	Nil

Part B – Associates and Joint Ventures – Not Applicable

Name of associates or joint ventures which are yet to commence operations	Nil
Names of associates or joint ventures which have been liquidated or sold during the year	Nil

Contribution of each of the subsidiary to the overall performance of the Company.

Particulars	Name of Subsidiary Company
	Shouri Properties Private Limited
Total Revenues contribution (%)	0.25
EBIDTA contribution (%)	0.49
Net Profit Contribution (%)	*
Gross Block contribution (%)	Nil
Net Worth contribution (%)	0.12

* Less then 0.01%

Annexure – C

FORM NO MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014]

To,
The Members,
INOX LEISURE LIMITED
5th Floor, Viraj Towers, Next to Andheri Flyover,
Western Express Highway, Andheri (East),
Mumbai – 400093, Maharashtra, India.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INOX LEISURE 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 Company'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 **March 31, 2022** 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 **March 31, 2022** according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made there under.

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under.

iii) The Depositories Act, 1996 and the Regulations and Bye laws framed there under.

iv) Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made there under to the extent of Foreign Direct Investment and overseas Direct Investment.

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

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

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

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

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. 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;

   f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - **Not Applicable during the financial year under review.**

   g. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; – **Not Applicable during the financial year under review.**

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

   i. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and

   j. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, The Securities and Exchange Board of India (Issue and Listing of Non – Convertible Redeemable Preference Shares) Regulations, 2013 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; – **Not Applicable during the financial year under review.**

vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:-

a) The Cinematograph Act, 1952 and the Rules and Regulations made thereunder;

b) Food Safety and Standards Act, 2006 and the Rules and Regulations made thereunder

I have also examined compliance with the applicable clauses / regulations of the followings:

i. All applicable and approved Secretarial Standards as issued by The Institute of Company Secretaries of India;

ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with Securities and Exchange Board of India (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. as mentioned above.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review;
- Adequate notice is given to all the Directors to schedule the Board Meetings, 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 clarification on the Agenda items before the meeting and for meaningful participation at the meeting;
- As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;
- There are adequate systems and processes in the Company commensurate with the size and Operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines;
- The following event has occurred during the year which has a major bearing on the company's affairs in pursuance of the Laws, Rules, Regulations, Guidelines Standards etc. referred to above:-

i) The Company has raised Rs. 300 crores through qualified institutional placement in accordance with the applicable laws.

ii) The Company has granted 1,47,500 options to the eligible employees under ILL Employee Stock Option Scheme 2006.

iii) The Board of Directors of the Company vide its meeting dated 21st January 2022 had approved subject to requisite approvals/consents, a scheme of merger of Shouri Properties Private Limited (Wholly owned Subsidiary Company) ("Transferor Company") with INOX Leisure Limited ("Transferee Company").

iv) The Board of Directors of the Company vide its meeting dated 27th March 2022 had approved Draft Scheme of Amalgamation of the Company with PVR Limited ("Transferee Company") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ("Scheme") and other applicable laws including the rules and regulations ("the Scheme"). The Scheme is subject to the receipt of requisite approvals, including approvals from the respective jurisdictional Hon'ble National Company Law Tribunal (Hon'ble NCLT), SEBI, BSE Limited and the National Stock Exchange of India Limited and such other approvals, permissions, and sanctions of regulatory and other authorities.

For Dhrumil M Shah & Co.
UDIN. F008021D000712560

Dhrumil M Shah
Practising Company Secretary
C.P. No. 8978 & FCS No. 8021
PR No. 995/2020

Place: Mumbai
Date: 03rd August, 2022

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

Annexure I

(To the Secretarial Audit Report)

To,
The Members,
INOX LEISURE LIMITED

My report of even date is to be read along with this letter:

1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.

2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.

6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Dhrumil M Shah & Co.
UDIN. F008021D000712560

Dhrumil M Shah
Practising Company Secretary
C.P. No. 8978 & FCS No. 8021
PR No. 995/2020

Place: Mumbai
Date: 03rd August, 2022

Annexure – D

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to Section 134 of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, the Company has taken the following energy conservation measures during the year to reduce the Carbon Footprints:

(A) Conservation of energy-

Steps taken or impact on conservation of energy:

1. The Company regularly conducts training and familiarization sessions for the Staff on ways to reduce energy wastage and conservation.
2. The Company has been using urinal flush sensors and automatic sensor faucet in all its properties, which helps in reducing water consumption.
3. LED retrofitting has been done at the existing and new multiplex cinema theatres of the Company, which helps in reducing energy consumption.
4. Old AHU Fans and motors were replaced with new energy efficient EC Fans and Motors at 17 sites in phase-1, 8 sites in phase 2 and 13 sites in phase 3. The Company has also proposed to install permanent magnet motors fan units with an efficiency of 95% to save minimum 30% of energy on AHU consumption.
5. The Company has Installed ATCON system for DX unit to optimize the operation of compressors, resulting reduction in energy consumption.
6. Power factor is being maintained with the use of capacitor banks and auto power factor correction meter(s). These capacitor banks are used to neutralize the inductive current by providing capacitive current. As a result, the power factor improves and the Company gets rebate as may be applicable on energy bills from electricity distribution companies. The overall current consumption from the equipment has also reduced which leads to increase life cycle of the equipment like Motors and Heaters.
7. Eco-friendly renewable source of electricity generated by windmill is being used at INOX Race Course Vadodara, INOX Anand, INOX Crystal Jamnagar and INOX Shree Rang Palace Bharuch.
8. Timers are being used to optimize the operational hours of lighting including other load within the premises. Timers are also installed for the common area lightings and signages, AHU (Air Handling Units) which can precisely control the operation hours of AHU according to the schedule of the movies. Same process is being standardized for all upcoming multiplexes.
9. The Company has successfully installed Variable Frequency Drive (VFD) for AHU motors in most of the Multiplexes. This helps the company to control the speed of AHU motor as per the temperature and the occupancy. It helps to optimize energy consumption for Air conditioning system.
10. We have installed Organic Waste Converter at INOX GOA GMC to make Manure out of biodegradable food waste being generated.
11. Roof top solar installation is underway for one location in GOA and 16 other properties are being proposed to go for open access permission to utilise renewable energy source.
12. We have converted existing chilled water system at INOX Gandhinagar Adalaj to DX system by retrofitting of existing AHU with EC(Electronically Commutated) fans and DX coils and installing new outdoor units.
13. For conservation of water, we have installed waterless urinal kits to save water which is used widely for flushing urinals at 19 INOX units. We are in process for installing the same in rest of the properties.
14. The Company has Introduced IOT (Internet of Things) system at INOX Vijaywada Urvashi as an energy saving initiative for monitoring and controlling the energy consumption.
15. The Company has Installed EV charging station at Pune Bund Garden, Gandhinagar R16 and Gandhinagar R21 to encourage EV vehicle charging for patrons, who come to watch movies at INOX.
16. At 28 properties, the Company has jointly identified that our Electrical demand has reduced on account of various energy saving initiatives & upgradation of Equipment, hence we were able to reduce the electricity demand in the mentioned properties to save on energy.
17. At INOX Raghuleela Vashi, the Company has implemented NPFC (Neutral power factor compensator) panel for real time compensation of power factor and fixed capacitor panels to counter the NO LOAD losses encountered in HT transformer.
18. The Company has converted all old signages to LED and also all new upcoming properties are enabled with LED signages.

19. The Company has taken Energy saving initiatives and installed primary variable pumps at 13 INOX properties.

20. The Company has installed Pressure Independent Balance Control (PIBC) valves actuators at various units to control the chilled water flow thereby leading to savings on the HVAC side.

21. The Company has changed Cooling Tower Fan from Metal to FRP at Jaipur Space, leading to energy savings.

22. Condenser Coils were replaced at Kolkata South City, Mumbai Dadar & Mumbai Raghuleela Vashi leading to energy savings.

23. The Company is introducing smart energy valves to control the chilled water flow as a pilot project at one INOX property leading saving on the chiller energy consumption.

24. Old oil type transformer has been replaced with Dry type transformer at Goa GMC to save on losses and maintenance cost.

25. The Company is doing pilot for introducing Solar collectors for Air cooled chiller condenser to ensure better heat exchange and reduce load on compressor, resulting saving energy consumed by the compressor.

26. The Company is introducing Smart energy controller to regulate the DX compressor speed with reference to change in the heat load resulting saving in energy.

27. At INOX, for real time monitoring, we have implemented/created an app based dashboard during our 1st phase at 12 properties, to ensure the proactive measures in advance. This dashboard based app has feature to upload and view data at one click. Also auto generated alarm/notification will be triggered for real time attention & action. We have already implemented online monitoring system for monitoring the UPS parameters at 11 properties currently.

28. The Company propose to install SCALE BRECK water conditioning system for cooling towers to enhance the heat transmission to derive substantial savings of energy in water cooled chillers.

29. The Company is centrally monitoring energy consumption for all properties through a HLP tracker on a daily basis to ensure optimisation of each energy units.

30. To enhance quick response and real time monitoring to ensure ZERO downtime and a detailed analysis to optimise the energy consumption, we have implemented a software program for engineering operation & maintenance by designing a dashboard for quick access. With this dashboard, we will be saving paper work and hence PAPER CONSUMPTION will reduce.

B. Technology Absorption- The Company continues to use the latest technology for giving high quality movie viewing experience to its valued guests.

C. The foreign exchange earnings and outgo is as follows:

(₹ in Lakhs)

	Current Year 2021-22	Previous Year 2020-21
(a) Foreign Exchange earnings	24.34	11.80
(b) Foreign Exchange outgo:		
- CIF value of Capital Goods imported	688.87	189.19
- CIF Value of materials purchased	4.87	-
- CIF Value of services	744.17	323.48
- Travelling expenses	24.93	12.40

Annexure – E

(i) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the Financial Year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director /KMP and Designation	Remuneration of Director / KMP for FY 2021-22 (₹ In Lakh)	% increase in remuneration in the Financial Year 2021-22	Ratio of Remuneration of each Director to median remuneration of employees
1.	Mr. Pavan Kumar Jain, Chairman & Non-executive Director	75.80	9375.00*	19.96:1
2.	Mr. Vivek Kumar Jain, Non-executive Director	0.20	Nil	0.05:1
3.	Mr. Siddharth Jain, Non-executive Director	78.40	3463.64*	20.65:1
4.	Mr. Haigreve Khaitan, Independent Director	3.60	38.46	0.95:1
5.	Mr. Amit Jatia, Independent Director	1.20	Nil	0.32:1
6.	Ms. Girija Balakrishnan, Independent Director	1.80	80.00	0.47:1
7.	Mr. Vishesh Chandiok, Independent Director	2.60	62.50	0.68:1
8.	Mr. Alok Tandon, Chief Executive Officer	155.90	54.82	Not Applicable
9.	Mr. Kailash B. Gupta, Chief Financial Officer	116.97	63.82	Not Applicable
10.	Mr. Parthasarathy Iyengar, Company Secretary	30.20	44.50	Not Applicable

- Sitting Fees paid to the Directors has been included in the Remuneration for the above purpose.

*During the FY 2020-21, No remuneration was paid to Directors other than Sitting Fees.

(ii) Percentage increase in the median remuneration of the employees in the Financial Year is Nil.

(iii) The number of permanent employees on the rolls of Company as on 31st March, 2022 was 1488.

(iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average percentile increase in the salaries of employees other than the managerial personnel in the last Financial Year is Nil and percentile increase in the managerial remuneration is 15%.

(v) Affirmation that the remuneration is as per the remuneration policy of the company.

The Company affirms that the remuneration is as per the Nomination and Remuneration policy of the Company.

In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members of the Company excluding information on employees' particulars required to be provided in accordance with the provisions of Section 197 (12) of the Act, read with Rules 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended. This statement is available for inspection by the Members. If any Member is interested in obtaining such information may write to the Company Secretary of the Company.

Annexure – F

Annual Report on CSR Activities for Financial Year 2021-22

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company:

   CSR Policy adopted by the Company includes all the activities which are prescribed under Schedule VII of the Companies Act, 2013. The CSR Policy of the Company can be viewed on website of the Company at https://www.inoxmovies.com/Corporate.aspx?Section=3

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Pavan Kumar Jain	Non-Executive Director, Member	1	0
2	Mr. Siddharth Jain	Non-Executive Director, Member	1	1
3	Mr. Haigreve Khaitan	Independent Director, Member	1	1

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: https://www.inoxmovies.com/Corporate.aspx?Section=3
4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).: **Not Applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **NIL**
6. Average net profit of the company as per section 135(5): **(₹ 4,312.79) Lakhs**
7. (a) Two percent of average net profit of the company as per section 135(5): **(₹ 86.26) Lakhs**
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
   (c) Amount required to be set off for the financial year, if any: **Nil**
   (d) Total CSR obligation for the financial year (7a+7b+7c): **Nil**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)*		
	Amount (₹ in Lakhs)	Date of transfer	Name of the Fund	Amount (₹ in Lakhs)	Date of Transfer
Nil	Nil	Not Applicable	Nil	Nil	Not Applicable

* During the year under review, the Company has transferred Rs. 47.10 Lakh to PM CARES fund for the unspent amount related to F.Y 2020-21 as per provisions of the Companies Act, 2013.

   (b) Details of CSR amount spent against **ongoing projects** for the financial year: **Not Applicable**

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing agency	
				State	District			Name	CSR Registration number
NIL									

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Nil**

(g) Excess amount for set off, if any

Sr. No.	Particulars	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	(86.26)
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Not applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – **Not Applicable**

(Asset-wise details).

(a) Date of creation or acquisition of the capital asset(s): **Nil**

(b) Amount of CSR spent for creation or acquisition of capital asset: **Nil**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

For INOX Leisure Limited

Alok Tandon
(Chief Executive Officer)
Mumbai
3rd August, 2022

For INOX Leisure Limited

Haigreve Khaitan
(Chairman – CSR Committee)
Mumbai
3rd August, 2022

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis

INDIAN ECONOMIC OVERVIEW

The second wave of COVID-19 had a significant impact on health but not on the economy. The economy rebounded in a K shape in FY 2021–22. After decreasing by 7.3 percent in FY 2020–21, India's GDP grew by 8.7% in real terms during FY 2021–22. The service industry, particularly that demand human interaction, had been hit the hardest by the pandemic.

The total consumption grew by 7.0 percent in FY 2021–22, with significant contributions from Government spending.[1] Gross Fixed Capital Formation has also surpassed pre-pandemic levels as a result of increasing public infrastructure expenditure. So far in 2021–22, both goods and services exports have been strong, but imports have returned sharply as a result of rising domestic demand and increased international commodity prices.

As a result of rising oil prices, increased input costs, and supply chain disruptions; inflation has been steadily rising since September 2021, hitting ~6.1 percent in February 2022.[2] The industrial sector's expansion is also hampered by a scarcity of semi-conductor chips and high commodity costs. Despite these obstacles, the economy is likely to continue to develop at a healthy pace. The country's economic development is projected to be fuelled by the RBI's monetary policies and government programmes such as Product Linked Incentives (PLI), the National Monetisation Plan (NMP), and PM Gati Shakti – National Master Plan.

Outlook

India's GDP is expected to expand by 7.2 percent in FY2022–23.[3] As uncertainties fade, growth is likely to pick up in the second quarter of FY2022–23. Early geopolitical challenges might result in capital outflows and a rapid devaluation of the currency, although both are expected to rebound by the end of 2022. Overall, macroeconomic stability indicators indicate that India's economy would be well positioned to deal with its challenges in 2022–23. India's distinct response strategy is one of the reasons for its success.[4]

INDUSTRY OVERVIEW

Media and Entertainment Industry

Media and entertainment are consumed by audiences of all demographics and through various mediums such as television, films, out-of-home (OOH), radio, animation, and visual effects (VFX), music, gaming, digital advertising, live events, filmed entertainment, and print. India has the second-largest digital population in the world. Its media and entertainment industry is booming over the world. The sector is still expanding quickly, owing to India's appeal as a content creation and post-production powerhouse. In FY 2022, the industry grew by 16.4% to INR 1.61 trillion (US$21.5 billion). While television remained the most popular medium, digital media rose to the second place, followed by a resurgence of print. This year, many media companies were listed on the stock market.

The media and entertainment industry has seen tremendous changes due to technological advancements, shifting generational behaviours, and the impacts of the global pandemic. The industry's growth is fuelled by India's growing youth population, which comprises 385 million millennials, accounting for 65% of the country's overall population, exhibiting evolving media consumption patterns and developing lifestyles. During the COVID-19 outbreak, people sought out more media and entertainment at home, avoiding larger in-person activities. Digital media engagement remained strong even during the healthier summer, demonstrating that the pandemic has just exacerbated pre-existing trend towards the digital world. Smartphones are utilised by people in all parts of the country, including cities and rural areas. They may now access OTT, TV, YouTube, Instagram, Facebook, and Twitter to see a wide range of media material, including films, sports, news, music, and more.

Digital media expanded the highest with INR 68 billion, increasing its contribution to the M&E industry from 16 percent in 2019 to 19 percent in 2021 simultaneously.[5] Since the outbreak of the pandemic, Indians have spent 52% more time on entertainment applications.[6] Traditional media (Television, print, filmed entertainment, out-of-home, music, and radio) accounted for 68% of M&E sales in 2021, down from 75% in 2019.[7]

With individuals returning to work in 2021, the television industry had an overall reduction of 8% from the 2020 levels, and was also lower than overall 2019 levels. In 2021, the Hindi-Speaking Markets (HSM) fell by 10%, while the South Markets fell by 5%.[8] South Market viewership stayed greater than that of 2019, while HSM viewership fell below that of 2019. The business model of the Local Cable Operator (LCO) is intended to be hybrid, with a linear TV wire and a broadband

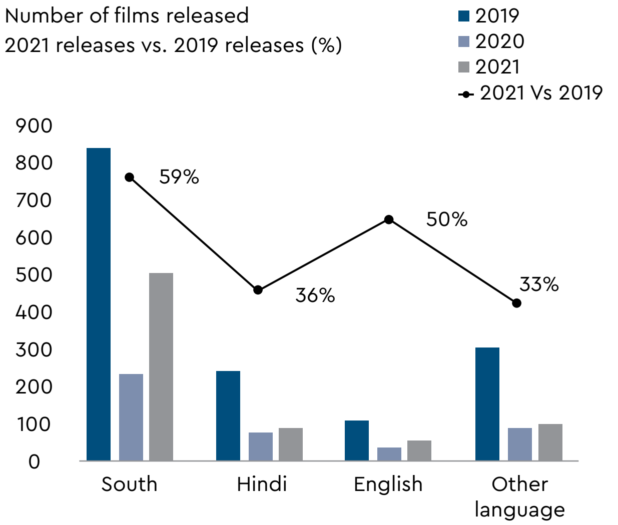
[1]Economic Survey 2021–22
[2]https://www.rbi.org.in/commonman/English/Scripts/PressReleases.aspx?Id=3358
[3]https://rbidocs.rbi.org.in/rdocs/AnnualReport/PDFs/0RBIAR2021226AD1119FF6674A13865C988DF70B4E1A.PDF
[4]https://www.indiabudget.gov.in/economicsurvey/ebook_es2022/files/basic-html/page29.html
[5]https://www.medianews4u.com/the-indian-me-sector-will-grow-at-a-cagr-of-13-and-add-rs-707-billion-by-2024/
[6]https://www.ey.com/en_in/media-entertainment/tuning-into-consumer-indian-m-and-e-rebounds-with-a-customer-centric-approach
[7]https://bestmediainfo.com/2022/03/indian-m-e-sector-to-grow-17-to-reach-rs-1-89-trillion-in-2022-ey-ficci-m-e-report-2022
[8]https://bestmediainfo.com/2022/03/television-revenue-expected-to-grow-at-a-cagr-of-4-5-reach-rs-826-billion-by-2024-ey-ficci-m-e-2022-report

connection to provide efficient content services, internet connections, smart home services, and locality/community services.[9]

Indian Film Entertainment Segment

The film entertainment industry has seen a considerable development despite lockdowns and other restrictions on production and exhibition across states. The film industry grew by 28%, although it is still half of what it was pre-pandemic.[10] In 2021, despite capacity limits throughout the year, more than 750 films were released, compared to just 441 in 2020.[11]

Film releases were at 37% of 2019 levels



Industry results in 2021 revealed a continuous public demand in blockbuster features as the country gained speed during the unlocking, aided in part by the release of effective vaccines. The year saw record-breaking footfall and occupancy levels at the theatres, similar to those seen in pre-COVID days. A solid slate of long-awaited tentpole films is likely to assist in the comeback of theatre attendance in the coming months.

Outlook

In 2022, the Media and Entertainment industry is expected to grow by 17% to INR 1.89 trillion, and then rise at a CAGR of 11% to INR 2.32 trillion by 2025.[11] The industry has a lot of space for growth because of increased money and changing lifestyles. Digital media, films, and television will be the primary drivers of this expansion, followed by animation and visual effects, and online gaming.

The Film industry is expected to have positive growth as the theatres opened up in 2021 and the audiences returned in record numbers. The industry is expected to recover its 2019 levels by the end of 2023. Theatres would evolve into experience zones offering multi-sensory content experiences.

MULTIPLEXES AND THE CINEMA EXHIBITION INDUSTRY

The multiplexes, which were severely hampered by the pandemic, appear to be on the recovery road, with box-office revenue on the rise. Audiences are rushing back to the theatres in large numbers. To ensure audience safety, methods such as separated seating configurations, QR code-based food ordering, and regulated entry and departure strategies were employed. The auditoriums were also cleaned more frequently. Multiplexes that used to sell paper tickets have switched to virtual ticketing using QR codes for smooth check-ins.

INOX's Strategy

INOX aims to provide a unique signature experience with each new multiplex. Before opening a multiplex, various criteria such as catchment potential, the mall developer's profile, the mall's design and interior, the shop mix, and other ancillary amenities are considered. With numerous viewing formats and dining concepts, each new INOX multiplex is curated to appease the audience based on this extensive research. Each INOX multiplex is special in terms of architecture and aesthetics.

INOX offers INOX INSIGNIA, the most luxurious movie viewing experience with leather recliners, butler on call, laser projection and an exceptional dining catalogue serviced by a LIVE kitchen. A format specially curated for the little guests, Kiddles has bright & vibrant seats and interiors, along with a lobby, where kids can even rejoice and celebrate.

INOX had launched India's first ScreenX with a 270-degree panoramic viewing experience now operating in two locations. INOX also offers IMAX which is the most immersive movie experience in the world at over six locations across India and MX4D, which offers the most advanced immersive environment at two locations.

INOX has been curating large-size experience driven cinema destinations called Megaplex, which are home to the most number of cinema viewing formats in the world. INOX currently operates two Megaplex cinemas – at Inorbit Mall, Malad in Mumbai and at Phoenix Palassio Mall in Lucknow.

COMPANY OVERVIEW

INOX Leisure Limited (INOX/Company) is one of India's most well-known multiplex operators. As on 30th June, 2022, INOX operates in 73 cities throughout India. It has 163 properties with 692 screens and a total seating capacity of 1,55,218. In the movie exhibition sector, INOX has set high standards for elegance, service, and technology.

The Company is engaged in diverse lines of businesses ranging from operating theatres and multiplexes, sale of food and beverage (F&B) products and generation of electricity.

[9] https://www.exchange4media.com/media-tv-news/dd-free-dish-connected-tv-subscriber-base-to-cross-90-million-by-2025-ficci-ey-report-119165.html
[10] https://www.indiatechonline.com/it-happened-in-india.php?id=4743
[11] https://www.broadcastandcablesat.co.in/vfx-fastest-growing-segment-indian-ott-content-going-global-ficci-ey-report/

The Company is one of the leading players in cinema and exhibition business offering redefined experienced-driven entertainment to its customers. The Company also actively engages in manufacturing and distribution of food and beverage (F&B) items which brings natural synergies and enhances customer experience adding to the brand value of the Company. The Company offers variety of food at its multiplexes including already prepared ready-to-eat meals along with extensive menu and food options to suit every customer's needs. The Company has partnered with Zomato and Swiggy to deliver its F&B offerings to customers outside of multiplexes to reach wider customer base. Additionally, the Company is also engaged in generation of electricity through windmills which is partly used for captive consumption and additional units generated are sold to distribution companies.

The Board of Directors of the Company at its meeting held on 27th March 2022, approved the draft scheme of merger with PVR Limited which would be a value creation for its stakeholders including customers, lenders and employees and the business entity would benefit from increased scale, innovations in technology and widened reach.

Core Competencies

- The company has long been an integral part of developing the most advanced and cutting-edge technology.
- The company is one of India's major multiplex chains, offering access to a diverse range of regional and international content.
- The company provides unrivalled and exceptional theatrical experiences.
- INOX Leisure Limited has a strong management team, solid financial support, and a commitment to staying ahead of the competition that propels the company to a prominent position in the movie exhibition market.
- Its premium multiplex properties are recognised for attracting huge footfall, owing to its technologically advanced and luxury offerings. It has cutting-edge projection and acoustic technology, luxurious seating configurations, sanitary surroundings, and a diverse menu of food and beverages.

FOOD AND BEVERAGE (F&B) SALE

It's been over two years since the COVID-19 outbreak turned the food and beverage industry upside down, and restaurateurs are now witnessing a trend of returning to normalcy. As the rest of the world has adjusted to a new normal, many restaurants and chains have worked hard to accommodate customer needs while adhering to established safety measures which is giving the sector a push to grow.

INOX's Strategy

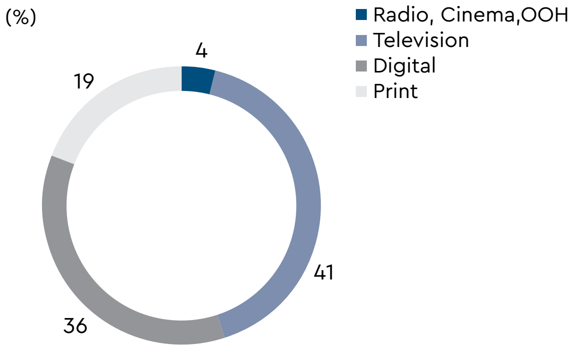
INOX maintains a sharp focus on F&B to stay ahead on the 'Experience' curve. INOX has done a lot of menu re-engineering and added new cuisines and concepts to their F&B offerings apart from making their food available on Swiggy and Zomato and also positioning themselves as complete restaurant brand. Furthermore, INOX enhanced the brand verticals they had under them i.e. Café Unwind, INSIGNIA and Delights and positioned them as full service restaurant brands, by offering dining in without tickets and amplifying their visibility to non-cinema consumers as well. From street cuisine to gourmet products, the Company's F&B business features a comprehensive menu spanning across multiple F&B concepts to satisfy every appetite. It aspires to meet the highest dining standards in terms of variety, taste, and service.

INOX has also partnered with ITC Ltd.'s Ready-to-Eat, gourmet brand Kitchens of India to introduce a re-defined innovative F&B experience across all multiplexes of INOX located across India. With this first-of-its-kind partnership, INOX introduced a trusted range of 100% natural, Indian gastronomical delights. Moreover, INOX is the first cinema chain in India to get listed on the table reservation platform – EazyDiner. In view of rising health concerns, the INOX has implemented rigorous safety measures from farm to fork, ensuring that its clients have a safer experience. The company has also added immunity boosters to its food menu across cinemas in India, including turmeric latte, healthy soups and herbal teas apart from beverages, soups, and sandwiches, all of which contain elements that boost immunity.

Advertising Sales

Despite the disruptions caused by COVID-19, advertising sales in India rebounded from a 29 percent decline in 2020 to a stunning 25 percent increase in 2021. The upward trend is likely to continue in 2022, with a projected growth rate of 16%, bringing total advertising revenue to INR 865 billion. Advertising is predicted to expand at a healthy 12 percent CAGR till 2024, with digital media rising at 20% and conventional media growing at 8%.[12]

Growth in 2021 ad spends



EY estimates | Share of absolute growth in ad spends in 2021

[12]https://bestmediainfo.com/2022/03/indian-advertising-expected-to-grow-at-12-cagr-to-become-rs-1-trillion-industry-by-2024-ey-ficci-m-e-report-2022

Key aspects which drive the growth of the industry include television, digital media, print media, OOH, radio and cinemas.

VARIED CONTENT FORMATS

The notion of private screening has also been developed by multiplexes. Guests have the option of choosing their content and hosting live events such as stand-up comedy performances, open mics, etc. Multiplexes are also aiming to broadcast sporting events and Esports tournaments. Furthermore, multiplexes have evolved into the most preferred destination for discovering new content in a variety of languages, genres, and countries.

INOX's Strategy

INOX has pioneered the use of alternate content to offer great experiences to their cinema audiences. Weather it is live screening of sporting events or screening of sponsored films or hosting live comedy events, INOX has innovated hugely in the space of alternate content to offer unique experiences. Introduction of Esports into cinemas is an opportunity to offer great alternate content experience to our guests. INOX has also tied up with ICC to screen Live matches at selected INOX cinemas. INOX also rolled out private screenings where a guest can reserve an entire INOX auditorium to conduct birthday parties, anniversary celebrations, seminars, webinars, trainings, workshops and corporate events.

ALTERNATE REVENUE

Due to the slow-down experienced during the pandemic and with the thought of providing the audience with a more holistic and wholesome cinema experience, multiplex chains are trying to develop alternative verticals that generate revenue as well as provide the audience with a value-added service.

INOX's Strategy

INOX launched the sale of official merchandise to help the guests foster a deeper connection with the superheroes and sportspersons they see on the big screens. This new vertical not only let fans find another dimension to show off their love but it was also connected to a cinema with that they have a deep connection already. Along with launching merchandise, INOX also engineers its food menu for every season and occasion to let out patrons celebrate these special moments with us.

LEVERAGING DIGITAL

Customers are now moving more towards digital for every aspect of their experience. From checking out what movies are playing to even booking the tickets, they prefer to do all that with the device available on the tips of their fingers. It is essential for all companies to have a strong digital presence to keep customers engaged.

INOX's Strategy

With social media, we have been keeping customers updated about all the latest updates at INOX while also engaging influencers to visit and promote newer properties and initiatives. INOX also launched InstaPay, India's first cinema wallet that makes the ticket and food purchase at INOX a hassle-free, quick and safe experience.

OPPORTUNITIES

- Low number of screens per Capita
- Private Screenings
- Release of films in different languages
- Revenue streams other than box-office
- Alternative content ideas
- Food & Beverage diversification

CHALLENGES

- Delays in releasing of films
- Scarcity of high-quality material
- Slow-paced real estate
- Complex regulatory environment

OPERATIONAL HIGHLIGHTS

Some of the key operational highlights are given below –

- The Company launched India's first Cinema Wallet, INOX InstaPay.
- The Company witnessed highest screen addition accounting to 32 in the industry for FY22.
- As on 31st March, 2022, the Company has the strongest liquidity position of more than Rs. 205 Crores in cash and cash equivalents.
- The Company recorded a footfall of 230 Lakhs in the year under review.
- The Company's occupancy rate was witnessed as 19%.
- The Average Ticket Price of the Company was around Rs. 217.
- The Spending Per Head for the Company was registered at Rs. 91.

FINANCIAL PERFORMANCE

Key Financial Highlights

(₹ in Lakhs)

	FY 2021-22	FY 2020-21	YoY Change (%)
Revenue from Operations	68,393.81	10,593.13	546%
EBITDA	23,852.33	9,203.33	159%
PBT	(31,331.12)	(44,635.30)	NM
PAT	(23,943.30)	(33,765.49)	NM
Net Worth	69,257.34	63,294.85	9%

*The figures above are based on Consolidated Financial Statements.

*NM stands for Not Meaningful.

Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor. The key financial ratios are given below:

(₹ in Lakhs)

Ratios (Based on Consolidated Figures)	Formula	FY 2021-22 (without INDAS 116 impact)	FY 2020-21 (without INDAS 116 impact)	Reasons for Change
Debtors Turnover (no. of days)	(Average Trade Receivable/ Net Credit sales) * 365	85	N.A.	Refer Note 1 below
Inventory Turnover (no. of days)	(Average F&B Inventory / COGS) * 365	58	N.A.	Refer Note 1 below
Current Ratio (in times)	Current Assets/ Current Liability	1.01	0.50	Refer Note 1 below
Net Debt Equity Ratio (in times)	Total Net Debt (Excluding Lease Liability)/Net Worth	-0.09	0.02	Refer Note 1 below
Operating Profit Margin (in %)	EBIT/Total Income	-28.6%	-214.2%	Refer Note 1 below
Net Profit Margin (in %)	PAT/Total Income	-23.2%	-173.5%	Refer Note 1 below
Return on Net Worth (in %)	PAT/Average Net worth	-13.1%	-22.6%	Refer Note 1 below

Note 1: The ratio was skewed in FY 2020-21 and FY 2021-22 on account of nationwide lockdown due to COVID-19. The business operations of both the financial years were adversely impacted; hence the ratios are not reflecting the fair position of the company.

Note 2: Interest Coverage Ratio is negative due to negative EBIT, therefore not applicable.

HUMAN RESOURCE

The Company believes that the employees are its most valuable assets. Its goal is to become an "Employer of Choice" by implementing best practices that will result in the highest level of employee satisfaction. It also wants to create a safe and secure working environment for its employees.

Development

The employment mix is being reshaped by a more competitive corporate landscape, increased complexity, and the digital revolution. A multi-generational workforce exists, and knowledge has a shorter shelf life, putting a premium on reskilling and upskilling. The company ensures that its staff have the necessary abilities as they adopt to digital technologies and new methods of working. It gives access to learning that is available everywhere and at any time to help achieve the goal. The digital revolution has simplified tasks for the HR department, allowing them to focus on identifying, developing, and engaging high-potential employees. INOX has a 360-degree approach to employee well-being with a huge emphasis on mental and physical health.

Engagement

The Company encourages open and regular discussion between managers and their team members through its initiative 'Disha' to understand what keeps its employees motivated and engaged. This provides a framework through which they may speak up, voice concerns, and take action to better their situation. The company conducts monthly interactions with the teams across all departments to understand what inspires them, listening to their suggestion and addressing their needs. At the end of every month, the company thanks and appreciate employee's contribution through our 'Long Service Awards'

"Wellness Matters @ INOX" is a collection of specially curated initiatives for employees' physical and mental health, including vaccination drives, a 24x7 free Doctor-On-Call helpline, a free Dietician helpline, a free health assessment, a mental health workshop, and low-cost home delivery of medicines. Its employees are treated as family members, and financial support is provided to meritorious children of its employees.

Performances and Recognition

INOX has adopted a 360-degree comprehensive approach towards the performance appraisal system. The Company has established a complete approach for performance management that involves offering regular relevant feedback and appreciation, as well as holding individuals accountable and supporting ongoing growth, in order to reflect the goals and requirements of its employees. In addition, to ensure employees' financial, social, mental and physical wellbeing, INOX offers them a wide range of benefits including medical support & conducting mental health and motivational workshops.

Leadership and Succession

The Company provides a number of cross-functional programmes to nurture management and leadership abilities in order to ensure that it develops future leaders for the company. The goal is to provide its employees with the skills they need to lead the company through change, develop their teams, manage performance, and assure business success while remaining true to the Company's goals and values.

Business Transformation

The HR department assists in managing substantial Company changes. The team aids in the multiskilling of current employees in order to prepare them for the company's structural changes. At INOX Leisure Limited, it has 1488 permanent employees as of March 31, 2022.

RISK MANAGEMENT AND INTERNAL CONTROL

Financial, operational, and accounting controls are suitable for the Company's size and scope. To ensure that its business is conducted in an orderly and efficient manner, the Company has devised and implemented numerous controls. Apart from routine/general checks, the Company has the following procedures/reviews in place to ensure the accuracy and completeness of accounting records, as well as the timely creation of trustworthy financial data. Reputable external professional companies are appointed to analyze the process to ensure that the Company benefits from their subject area expertise.

S. No.	PARTICULARS	REVIEWED BY
1.	Internal Audit	Deloitte Touche Tohmatsu India LLP
2.	Internal Financial Controls	Deloitte Touche Tohmatsu India LLP
3.	Enterprise Risk Management	Sharp & Tannan Associates

Deloitte Touche Tohmatsu India LLP has been designated as the Company's internal auditor. Internal Audit is carried out in accordance with an Internal Audit plan that is developed each year in cooperation with the Audit Committee. The Internal Audit process examines the effectiveness and efficiency of internal control checks and encompasses all important aspects of the Company's operations.

Deloitte Touche Tohmatsu India LLP, also examines the Internal Financial Controls of the Company. Internal financial controls for the company's major accounts and operations have been developed. The controls are intended to ensure the orderly and efficient conduct of business activities, such as adherence to the Company's policies, asset protection, fraud and error prevention and detection, accounting record accuracy and completeness, and timely preparation of reliable financial information.

A company-wide Enterprise Risk Management (ERM) Framework is also in place. The ERM Framework is based on best-in-class standards and includes the Company's various activities as well as key criteria for effectively managing the various types of risks it faces, such as strategic, operational, compliance, and financial risks. To combat threats and manage risks, the Company has implemented an effective control system. This is made possible by taking a systematic and proactive approach to identifying risks and adopting appropriate risk mitigation techniques. It not only assists in reducing the effect of risks, but it also promotes systematic resource allocation based on the Company's risk appetite and risk impact rating.

Management makes strategic decisions in cooperation with the Board after carefully assessing secondary and residual risks. M/s. Sharp & Tannan, Chartered Accountants assess the ERM Framework on an annual basis, and their report is provided to the Audit Committee for evaluation.

CAUTIONARY STATEMENT

This document contains forward-looking statements about expected future events, financial and operating results of INOX Leisure Limited. By nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on these statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of INOX Leisure Limited's Annual Report, FY 2021–22.

CORPORATE GOVERNANCE REPORT

Corporate Governance Report

In compliance with Regulation 34 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as Listing Regulations), **INOX Leisure Limited** ("the Company") is pleased to submit this report on the matters mentioned in the Para C of Schedule V of the Listing Regulations and the practices followed by the Company in this regard.

1. A BRIEF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the system by which Companies are directed and controlled by the Management in the best interest of the Shareholders and others. Over the years, the Company has complied with the principles of Corporate Governance emphasizing on transparency, empowerment, accountability and integrity. Corporate Governance, therefore, generates long term economic value for its Stakeholders.

The Company's Corporate Governance philosophy is based on maintaining transparency and a high degree of disclosure levels. This philosophy of the Company has been further strengthened with the adoption of the Code of Conduct for Board of Directors and Senior Management of the Company, Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

INOX Leisure Limited believes that the implementation of Corporate Governance principles generates public confidence in the corporate system. With this belief, the Company has initiated significant measures for compliance with Corporate Governance.

2. BOARD OF DIRECTORS

(a) Composition and Category of Directors:

As at the end of the financial year ended 31st March, 2022, the Board of Directors (Board) consisted of Seven Directors and all of them are Non-Executive Directors having considerable experience in their respective fields. The Board of Directors consisted of 3 Non-Independent Directors and 4 Independent Directors, including one Woman Director. The Chairman of the Board is a Non-Executive Director.

(b) Number of Meetings of the Board of Directors held with the dates, attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting, disclosure of relationships between Directors inter-se and Number of Shares and Convertible Instrument held by Non- Executive Directors:

The Meetings of the Board have been held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings during the financial year 2021–22.

During the Financial Year 2021–22, the Board met 6 (Six) times on the following dates namely, 6th April, 2021, 29th April, 2021, 3rd August, 2021, 22nd October, 2021, 21st January, 2022 and 27th March, 2022.

The following table gives details of directors, details of attendance of directors at board meetings, at the Annual General Meeting, disclosure of relationship between directors inter-se, number of shares held by non-executive directors, number of other directorships/committee membership/ chairmanship of various committees and details of directorship in other listed companies as on 31st March, 2022.

Details of attendance of directors at board meetings, at the Annual General Meeting, disclosure of relationship between directors inter-se, number of shares held by non-executive directors:

Name of the Director	Category of Director	Number of Board Meetings attended	Whether attended last Annual General Meeting	Relationship between Directors inter-se	Number of Shares held by Non-Executive Directors as on 31st March, 2022
Mr. Pavan Kumar Jain	Chairman, Non-Executive – Non Independent	4 out of 6	No	Brother of Mr. Vivek Kumar Jain and Father of Mr. Siddharth Jain	2,19,975
Mr. Vivek Kumar Jain	Non-Executive – Non Independent	1 out of 6	No	Brother of Mr. Pavan Kumar Jain	6,40,445
Mr. Siddharth Jain	Non-Executive – Non Independent	6 out of 6	Yes	Son of Mr. Pavan Kumar Jain	6,19,965

Name of the Director	Category of Director	Number of Board Meetings attended	Whether attended last Annual General Meeting	Relationship between Directors inter-se	Number of Shares held by Non-Executive Directors as on 31st March, 2022
Mr. Haigreve Khaitan	Non-Executive – Independent	6 out of 6	Yes	No inter-se relationship between Directors	0
Mr. Amit Jatia	Non-Executive – Independent	2 out of 6	Yes	No inter-se relationship between Directors	0
Ms. Girija Balakrishnan	Non-Executive – Independent	6 out of 6	Yes	No inter-se relationship between Directors	0
Mr. Vishesh Chandiok	Non-Executive – Independent	6 out of 6	No	No inter-se relationship between Directors	0

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in FY 2021-22, except Board Meeting held on 27th March, 2022, were held through Video Conferencing.

The Company has not issued any Convertible Instruments and hence the disclosure requirements in this regard are not applicable to the Company.

Number of Directorships and Committee Membership / Chairmanship including the names of the listed entities where the person is a Director and the category of Directorship as on 31st March, 2022:

Name of the Director	Category of Director	Number of other Directorships / Committee Memberships / Chairmanships			Other Listed Company Directorship	Category of Directorship
		Other Directorship#	Committee (*) Membership of Public Limited Companies	Committee (*) Chairpersonship of Public Limited Companies		
Mr. Pavan Kumar Jain	Chairman, Non-Executive – Non Independent Director	4	3	0	GFL Limited	Non-Executive, Non-Independent Director
Mr. Vivek Kumar Jain	Non-Executive – Non Independent Director	7	4	1	Gujarat Fluorochemicals Limited INOX Wind Energy Limited	Executive Director – Managing Director Non-Executive – Non – Independent Director
Mr. Siddharth Jain	Non-Executive – Non Independent Director	5	3	2	GFL Limited	Non-Executive – Non – Independent Director
Mr. Haigreve Khaitan	Non-Executive - Independent Director	8	9	3	CEAT Limited	Non-Executive - Independent Director

Name of the Director	Category of Director	Number of other Directorships / Committee Memberships / Chairmanships			Other Listed Company Directorship	Category of Directorship
		Other Directorship#	Committee (*) Membership of Public Limited Companies	Committee (*) Chairpersonship of Public Limited Companies		
					JSW Steel Limited	Non-Executive - Independent Director
					Torrent Pharmaceuticals Ltd	Non-Executive - Independent Director
					Tech Mahindra Limited	Non-Executive - Independent Director
					Mahindra & Mahindra Limited	Non-Executive - Independent Director
					Borosil Renewables Limited	Non-Executive - Independent Director
Mr. Amit Jatia	Non-Executive - Independent Director	11	5	1	V. I. P. Industries Limited	Non-Executive - Independent Director
					Westlife Development Limited	Executive Director
Ms. Girija Balakrishnan	Non-Executive - Independent Director	2	1	0	Not a Director in any other Listed Company	Not Applicable
Mr. Vishesh Chandiok	Non-Executive - Independent Director	6	1	0	Not a Director in any other Listed Company	Not Applicable

(*) Committee means Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies whether Listed or not.

(#) Other Directorship excludes Directorship of Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

None of the Directors of the Company are Directors in more than 10 Public Limited Companies. Further, none of the Directors hold directorships including Independent Directorship in more than 7 Listed Companies. Further, none of the Director is a member of more than ten committees or act as chairperson of more than five committees across all listed entities in which he / she is a Director as per Regulation 26(1) of Listing Regulations.

(c) Web link of Familiarization Programmes imparted to Independent Directors:

Details of Familiarization Programmes imparted to Independent Directors have been disclosed on the Website of the Company. The same can be viewed at https://www.inoxmovies.com/Corporate.aspx?Section=3.

(d) INDEPENDENT DIRECTORS

Separate Meeting of Independent Directors:

As stipulated under Section 149 of the Companies Act, 2013 read with Schedule IV pertaining to the Code of Independent Directors and the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 2nd March, 2022, with the following agenda:

- To review performance of Non-Independent Directors, the Board of Directors as a whole and Chairperson of the Company;

- To assess the quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties;
- To familiarize Independent Directors with the Company, their roles, rights, responsibilities in the Company nature of industry in which the Company operates, its business model etc.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Listing Regulations and they are independent of the Management.

Meeting of Committee of Independent Directors:

A Meeting of Committee of Independent Directors was held on 27th March, 2022, wherein the Committee had considered the draft scheme of Amalgamation of INOX Leisure Limited with PVR Limited and recommended the same to the Board for their consideration and approval.

(e) Matrix setting out the skills/expertise/competence of the Board of Directors:

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills.

The Board has identified the following skills /expertise / competencies fundamental for the effective functioning of the Company:

Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	Names of Directors who have such skills / expertise / competence
Media and Entertainment sector, particularly Cinema Exhibition;	Mr. Pavan Kumar Jain, Mr. Vivek Kumar Jain, Mr. Siddharth Jain
Hospitality, Food and Beverage, Retail Industry;	Mr. Pavan Kumar Jain, Mr. Vivek Kumar Jain, Mr. Siddharth Jain, Mr. Amit Jatia
Retail Marketing;	Mr. Pavan Kumar Jain, Mr. Vivek Kumar Jain, Mr. Amit Jatia
Accounts and Finance, Financial Management, Taxation	Mr. Siddharth Jain, Mr. Amit Jatia, Mr. Vishesh Chandiok
Corporate Governance, Administration;	Mr. Haigreve Khaitan, Ms. Girija Balakrishnan, Mr. Vishesh Chandiok
Legal and compliance;	Mr. Haigreve Khaitan, Ms. Girija Balakrishnan, Mr. Vishesh Chandiok
Business Strategy and Management	Mr. Pavan Kumar Jain, Mr. Vivek Kumar Jain, Mr. Siddharth Jain, Mr. Amit Jatia, Mr. Vishesh Chandiok

3. AUDIT COMMITTEE

(a) Terms of Reference of the Audit Committee:

The Role and the Terms of Reference of Audit Committee were amended by the Board of Directors on 28th May, 2021, which are in accordance with the requirements of Section 177 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 18 of the Listing Regulations read with part C of Schedule II of the Listing Regulations.

The brief description of Terms of Reference and role of the Audit Committee is as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

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 and auditor's report thereon before submission to the board for approval, with particular reference to:

    a. Matters required to be included in the Director's 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 utilisation 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, 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 of 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 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 and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or as per the Companies Act, 2013, as amended, from time to time;

21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

22. Review compliance with the provisions of Prohibition of Insider Trading Regulations, 2015 at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively;

23. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

(b) Composition, Name of Members and Chairperson, Meetings & Attendance during the year 2021-22:

The Audit Committee comprises of Four Directors as on 31st March, 2022 with Mr. Haigreve Khaitan as the Chairman of the Committee. The composition of Audit Committee is in compliance of Section 177 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 18 of the Listing Regulations.

During the Financial Year 2021-22, the Audit Committee met 5 (Five) times on the following dates namely, 29th April, 2021, 3rd August, 2021, 22nd October, 2021, 21st January, 2022 and 27th March, 2022.

The details of composition of Audit Committee and the Meetings attended by the Directors are given below:

Name of the Director	Position	Number of Meetings Attended during the year
Mr. Haigreve Khaitan, Independent Director	Chairman	5 out of 5
Mr. Amit Jatia, Independent Director	Member	1 out of 5
Mr. Vishesh Chandiok, Independent Director	Member	5 out of 5
Mr. Siddharth Jain, Non - Independent Director	Member	5 out of 5

Mr. Haigreve Khaitan, Chairman of the Audit Committee was present at the previous Annual General Meeting of the Company held on 22nd September, 2021.

4. COMPENSATION, NOMINATION & REMUNERATION COMMITTEE

(a) Brief description of Terms of Reference:

The Terms of Reference of Compensation, Nomination and Remuneration Committee, which are in accordance with the requirements of Section 178 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 19 of the Listing Regulations read with part D of Schedule II of the Listing Regulations.

The brief description of Terms of Reference is given below:

1. Implementation, administration and superintendence of the ESOP Scheme and formulate the detailed Terms & Conditions of the ESOP Scheme;
2. To frame suitable policies and system to ensure that there is no violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 by any employee;
3. To exercise roles, powers and duties as vested under Schedule V to the Companies Act, 2013 and Part D Clause A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements), 2015, as may be amended from time to time and to take decisions about remuneration payable to managerial personnel from time to time;
4. Lay down the Criteria for identify persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal;
5. Carry out evaluation of every director's performance;
6. Formulate the criteria for determining qualifications, positive attributes and independence of a director;
7. Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
8. Devising a policy on Board diversity.

(b) Composition, Name of Members, Chairperson, Meetings & Attendance during the Financial Year 2021-22:

The composition of Compensation, Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 19 of the Listing Regulations. During the Financial Year 2021-22, the Compensation, Nomination and Remuneration Committee met 5 (Five) times on following dates namely, 1st June, 2021, 3rd August, 2021, 7th August, 2021, 21st January, 2022 and 2nd March, 2022.

The details of composition of the Compensation, Nomination & Remuneration Committee and the Meetings attended by the Directors are as follows:

Name of Director	Position	Number of Meetings Attended
Mr. Haigreve Khaitan, Independent Director	Chairman	5 out of 5
Mr. Amit Jatia, Independent Director	Member	2 out of 5
Mr. Siddharth Jain, Non-Executive - Non-Independent Director	Member	5 out of 5

Mr. Haigreve Khaitan, Chairman of the Compensation, Nomination and Remuneration Committee was present at the previous Annual General Meeting of the Company held on 22nd September, 2021.

(c) Performance Evaluation Criteria for Independent Directors

Performance Evaluation forms containing criteria for evaluation of Board as a whole, Committees of the Board and individual Directors and Chairperson of the Company were sent to all the Directors with a request to provide their feedback to the Company on the Annual Performance Evaluation of Board as a whole, Committees of Board and Individual Directors and Chairperson of the Company, fulfillment of the independence criteria and independence of Independent Directors from the management for the Financial Year 2021-22. Further, based on the feedback received by the Company, the Compensation, Nomination and Remuneration Committee at its Meeting held on 2nd March, 2022 had noted that Annual Performance of each of the Directors is highly satisfactory and decided to continue the terms of appointment of all the Independent Directors of the Company.

5. REMUNERATION TO DIRECTORS

All the Directors of the Company are Non-Executive Directors. Members of the Company have passed a Special Resolution in the Annual General Meeting (AGM) held on 22nd September, 2021 wherein the members has approved the payment of minimum remuneration of ₹ 1,50,00,000/- per annum (Rupees One Crore and Fifty Lakhs) or upto 5% of the Net Profits of the Company (calculated in accordance with the provisions of Sections 198 of the Act), whichever is higher, as may be determined by the Compensation, Nomination and Remuneration Committee of the Board of Directors of the Company for the Financial Years 2021-22, 2022-23 and 2023-24 to any Non-Executive Director/(s) of the Company as the aforesaid Committee may deem fit from time to time notwithstanding loss or inadequacy of profits in any financial year during the term mentioned above. This resolution supersedes the resolution passed in the AGM held on 31st August, 2018 in this regard.

All the Directors are paid sitting fees of ₹ 20,000/- for attending the Meetings of the Board or Committee thereof (except for Corporate Social Responsibility Committee, Business Responsibility Report Committee, Risk Management Committee and ILL Committee of Board of Directors for Operations) and adjournments thereto for the FY 2021-22. Further the Board of Directors of the Company has increased the sitting fees payable to Directors of the Company for attending the Meetings of the Board or Committee thereof from ₹ 20,000/- to ₹ 1,00,000/- w.e.f 01st April, 2022. There were no other pecuniary transactions of Non-Executive Directors vis-à-vis the Company for the year 2021-22 except as given below:

(In ₹ Lakhs)

Name of Director	Sitting Fees*	Professional Fees	Remuneration	Total
Mr. Pavan Kumar Jain	0.80	-	75.00	75.80
Mr. Vivek Kumar Jain	0.20	-	-	0.20
Mr. Siddharth Jain	3.40	-	75.00	78.40
Mr. Haigreve Khaitan	3.60	-	-	3.60
Mr. Amit Jatia	1.20	-	-	1.20
Ms. Girija Balakrishnan	1.80			1.80
Mr. Vishesh Chandiok	2.60	-	-	2.60
Total	13.60	-	150.00	163.60

(*) Includes sitting fees paid for Board and Committee Meetings.

There were no other contracts with any director during Financial Year 2021-22.

No performance linked incentives were paid to any of the Directors during Financial Year 2021-22.

No notice period or severance fee is payable to any director.

During the Financial Year 2021-22, the Company has not issued any stock options to Directors.

Criteria for making payment to Non-Executive Directors is disclosed on the Company's website. The same can be viewed at https://www.inoxmovies.com/Corporate.aspx?Section=3.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

(a)	Name of Non-Executive Director heading the Committee	Mr. Siddharth Jain
(b)	Name and designation of Compliance Officer	Mr. Vishav Sethi, Company Secretary & Compliance Officer
(c)	Number of Shareholders complaints received during the Financial Year 2021-22	11
(d)	Number not resolved to the satisfaction of Shareholders	Nil
(e)	Number of pending complaints	Nil

Mr. Siddharth Jain, Chairman of the Stakeholders' Relationship Committee was present at the previous Annual General Meeting of the Company held on 22nd September, 2021.

A total of 2295 equity shares of the Company (including 395 shares pertaining to 4 shareholders of erstwhile Fame India Limited remaining unclaimed since initial public issue in 2005) had remained unclaimed subsequent to the initial public issue of the Company in 2006. In compliance with provisions of Para F of Schedule V of the Listing Regulations, aforesaid shares were transferred to **"INOX Leisure Limited – Unclaimed Suspense Account"**.

The balance as at 31st March 2022 is as under:

Particulars	No of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	40	2195
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Nil	Nil
Number of shareholders to whom shares were transferred from suspense account during the year	31*	1550
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	9	645

* During the year under review, the Company through Corporate Action with Depositories had transferred 1550 equity shares from unclaimed suspense account to Investor Education and Protection Fund Authority (IEPF).

The voting rights in respect of above outstanding shares shall remain frozen till the rightful owner claims such shares.

7. RISK MANAGEMENT COMMITTEE

(a) Brief description of Terms of Reference:

The Securities and Exchange Board of India (SEBI) has vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations 2021, notified on 5th May, 2021 amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The same have been adopted by the Board of Directors of the Company on 28th May, 2021 and are reproduced below.

The brief description of Terms of Reference as approved by the Board of Directors is given below:

1. To formulate a detailed risk management policy which shall include:
    a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
    b) Measures for risk mitigation including systems and processes for internal control of identified risks;
    c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
7. To engage the services of consultants / experts as it may deem fit to discharge its functions;
8. To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
9. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
10. To carry out such other Roles as may be included in the terms of reference of the Risk Management Committee under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or as per the Companies Act, 2013, as amended, from time to time;

(b) Composition, Name of Members, Chairperson, Meetings & Attendance during the Financial Year 2021–22:

The composition of Risk Management Committee is in compliance with Regulation 21 of the Listing Regulations.

During the Financial Year 2021–22, the Risk Management Committee met 2 (Two) times on the following dates namely, 2nd August, 2021 & 21st January, 2022.

(c) The details of composition of the Risk Management Committee and the Meetings held and attendance is as follows:

Sr. No.	Name of Director	Position	Number of Meetings Attended
1.	Mr. Pavan Kumar Jain	Non-Executive Director, Chairman	2 out of 2
2.	Mr. Siddharth Jain	Non-Executive Director, Member	2 out of 2
3.	Ms. Girija Balakrishnan*	Independent Director, Member	2 out of 2
4.	Mr. Alok Tandon	Chief Executive Officer, Member	2 out of 2

*Ms. Girija Balakrishnan, Director was appointed as Member of the Risk Management Committee on 28th May, 2021.

8. GENERAL BODY MEETINGS

The particulars of the last three (3) Annual General Meetings (AGM) of the Company and details of Special Resolutions passed, if any, are given hereunder:

Financial Year	Date and Time	Location	Special Resolution Passed
2018–19	20th AGM on 18th September, 2019 at 11.00 a.m.	INOX Screen 3, INOX Leisure Limited, Race Course Road, Gopal Baug, Ellora Park, Vadodara – 390 007	1. To approve the payment of professional fees to Mr. Deepak Asher (DIN: 00035371), Non-executive Director of the Company. 2. To consider and approve payment of remuneration to Mr. Pavan Kumar Jain, Chairman and Non-Executive Director of the Company for the Financial Year 2018–19. 3. To consider and approve payment of remuneration to Mr. Siddharth Jain, Non-Executive Director of the Company for the Financial Year 2019–20. 4. To consider and approve re-appointment of Ms. Girija Balakrishnan (DIN: 06841071) as an Independent Director for a period of 5 consecutive years from 3rd December, 2019 to 2nd December, 2024.
2019–20	21st AGM on 23rd September, 2020 at 11.00 a.m.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	1. To consider and approve shifting of Registered Office from the "State of Gujarat" to the "State of Maharashtra". 2. To consider and authorize issuance of Equity Shares / Other Securities up to ₹ 250 Crore.
2020–21	22nd AGM on 22nd September, 2021 at 12.00 Noon	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	1. To approve payment of remuneration to Non-Executive Director / (s) of the Company.

No Special Resolution is proposed to be conducted through Postal Ballot.

Postal Ballot

During the year, following one Special Resolution was passed by the Company through Postal Ballot:

Sr. No.	Particulars of Special Resolution
1	To consider and authorize issuance of Equity Shares / Other Securities up to ₹ 300 Crore.

Voting Pattern

Particulars	% of Votes
Votes in favour of the Resolution	99.9982
Votes against the Resolution	0.0018

Procedure for Postal ballot

Pursuant to the provisions of Section 110 of the Act read with Rule 22 of Companies (Management and Administration) Rules, 2014 (Management Rules), as amended, the Company had issued Postal Ballot Notice dated 6th April, 2021 to the Members, seeking their consent with respect to consider and authorize issuance of Equity Shares / Other Securities up to ₹ 300 Crore. In compliance with provisions of Section 108 and Section 110 and other applicable provisions, of the Act read with the Management Rules, the Company had provided remote e-voting facility to all the Members of the Company.

The Company engaged the services of Central Depository Services (India) Limited ("CDSL") for facilitating e-voting to enable the Members to cast their votes electronically. The Board of Directors had appointed Mr. Satyanarain Samdani [Membership No. FCS 3677 and CP: 2863], Partner of M/s. Samdani Shah and Kabra, Practicing Company Secretaries, to act as the Scrutiniser for Postal Ballot process. The voting period commenced on Saturday, 10th April, 2021 at 9:00 a.m. IST and ends on Sunday, 9th May, 2021 at 5:00 p.m. IST both days inclusive. The cut-off date, for the purpose of determining the number of Members was Wednesday, 31st March, 2021.

The Scrutinizer, after the completion of scrutiny, submitted his report to Mr. Parthasarathy Iyengar, Company Secretary, who was duly authorised by the Chairperson to accept, acknowledge and countersign the Scrutiniser's Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard – 2 issued by the Institute of Company Secretaries of India.

The consolidated results of the voting by Postal Ballot and e-voting were announced on 10th May, 2021. The results were also displayed on the website of the Company at www.inoxmovies.com and on the website of CDSL at https://www.evotingindia.com/ and also communicated to BSE Limited (BSE), National Stock Exchange of India Limited (NSE).

9. MEANS OF COMMUNICATION

The Quarterly / Annual Financial Results of the Company during the Financial Year ended 31st March, 2022 were submitted to the Stock Exchanges immediately after they were approved by / taken on record by the Board and published in well-circulated Marathi Newspaper (Loksatta) and English Newspaper (Financial Express). The said results along with official news releases and presentations made to the institutional investors / analysts have been submitted to the stock exchanges and also posted on the Company's website viz.: www.inoxmovies.com.

The Company's website contains a separate dedicated section 'Investor Relations'. It contains comprehensive database of information of interest to our investors including the financial results and Annual Report of the Company. The basic information about the Company in terms of the Listing Regulations is provided on the Company's website and the same is updated regularly.

10. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting (AGM):

- Date : Friday, 23rd September, 2022
- Time : 12:00 Noon
- Venue/Mode : The Company is conducting Annual General Meeting through Video Conferencing / Other Audio Visual Means facility pursuant to the Circulars issued by MCA and SEBI from time to time. The Registered Office of the Company shall be the deemed venue of the AGM. For details, please refer to the Notice of the AGM.

(b) Financial year : 1st April, 2021 to 31st March, 2022.

(c) Dividend Payment Date : The Board of Directors have not proposed any dividend for financial year ended 31st March, 2022.

(d) Listing on Stock Exchanges:

I. National Stock Exchange of India Limited (NSE)

Exchange Plaza, 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

II. BSE Limited (BSE)

P. J. Towers, Dalal Street, Fort, Mumbai – 400 001

Listing Fees:

The Company has paid the annual listing fees for the Financial Year 2022-23 to the BSE and NSE on which the securities are listed within the stipulated time.

(e) Stock Code:

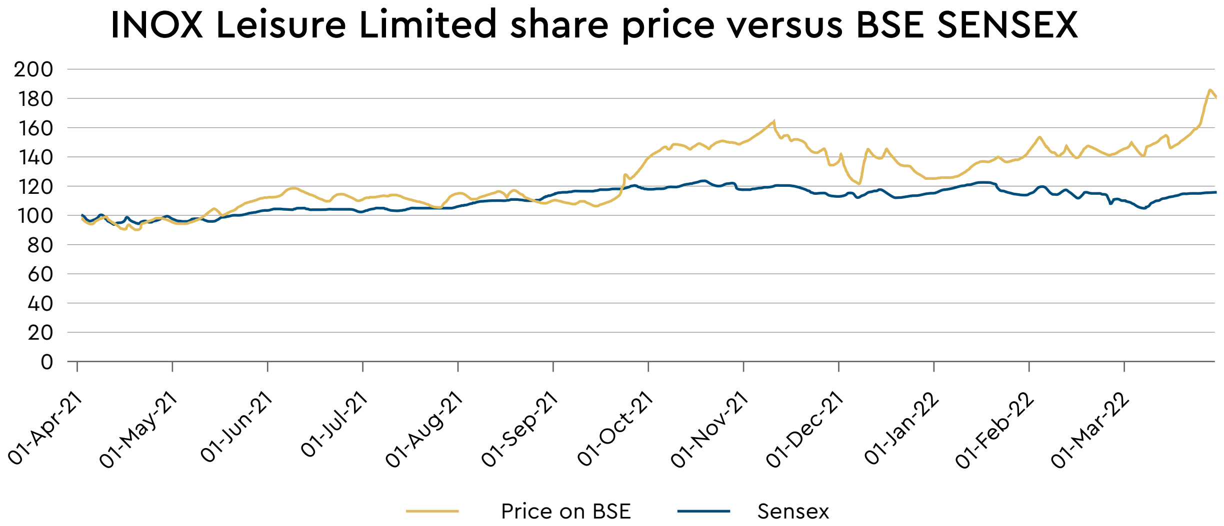
NSE – INOXLEISUR

BSE – 532706

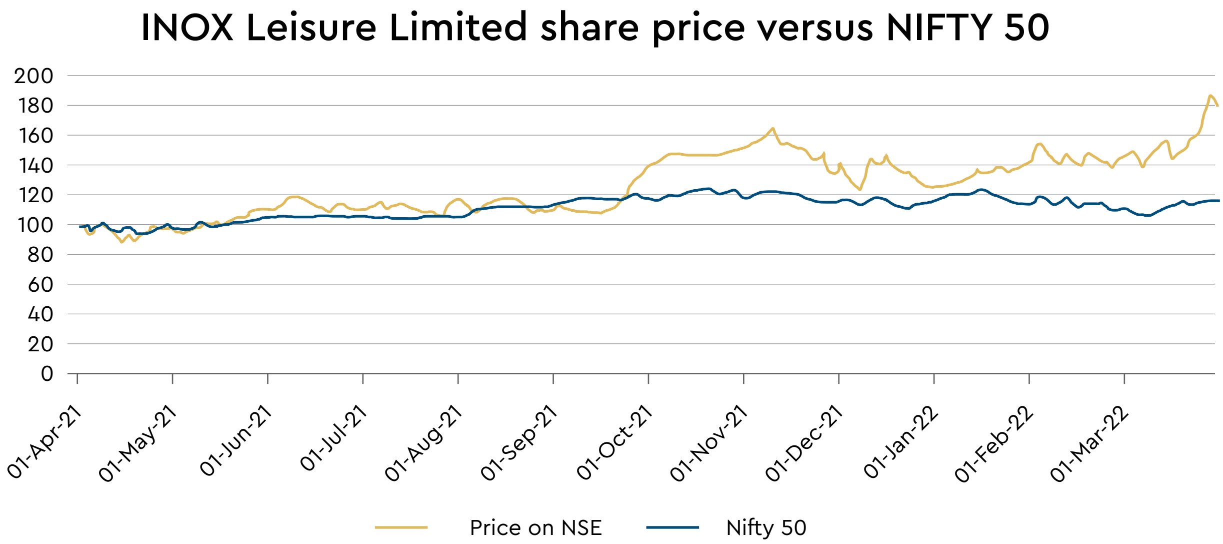
(f) Market Price Data: High, Low during each month in the Financial Year 2021-22:

Month	NSE Monthly High Price (₹)	NSE Monthly Low Price (₹)	BSE Monthly High Price (₹)	BSE Monthly Low Price (₹)
April, 2021	288.95	244.00	289.20	241.90
May, 2021	317.00	251.80	318.00	262.60
June, 2021	341.75	303.25	341.35	303.00
July, 2021	346.20	291.00	347.50	294.55
August, 2021	332.70	303.30	332.75	303.00
September, 2021	413.90	299.00	412.20	299.25
October, 2021	438.80	387.15	437.95	387.05
November, 2021	466.00	344.20	466.10	344.15
December, 2021	419.50	337.70	419.00	340.80
January, 2022	420.50	344.60	420.40	344.85
February, 2022	437.80	385.00	438.90	384.20
March, 2022	563.60	388.00	563.60	385.25

(g) Performance in comparison to broad-based indices viz. Nifty 50 and BSE Sensex (Daily Closing Value):



Note: INOX Leisure Limited closing share price and BSE Sensex values as on 1st April, 2021 have been baselined to 100.



Note: INOX Leisure Limited closing share price and NIFTY 50 values as on 1st April, 2021 have been baselined to 100.

The Equity Shares of the Company were not suspended from Trading during the Financial Year 2021-22.

(h) Registrar and Share Transfer Agents:

For lodgment of transfer deeds and other documents or any grievances / complaints, investors may contact the Company's Registrar and Share Transfer Agent at the following address:

KFin Technologies Limited (Formerly known as "KFin Technologies Private Limited")

Registered & Corporate Office
Selenium Tower No. B,
Plot No. - 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal,
Hyderabad - 500 032, Telangana.

(i) Share Transfer System:

Trading in Company's shares on the Stock Exchange takes place in electronic form. Further, 99.99% of equity shares of the Company are in demat mode. Transfer of these shares is done through depositories with no involvement of the Company.

Further, SEBI vide its circular dated 20th April, 2018, has emphasized on dematerialization of shares, in cases where shares of a listed entity, have been held in physical mode. Therefore, shareholders are instructed to get their physical shares dematerialised by making an application to their respective depository participant(s).

(j) Distribution of Shareholding & Shareholding Pattern as on 31st March, 2022:

Shareholding	Number of Shareholders	% to Total	Number of Shares	Amount in Rupees	% to Total
1 – 5000	120009	96.50	6015884	60158840	4.92
5001 – 10000	2483	2.00	1822490	18224900	1.49
10001 – 20000	943	0.76	1358807	13588070	1.11
20001 – 30000	290	0.23	724395	7243950	0.59
30001 – 40000	131	0.11	463730	4637300	0.38
40001 – 50000	82	0.07	383071	3830710	0.31
50001 – 100000	166	0.13	1251339	12513390	1.02
100001 & above	247	0.20	110319378	1103193780	90.18
TOTAL:	**124351**	**100.00**	**12,23,39,094**	**12,23,39,0940**	**100.00**

(k) Shareholding Pattern as on 31st March, 2022 is as under:

Sr. No.	Shareholders	No. of Shares held	Face Value of Equity Shares of ₹ 10/- each (Amount in ₹)	% of Total Shares
A	**Promoter & Promoter Group:**			
1	Individuals	-	-	-
2	Bodies Corporate	53874509	538745090	44.04
	Total (A)	**53874509**	**538745090**	**44.04**
B	**Public:**			
1	Mutual Funds	29543029	295430290	24.15
2	Alternate Investment Funds	1827238	18272380	1.49
3	Foreign Portfolio Investors	18652482	186524820	15.25
4	Financial Institutions / Banks	30	300	0.00
5	Foreign Institutional Investors	33643	336430	0.03
6	Qualified Institutional Buyers	412303	4123030	0.33
7	Individuals	12400983	124009830	10.14
8	Trusts	16110	161100	0.01
9	Non Resident Indian (NRI)	325483	3254830	0.27
10	Clearing Members	408097	4080970	0.33
11	Director or Director's Relatives	2200445	22004450	1.80
12	Non Resident Indian – Non Repatriable	171973	1719730	0.14
13	Bodies Corporate	2017497	20174970	1.65
14	IEPF	7526	75260	0.01
15	HUF	300245	3002450	0.24
	Total (B)	**68317084**	**683170840**	**55.84**
C	**Non Promoter Non public**			
1	Employees Benefit Trust	147501	1475010	0.12
	Total (C)	**147501**	**1475010**	**0.12**
	TOTAL (A+B+C)	**122339094**	**1223390940**	**100.00**

(l) Dematerialization of shares:

The Company's Equity Shares are traded compulsorily in dematerialized form on BSE and NSE.

The summary of dematerialized and physical Equity Shares of the Company as on 31st March, 2022 is as hereunder:

Particulars	No. of Shares	% to Total Share Capital
No. of Shares Dematerialised		
- NSDL	11,46,44,280	93.71
- CDSL	76,89,682	6.29
No. of Shares in Physical Form	5,132	0.00
TOTAL	**12,23,39,094**	**100.00**

ISIN number for dematerialization of the equity shares of the Company is INE312H01016.

(m) Outstanding GDRs/ADRs/Warrants/ any Convertible Instruments:

The Company has not issued GDRs/ADRs/Warrants or any Convertible Instruments.

(n) Commodity price risk or foreign exchange risk and hedging activities:

The Company manages foreign exchange risk and hedges to the extent considered necessary as and when required. The Company does not have any exposure to Commodity price risk. However, the Company has in place approved "Risk Assessment and Minimisation Procedure".

(o) Property Locations:

The Multiplex Cinema Theatres of the Company are situated at the following places:

Sr. No.	Name of the Unit	Address
1.	Ajmer City Square Mall	INOX Leisure Limited 3rd Floor, City Square Mall, Block-A, Panchsheel Nagar, Ajmer, Rajasthan – 305004
2.	Amritsar Trilium	INOX Leisure Limited 5th Floor, VR Mall, Wing – A, Basant Avenue, Amritsar, Punjab – 143001
3.	Bhilwara City Centre Mall	INOX Leisure Limited 3rd Floor, City Centre Mall, Bhopalganj, Bhilwara – 311001
4.	Bhiwadi Genesis Mall	INOX Leisure Limited Genesis Mall, Alwar Bypass Road, Bhiwadi, Rajasthan – 301019
5.	Delhi Epicuria	INOX Leisure Limited Lower Ground Floor, Epicuria, TDI South Bridge, Nehru Place Metro Station, PD Area, Nehru Place, Delhi– 110019
6.	Delhi Eros One	INOX Leisure Limited 1st Floor, Eros Cinema Building, Jungpura Extension, New Delhi – 110014
7.	Delhi Janak Place	INOX Leisure Limited Plot No. 19, Janak Place, District Center, Janak Puri, New Delhi – 110058
8.	Delhi Nehru Place	INOX Leisure Limited Plot No. 45D, Nehru Place, New Delhi – 110019
9.	Delhi Patel Nagar	INOX Leisure Limited Behind Shadipur Metro Station, Patel Nagar, New Delhi – 110008
10.	Faridabad Crownz	INOX Leisure Limited 3rd Floor, Crownz Interiorz Mall, Sector 35, Mathura Road, Faridabad, Haryana – 121003
11.	Faridabad EF3	INOX Leisure Limited 3rd Floor, EF3 Mall, Sector – 20A, Mathura Road, Faridabad, Haryana – 121001
12.	Ghaziabad Shipra Mall	INOX Leisure Limited 3rd Floor, Shipra Mall, Plot No. 9, Vaibhav Khand, Indirapuram, Ghaziabad, Uttar Pradesh -201012
13.	Gorakhpur City Mall	INOX Leisure Limited 2nd Floor, City Mall, 6 Civil Lines, Gorakhpur, Uttar Pradesh – 273001
14.	Gorakhpur Orion	INOX Leisure Limited 4th Floor, Orion Mall, Mohaddipur, Gorakhpur, Uttar Pradesh – 273009
15.	Greater Noida MSX Mall	INOX Leisure Limited 3rd Floor, MSX Mall, Swarn Nagari, Greater Noida, Uttar Pradesh – 201308
16.	Greater Noida Omax Mall	INOX Leisure Limited 2nd Floor, Omaxe Mall, Beta – 2D, Greater Noida, Uttar Pradesh – 201308
17.	Gurugram Ardee	INOX Leisure Limited 4th Floor, Ardee Mall, Ardee City Sector 52, Gurugram, Haryana – 122003
18.	Gurugram Dreamz Mall	INOX Leisure Limited 3rd Floor, Dreamz Mall, Sector 4–7 Circle, Old Railway Road Gurugram, Haryana – 122001
19.	Gurugram Sapphire Mall	INOX Leisure Limited 2nd Floor, Sapphire 83 Mall, Sapphire Landcraft, Sector 83, Gurugram, Haryana – 122004

Sr. No.	Name of the Unit	Address
20.	Gurugram Sapphire Sec 90	INOX Leisure Limited 2nd Floor, Sapphire 90 Mall, Sector 90, Gurugram, Haryana – 122505
21.	Jaipur Crystal Palm	INOX Leisure Limited 4th Floor, Crystal Palm Mall, Sardar Patel Marg, C-Scheme, Jaipur, Rajasthan – 302001
22.	Jaipur Elements Mall	INOX Leisure Limited 3rd Floor, Elements Mall, DCM Area, Ajmer Road, Jaipur, Rajasthan – 302021
23.	Jaipur GT Central	INOX Leisure Limited 4th Floor, GT Central Mall, Indira Palace, Malviya Nagar, Jaipur, Rajasthan – 302017
24.	Jaipur Pink Square	INOX Leisure Limited 4th Floor, Pink Square Mall, Govind Marg, Rajapark, Jaipur, Rajasthan – 302004
25.	Jaipur Space	INOX Leisure Limited Space Cinema, City Plaza Mall, Jhotwara Road, Banipark, Jaipur -302016, Rajasthan
26.	Jaipur Sunny Trade Center	INOX Leisure Limited 3rd Floor, Sunny Trade Center, New Aatish Market, Mansarovar, Jaipur, Rajasthan – 302020
27.	Jaipur Vaibhav	INOX Leisure Limited 2nd Floor, Vaibhav Cine Multiplex, Amrapali Circle, Vaishali Nagar, Jaipur, Rajasthan – 302021
28.	Jalandhar Reliance	INOX Leisure Limited 3rd Floor, Reliance Mall, Chotti Baradari, Jalandhar, Punjab – 144022
29.	Jodhpur Ansal Royal Plaza	INOX Leisure Limited 3rd Floor, Ansal Royal Plaza, High Court Road, Jodhpur, Rajasthan – 342001
30.	Kanpur Z Square	INOX Leisure Limited 3th Floor, Z – Square Mall, MG Road, Kanpur – 208001
31.	Kota Ahluwalias Great Mall	INOX Leisure Limited 2nd Floor, Ahluwalias Great Mall Of Kota, DCM Road, Kota, Rajasthan – 324007
32.	Lucknow Umrao Mall	INOX Leisure Limited 2nd Floor, Umrao Mall, Nishatganj Mahanagar, Lucknow – 226006
33.	Lucknow Crown	INOX Leisure Limited 3rd Floor, Crown Mall, Faizabad Road, Lucknow, Uttar Pradesh – 226028
34.	Lucknow Garden Galleria Mall	INOX Leisure Limited 3rd Floor, Gardens Galleria Mall, B-Block, South City, Raibareilly Road, Lucknow, Uttar Pradesh – 226025
35.	Lucknow Phoenix Palassio	INOX Leisure Limited 3rd Floor, Phoenix Palassio, Plat No. 1, Sec 7, Gomti Nagar Extension, Amar Shaheed Path, Lucknow, Uttar Pradesh – 226010
36.	Lucknow Riverside	INOX Leisure Limited 4th Floor, Riverside Mall, Vipin Khand, Gomtinagar, Lucknow, Uttar Pradesh – 226010
37.	Meerut PVS	INOX Leisure Limited 2nd Floor, PVS Mall, I-Block, Shastri Nagar, Meerut, Uttar Pradesh – 250004
38.	Panchkula NH22	INOX Leisure Limited 3rd Floor, NH22 Mall, Urban Sec -2, Panchkula, Haryana – 134107
39.	Rohtak Merion Skytech	INOX Leisure Limited 2nd Floor, SkyTech Mall, Sec-3, Sonepat Road, Rohtak, Haryana – 124001
40.	Udaipur Lake City	INOX Leisure Limited 5th Floor, Lake City Mall, Ashok Nagar, Udaipur – 313001
41.	Zirakpur Dhillon Square	INOX Leisure Limited 1st Floor, Dhillon Plaza, Chat Road, Singhpura, Zirakpur – 140603
42.	Bengaluru Brookfield	INOX Leisure Limited 4th Floor, Brookefield Mall, Kundalahalli Main Road, Bengaluru – 560037

Sr. No.	Name of the Unit	Address
43.	Bengaluru, Nexus Whitefield	INOX Leisure Limited 2nd Floor, Nexus Whitefield, Whitefield Main Road, Bengaluru 560066, Karnataka
44.	Bengaluru Garuda	INOX Leisure Limited 4th Floor, Garuda Mall, Magrath Road, Bengaluru – 560025
45.	Bengaluru Garuda Yelahanka	INOX Leisure Limited 4th Floor, Garuda Yelahanka, 1st A Main Road, Yelahanka New Town, Bengaluru – 560064
46.	Bengaluru JP Nagar	INOX Leisure Limited 5th Floor, Central Mantri Junction, 45th Cross, J.P. Nagar 2nd Phase, Bengaluru – 560069
47.	Bengaluru Lido	INOX Leisure Limited 2nd Floor, Lido Mall, Swamy Vivekananda Road, Ulsoor, Bengaluru – 560008
48.	Bengaluru Malleshwaram	INOX Leisure Limited 3rd Floor, Mantri Square, No. 1, Sampige Road, Malleshwaram, Bengaluru – 560003
49.	Bengaluru RMZ Mall	INOX Leisure Limited 2nd Floor, Galleria Mall, Bellary Road, Yelahanka, Bengaluru – 560064
50.	Bengaluru SBR Horizon	INOX Leisure Limited 2nd Floor, SBR Horizon Mall, Seegehalli, Bengaluru – 560067
51.	Bengaluru Swagath	INOX Leisure Limited 4th Floor, Shree Garuda Swagath Mall, Tilak Nagar Main Road, Jayanagar, Bengaluru – 560041
52.	Belagavi Chandan	INOX Leisure Limited Head Post Office Road, Camp Area, Belagavi – 590002
53.	Chennai City Center	INOX Leisure Limited 3rd Floor, Chennai Citi Centre, Dr. Radha Krishnan Salai, Mylapore, Chennai – 600004
54.	Chennai National	INOX Leisure Limited 3rd Floor, Chandra Metro Mall, Arcot Road, Virugambakkam, Chennai – 600092
55.	Chennai The Marina Mall	INOX Leisure Limited 3rd Floor, The Marina Mall, Old Mahabalipuram Road, Egattur, Chennai – 603103
56.	Coimbatore Prozone	INOX Leisure Limited 1st Floor, Prozone Mall, Saravanampatty, Sathy Road, Coimbatore – 641035
57.	Hyderabad GSM Mall	INOX Leisure Limited 4th Floor, GSM Mall, Madeenaguda, Hyderabad – 500049
58.	Hyderabad GVK One	INOX Leisure Limited 4th Floor, GVK One Mall, Road No 1, Banjara Hills, Hyderabad – 500034
59.	Hyderabad MP	INOX Leisure Limited 5th Floor, Maheshwari Parmeshwari Mall, Kachiguda Cross Roads, Hyderabad – 500027
60.	Kakinada SRMT	INOX Leisure Limited 3rd Floor, 82° East SRMT Mall & Multiplex, Ramanayya Peta, Sarpavaram, Kakinada – 533005
61.	Kurnool Jyoti Mall	INOX Leisure Limited 3rd Floor, Jyoti Mall, Bellary Road, Kurnool – 518001
62.	Madurai Vishaal De Mall	INOX Leisure Limited 5th Floor, Vishaal de Mal, No.31, Gokhale Road, Chinna Chokkikulam, Madurai – 625002
63.	Manipal Central Cinemas	INOX Leisure Limited 1st Floor, Central Cinemas, Laxmindra Nagar, Udupi Main Road, Manipal – 576104
64.	Salem Reliance Mall	INOX Leisure Limited 1st Floor, Reliance Mall, Five Roads Junction, Meyyanur, Salem – 636004
65.	Satyam Mysore Mall of Mysore	INOX Leisure Limited 3rd Floor, Mall Of Mysore, Indra Nagara Extension, Nazarbad Mohalla, M. G. Road, Mysore – 570010

Sr. No.	Name of the Unit	Address
66.	Thrissur Sobha City Mall	INOX Leisure Limited 2nd Floor, Sobha City Mall, Sobha City, Puzhakal, Thrissur – 680553
67.	Vijayawada LEPL	INOX Leisure Limited 3rd Floor, LEPL ICON, Patamata, Vijayawada – 520010
68.	Vijayawada Urvashi	INOX Leisure Limited Urvashi Theatre Complex, Andhra Ratna Road, Gandhi Nagar, Vijayawada - 520003
69.	Vizag Chitralayaa Mall	INOX Leisure Limited 4th Floor, Chitralayaa Mall, Surya Bagh, Visakhapatnam – 530020
70.	Vizag CMR	INOX Leisure Limited 3rd Floor, CMR Central, Maddilapalem, Visakhapatnam – 530013
71.	Vizag Varun Beach	INOX Leisure Limited Varun's Mall, Rama Krishna Beach Road, Visakhapatnam – 530003
72.	Vizianagaram NCS	INOX Leisure Limited 3rd Floor, NCS Mall, Vizianagaram – 535001
73.	Aurangabad Prozone	INOX Leisure Limited 2nd Floor, Prozone Mall, P-80, MIDC, Chikalthana, Aurangabad – 431210.
74.	Aurangabad Reliance Mall	INOX Leisure Limited 2nd floor, Reliance Mall, Gajanan Maharaj Mandir Road, Garkheda, Aurangabad – 431009.
75.	Aurangabad Tapadia	INOX Leisure Limited Tapadia Mall, Sector C-2, Town Center, CIDCO, Aurangabad – 431001
76.	Goa GMC	INOX Leisure Limited Old GMC Heritage Precinct, D.B. Road Campal, Panaji, Goa – 403001
77.	Goa Margao	INOX Leisure Limited 3rd Floor, G Wing, Osia Commercial Complex, Margao, Goa – 403601
78.	Goa Osia	INOX Leisure Limited 2nd Floor, 'A' Wings, Osia Commercial Complex, Margao, Goa – 403601
79.	Goa Porvorim	INOX Leisure Limited Mall de Goa, Nova Cidade Complex, Alto Porvorim, Bardez, Goa – 403521
80.	Jalgaon Khandesh Central	INOX Leisure Limited 2nd Floor, Khandesh Central Mall, Nehru Chowk, Railway Station Road, Jalgaon – 425001
81.	Kolhapur Reliance Mall	INOX Leisure Limited 2nd Floor, Reliance Mega Mall, Old Dalal Market, Laxmipuri, Kolhapur – 416002
82.	Mumbai Nakshatra	INOX Leisure Limited 2nd Floor, Nakshatra Cine Shoppe, Ranade Road, Dadar – West, Mumbai – 400028
83.	Mumbai Thakur Mall	INOX Leisure Limited 3rd Floor, Thakur Mall, Dahisar – East, Mumbai – 400068
84.	Mumbai Neelyog, Ghatkopar	INOX Leisure Limited 3rd Floor, Neelyog Square Mall, R. B. Mehta Road, Ghatkopar – East, Mumbai – 400077
85.	Mumbai Kalyan	INOX Leisure Limited 2nd Floor, Metro Junction Mall, Netivali, Kalyan – East, Kalyan – 421306
86.	Mumbai Raghuleela Kandivali	INOX Leisure Limited 2nd Floor, Raghuleela Mega Mall, S.V Road, Kandivali – West, Mumbai – 400067
87.	Mumbai Kandivali East	INOX Leisure Limited 4th Floor, Vishnu Shivam Mall, Thakur Village, Kandivali – East, Mumbai – 400101
88.	Mumbai Glomax Kharghar	INOX Leisure Limited 3rd Floor, Glomax Mall, Sector 2, Kharghar – West, Navi Mumbai – 410210
89.	Mumbai Inorbit Malad	INOX Leisure Limited 2nd Floor, Inorbit Mall, Link Road, Malad – West, Mumbai – 400064
90.	Mumbai Metro Cinema	INOX Leisure Limited Metro House, M. G Road, Dhobi Talao, Marine Lines, Mumbai – 400020

Sr. No.	Name of the Unit	Address
91.	Mumbai CR2	INOX Leisure Limited 2nd Floor, CR2 Mall, Cross Road-2, Barrister Rajani Patel Marg, Nariman Point, Mumbai – 400021
92.	Mumbai Palm Beach	INOX Leisure Limited 3rd Floor, Palm Beach Galleria Mall, Sector-19D, Plot No-17, Vashi, Navi Mumbai – 400703
93.	Mumbai R City	INOX Leisure Limited 3rd Floor, R City Mall, Amrut Nagar, L. B. S. Marg, Ghatkopar – West, Mumbai – 400086
94.	Mumbai R Mall	INOX Leisure Limited 3rd Floor, R Mall, Ghodbunder Road, Dhokali, Thane – West, Thane – 400607
95.	Mumbai Korum Mall	INOX Leisure Limited 3rd Floor, Korum Mall, Eastern Express Highway, Thane – West, Thane – 400606
96.	Mumbai Raghuleela Vashi	INOX Leisure Limited 3rd Floor, Raghuleela Mall, Vashi, Navi Mumbai – 400703
97.	Mumbai Atria	INOX Leisure Limited Atria The Millennium Mall, Dr. Annie Besant Road, Worli, Mumbai – 400018
98.	Nagpur Tuli	INOX Leisure Limited Jaswant Tuli Mall, Indora Square, Kamptee Road, Nagpur – 440017
99.	Nashik	INOX Leisure Limited Old Vijay Mamta Theatre, Nashik Pune Road, Nashik – 422006
100.	Pune Amanora	INOX Leisure Limited 2nd Floor, East Block, Amanora Park Town, Kharadi Bypass, Hadapsar, Pune – 411028
101.	Pune Bund Garden	INOX Leisure Limited Bund Garden Road, Pune – 411001
102.	Pune Elpro	INOX Leisure Limited 2nd Floor, Elpro City Square Mall, Pimpri-Chinchwad Link Road, Chinchwad, Pune – 411033
103.	Pune Heritage Mall	INOX Leisure Limited 3rd Floor, Royale Heritage Mall, NIBM Ext, Mohammedwadi, Pune – 411060
104.	Pune Jai Ganesh	INOX Leisure Limited Jai Ganesh Vision Mall, Akurdi Chowk, Pune – 411035
105.	Anand City Pulse	INOX Leisure Limited City Pulse Mall, Vidyanagar Road, Anand, Gujarat – 388001
106.	Bharuch Blue Chip	INOX Leisure Limited 2nd Floor, Blue Chip Mall, Sevasharam Road, Bharuch -392001
107.	Bharuch Shalimar	INOX Leisure Limited 2nd Floor, Shalimar Mall, Station Road, Bharuch – 392001
108.	Bharuch Shree Rang	INOX Leisure Limited Shree Rang Palace, Zadeshwar Road, Bharuch – 392001
109.	Bhopal Capital Mall	INOX Leisure Limited 1st Floor, Capital Mall, Hoshangabad Road, Bhopal – 462026
110.	Gandhinagar Adalaj	INOX Leisure Limited R World, Jamiyatpura Mehsana Highway, Adalaj, Gandhinagar – 382423
111.	Gandhinagar R16	INOX Leisure Limited 3rd Floor, R World, Sector-16, Gandhinagar, Gujarat – 382016
112.	Gandhinagar R21	INOX Leisure Limited 2nd Floor, R World, Sector-21, Gandhinagar, Gujarat – 382021
113.	Gwalior DB Mall	INOX Leisure Limited 2nd Floor, DB Mall, Race Course Road, Gwalior – 474001
114.	Indore C 21	INOX Leisure Limited 3rd & 4th Floor, C21 Mall, PU – 4, Scheme No. 54,A B Road, Indore – 452010

Sr. No.	Name of the Unit	Address
115.	Indore Sapna Sangeeta	INOX Leisure Limited Sapna-Sangeeta Mall, 47, Sapna Sangeeta Road, 47 Sneha Nagar, Indore – 452001
116.	Jamnagar Crystal Mall	INOX Leisure Limited 4th Floor, Crystal Mall, Airport Road, Jamnagar, Gujarat – 361006
117.	Jamnagar Reliance	INOX Leisure Limited Reliance Mall, Moti Khavdi, Dwarka Road, Jamnagar, Gujarat – 361140
118.	Nadiad Opal Mall	INOX Leisure Limited 3rd Floor, Opal Mall, College Road, Nadiad, Gujarat – 387001
119.	Raipur City Centre	INOX Leisure Limited 1st Floor, City Centre Mall, Ambuja Realty Development Limited., Vidhan Sabha Road, Raipur, Chhattisgarh – 492007
120.	Raipur City Mall	INOX Leisure Limited 3rd Floor, 36 City Mall, G. E. Road, NH – 06, Raipur, Chhattisgarh – 492001
121.	Rajkot R World	INOX Leisure Limited Old Dharam Cinema Building, Kasturba Road, Rajkot, Gujarat – 360001
122.	Rajkot Reliance Mall	INOX Leisure Limited 2nd Floor, Reliance Mall, 150 Feet Ring Road, Rajkot, Gujarat – 360005
123.	Surat DR World	INOX Leisure Limited 4th Floor, DR World Mall, Aai Mata Road, Parvat Patiya Puna Khumbhariya, Surat – 395010
124.	Surat Raj Imperial	INOX Leisure Limited 3rd Floor, Raj Imperial, Deepkamal Mall-3, Varacha Sarthana Road, Varachha, Surat – 395006
125.	Surat Reliance Mall	INOX Leisure Limited 4th Floor, Reliance Mall, Udhana, Surat, Gujarat – 394210
126.	Surat VR	INOX Leisure Limited 3rd Floor, VR Mall, Dumas Road, Magdalla Rundh Village, Surat – 395007
127.	Treasure Island Next (Indore Central)	INOX Leisure Limited 4th Floor, Treasure Next Island Mall, 170 R. N. T. Marg, Indore, Madhya Pradesh – 452001
128.	Vadodara Race Course Circle	INOX Leisure Limited Race Course Circle, Gopal Baug, Ellora Park, Vadodara – 390007
129.	Vadodara Reliance Mega Mall	INOX Leisure Limited 3rd Floor, Reliance Mega Mall, Vadodara 390020
130.	Vadodara Seven Seas	INOX Leisure Limited 4th Floor, Seven Seas Mall , Fatehgunj , Vadodara – 390002
131.	Vadodara Taksh NH8	INOX Leisure Limited 2nd Floor, Taksh Galaxy Mall, Wagodia Road, Vadodara – 390007
132.	Bhubaneswar Bhawani	INOX Leisure Limited 5th floor, BMC Bhawani Mall, Saheed Nagar, Bhubaneswar, Khorda Odisha- 751007
133.	Bhubaneswar D N Mall	INOX Leisure Limited 2nd Floor, DN Regalia, Plot No 1/A, Bhagabanpur Industrial Estate, Bhubaneswar, Odisha – 751019
134.	Bhubaneswar Symphony	INOX Leisure Limited 2nd Floor, Symphony Mall, No.596, Mouza Rudrapur, Bhubaneswar, Odisha – 752101
135.	Burdwan Arcade	INOX Leisure Limited 4th Floor, Burdwan Arcade,60 B. B. Ghosh Road, Burdwan- 713101
136.	Cuttack SGBL Square Mall	INOX Leisure Limited 3rd Floor, SGBL Square Mall, Choudhury Bazar, Cuttack, Odisha – 753009
137.	Darjeeling	INOX Leisure Limited Rink Mall, 19 Laden La Road, Darjeeling-734101, West Bengal
138.	Dhanbad Shriram	INOX Leisure Limited 5th Floor, Shriram Ozone Galleria Mall, PO – Saraidhela, Dhanbad- 828127
139.	Howrah Bellur Forum Rangoli Mall	INOX Leisure Limited 2nd Floor, Belur Forum Rangoli Mall, 212 Girish Ghosh Road, Howrah-711202

Sr. No.	Name of the Unit	Address
140.	Jorhat ABS Mall	INOX Leisure Limited 5th Floor, ABS Mall, Gar Ali, Jorhat, Assam – 785001
141.	Kolkata City Center	INOX Leisure Limited City Centre, DC-1, Sector-1, Salt Lake, Kolkata- 700064
142.	Kolkata Forum	INOX Leisure Limited 6th Floor, Forum Mall, 10/3 Elgin Road, Kolkata – 700020
143.	Kolkata Hiland Park	INOX Leisure Limited 3rd Floor, Metropolis Mall, Hiland Park, 1925 Chakgaria, E M Bypass Road, Kolkata – 700094
144.	Kolkata Hind	INOX Leisure Limited Hind Palace Private Limited, 76 Ganesh Chandra Avenue, Kolkata – 700013
145.	Kolkata Liluah	INOX Leisure Limited 4th & 5th Floor, R. D. Mall, 269 G. T. Road, Liluah, Howrah – 711204
146.	Kolkata Madhyamgram	INOX Leisure Limited 3rd Floor, Star Mall, Kolkata Madhyamgram, 74/1 Jessore Road, Sisisr Kunja, Kolkata -700129
147.	Kolkata Metro	INOX Leisure Limited 4th Floor, 5, Jawaharlal Nehru Road, Kolkata – 700013
148.	Kolkata Quest Mall	INOX Leisure Limited 4th Floor, Quest Mall, 33 Syed Amir Ali Avenue, Kolkata – 700017
149.	Kolkata Rajarhat	INOX Leisure Limited 3rd Floor, City Center New Town Mall, New Town, Rajarhat, Kolkata – 700157
150.	Kolkata South city	INOX Leisure Limited 2nd Floor, South City Mall, 375 Prince Anwar Shah Road, Kolkata – 700068
151.	Kolkata Swabhumi	INOX Leisure Limited 89C, Moulana Abul Kalam Azad Sarani, Kolkata – 700054
152.	Siliguri City Center	INOX Leisure Limited 2nd Floor, City Centre Mall, Ambuja Realty Development Limited., Matigara, Siliguri -734010
153.	Siliguri Orbit	INOX Leisure Limited 5th Floor, Vega Circle Mall, Sevoke Road, Salugara, Siliguri, West Bengal-734001
154.	Selvam Square,Vellore	INOX Leisure Limited 2nd Floor, Selvam Square, Selvam Nagar, Thiruvalam Road, Katpadi, Vellore – 632007, Tamil Nadu
155.	Bhilwara Reliance	INOX Leisure Limited 1St Floor, Reliance Mall, Suzuki Colony,Near Gurunanak Petrol Pump, Bhilwara – 311001
156.	Dhanabad Prabhatam	INOX Leisure Limited 3rd Floor, Prabhatam Grand Mall, Dhanabad -826004
157.	Gurgaon Worldmark	INOX Leisure Limited Ground Floor, Worldmark Mall, Sector -65, Gurgaon -122001
158.	Jaipur JTM Mall	INOX Leisure Limited 4th Floor JTM Mall, Model Town, Malviya Nagar, Jaipur – 302017
159.	Guwahati Auros Mall	INOX Leisure Limited 5th Floor, Aurus Mall, Dispur G.S Road, Guwahati -781006
160.	Tumkur Shankar Mall	INOX Leisure Limited 2nd Floor, Shankar Mall, Sira Road, Sira Gate, Tumkur- 572104
161.	Gurgaon AIPL Joystreet #	INOX Leisure Limited 3rd Floor, AIPL Joy Street Mall, Main Road, Sector-66, Gurgaon-122001
162.	Sattva Necklace Mall, Secunderabad #	INOX Leisure Limited 4th Floor, Sattva Necklace Mall, Kavadiguda Main Road, Secunderabad -500080
163.	Kalaburagi Orchid Mall #	INOX Leisure Limited 4th Floor, Orchid Mall, Main Road, Kalaburagi – 585105

#commenced the commercial operations of the Multiplexes w.e.f. 14th April, 2022, 6th May, 2022, & 15th May, 2022 respectively.

(p) Address for Investor correspondence:

Registered Office:
5th Floor, Viraj Towers,
Next to Andheri Flyover, Western Express Highway,
Andheri East, Mumbai – 400 093
Phone No.: 022–4062 6900
Website: www.inoxmovies.com
Email Address: investors@inoxmovies.com

(q) list of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

The Credit rating agency, CRISIL has revised the Rating of the Company during the financial year as per table given below –

Date	Long Term Rating	Short Term Rating
April 16, 2021	CRISIL A+/Negative (Downgraded from 'CRISIL AA-/Negative')	CRISIL A1 (Downgraded from 'CRISIL A1+ ')
March 22, 2022	CRISIL A+/Stable (Outlook revised from 'Negative'; Rating Reaffirmed)	CRISIL A1 (Reaffirmed)
April 01, 2022	CRISIL A+/Watch Positive (Placed on 'Rating Watch with Positive Implications')	CRISIL A1/ Watch Positive (Placed on 'Rating Watch with Positive Implications')

The details of Credit Rating is also available on the website of the Company at https://www.inoxmovies.com/Corporate.aspx?Section=3

11. OTHER DISCLOSURES

a) Materially significant Related Party Transactions:

There were no transactions with Related Parties during the Financial Year which were in conflict with the interest of the Company. Suitable disclosure as required by the Indian Accounting Standards (Ind AS 24) has been made in the Note 41 to the Standalone Financial Statements of the Company and in the Board's Report as required under Section 134 of the Companies Act, 2013.

The Board has also approved a policy on Materiality of Related Party Transactions which also includes procedure to deal with Related Party Transactions and such Policy has been put up on the Company's Website. The same can be viewed at https://www.inoxmovies.com/Corporate.aspx?Section=3.

b) Details of Non-Compliance:

During the last three years, there were no instances of Non-Compliance, Penalties, Strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets.

c) Whistle Blower Policy:

The Company has adopted Whistle Blower Policy at its Board Meeting held on 27th May, 2014, to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Adequate safeguards have been provided in the Policy to prevent victimization of Directors / Employees. No personnel have been denied access to the Audit Committee to report their concerns / grievances. The Whistle-blower Policy of the Company was further amended by the Board in March 2019 and December 2021.

A copy of Company's Whistle Blower Policy has been put up on Company's Website. The same can be viewed at https://www.inoxmovies.com/Corporate.aspx?Section=3.

d) All the Mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied by the Company.

Adoption of Non-mandatory requirement:

(i) Modified opinion(s) in Audit Report:

For the Financial Year ended 31st March, 2022, the Independent Auditors have given unmodified opinion on the Company's Financial Statements. The Company continues to adopt best practices to ensure the regime of unmodified Financial Statements.

(ii) Separate posts of Chairperson and Chief Executive Officer:

The Company has appointed Mr. Pavan Kumar Jain as the Chairman of the Company while Mr. Alok Tandon is the Chief Executive Officer of the Company.

(iii) Reporting of Internal Auditor:

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the

Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

e) The Company has formulated a Policy for determining 'Material' subsidiaries and such policy has been disclosed on the Company's Website. The same can be viewed at https://www.inoxmovies.com/Corporate.aspx?Section=3.

The Company has no Material Subsidiary as on 31st March, 2022.

f) Disclosure of commodity price risks and commodity hedging activities:

Not Applicable.

g) Details of utilization of funds raised through Qualified Institutional Placement:

The ILL Committee of the Board of Directors for Operations ("Committee") at its meeting held on 11th June, 2021, approved the issue and allotment of 96,77,419 Equity Shares to eligible qualified institutional buyers at an issue price of ₹ 310 per Equity Share (including a premium of ₹ 300 per Equity Share), aggregating to approximately ₹ 30,000 lakh. Further, please refer Note No. 47 to the Standalone Financial Statements of the Company for the details of utilisation of funds as specified under Regulations 32 (7A) of Listing Regulations.

Pursuant to the Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there is no deviation/ variation in the utilization of proceeds as mentioned in the objects stated in the placement document of Qualified Institutions Placement.

In terms of SEBI Circular No. CIR/CFD/CMD1/162/2019 dated 24th December, 2019, the Company had submitted the Statement of Nil Deviation or Variation to the Stock Exchanges within prescribed time.

h) Disclosure about Directors being appointed / re-appointed:

The brief Resume and other information required to be disclosed under this section is provided in the Notice of the Annual General Meeting.

12. The Company has not given any Loans and advances in the nature of loans to firms/companies in which directors are interested.

13. There is no Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above part C of Schedule V of the Listing Regulations.

14. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report is set out in the Annual Report in compliance with Clause B of Schedule V to the Listing Regulations.

15. CEO/CFO CERTIFICATION

The Company has obtained a Certificate from Chief Executive Officer and Chief Financial Officer in respect of matters stated in Regulation 17 (8) of Listing Regulations.

16. CODE OF CONDUCT

The Board of Directors of the Company had laid down a Code of Conduct for all Board Members and senior management of the Company which was amended at its Meeting held on 20th October, 2014 by including duties of Independent Directors. All Board Members and senior management personnel have affirmed compliance with the Code of Conduct. The Code of Conduct is placed on the Website of the Company at https://www.inoxmovies.com/Corporate.aspx?Section=3.

17. DECLARATION BY CHIEF EXECUTIVE OFFICER

Declaration signed by Mr. Alok Tandon, Chief Executive Officer of the Company, stating that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management is annexed to this Report at **Annexure – A**.

18. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

A certificate from M/s. Dhrumil M. Shah & Co., Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company were debarred or disqualified from being re-appointed under retirement by rotation and/or continuing as Directors of the Company by the SEBI, Ministry of Corporate Affairs or any other statutory authorities is annexed to this Report at **Annexure – B**.

19. RECOMMENDATIONS OF VARIOUS COMMITTEES

The Board accepted the recommendations of all the Committees whenever made during Financial Year 2021-22.

20. TOTAL FEES PAID TO STATUTORY AUDITORS FOR ALL SERVICES BY THE COMPANY AND ITS SUBSIDIARY COMPANY

The detail of fees paid by the Company to M/s. Kulkarni and Company, Statutory Auditors (Firm Registration No. 140959W) of the Company for their services is given hereunder.

(₹ in Lakh)

Particulars	2021-22	2020-21
Statutory audit	32.00	32.00
Limited Review, Corporate governance and Consolidated accounts	11.00	11.00
Certification matters – Amalgamation	1.00	-
Certification matters – Various matter	0.15	-
Certification – QIP	10.00	12.00
Out of Pocket Expenses	-	-
Total	**54.15**	**55.00**

21. DISCLOSURE IN RELATION TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Policy on Prevention, Prohibition and Redressal of sexual harassment at the workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has formed Internal Complaints Committee to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The details of number of complaints filed and disposed of during the year and pending as on 31st March, 2022 is given in the Board's Report.

22. The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, as applicable, with regard to Corporate Governance.

23. COMPLIANCE CERTIFICATE FROM THE INDEPENDENT AUDITORS

As stipulated in Para E of Schedule V of Listing Regulations, the Certificate from the Independent Auditors of the Company regarding compliance of conditions of corporate governance is annexed herewith as **Annexure-C**.

By Order of the Board of Directors

Place: Mumbai
Date: 3rd August, 2022

Pavan Kumar Jain
Chairman

Annexure – A

Declaration by the Chief Executive Officer under Clause D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Alok Tandon, Chief Executive Officer of INOX Leisure Limited, declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board and Senior Management Personnel, for the Financial Year ended 31st March, 2022.

Place: Mumbai
Date: 2nd May, 2022

Alok Tandon
Chief Executive Officer
INOX Leisure Limited

Annexure – B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
INOX LEISURE LIMITED
5th Floor, Viraj Towers, Next to Andheri Flyover,
Western Express Highway, Andheri (East),
Mumbai – 400093, Maharashtra, India.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **INOX Leisure Limited** having **CIN L92199MH1999PLC353754** and having registered office at 5th Floor, Viraj Towers, Next to Andheri Flyover, Western Express Highway, Andheri (East), Mumbai – 400093 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications *(including Directors Identification Number (DIN) status at the portal www.mca.gov.in)* as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Names of Directors	DIN	Date of appointment
1.	Mr. Amit Jatia	00016871	26-05-2011
2.	Ms. Girija Balakrishnan	06841071	03-12-2014
3.	Mr. Haigreve Khaitan	00005290	19-09-2008
4.	Mr. Pavan Kumar Jain	00030098	09-11-1999
5.	Mr. Siddharth Jain	00030202	10-09-2004
6.	Mr. Vivek Kumar Jain	00029968	09-11-1999
7.	Mr. Vishesh Chander Chandiok	00016112	14-02-2020

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

For Dhrumil M Shah & Co.
UDIN. F008021D000712516

Dhrumil M Shah
Practising Company Secretary
C.P. No. 8978 & FCS No. 8021
PR No. 995/2020

Place: Mumbai
Date: 03rd August, 2022

Annexure – C

Certificate of Compliance With the Corporate Governance

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
The Members of
INOX Leisure Limited,

This report contains details of compliance of conditions of Corporate Governance by **INOX Leisure Limited** ('the Company') for the year ended 31st March, 2022 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

Our examination 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.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2022.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations in all material respects.

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.

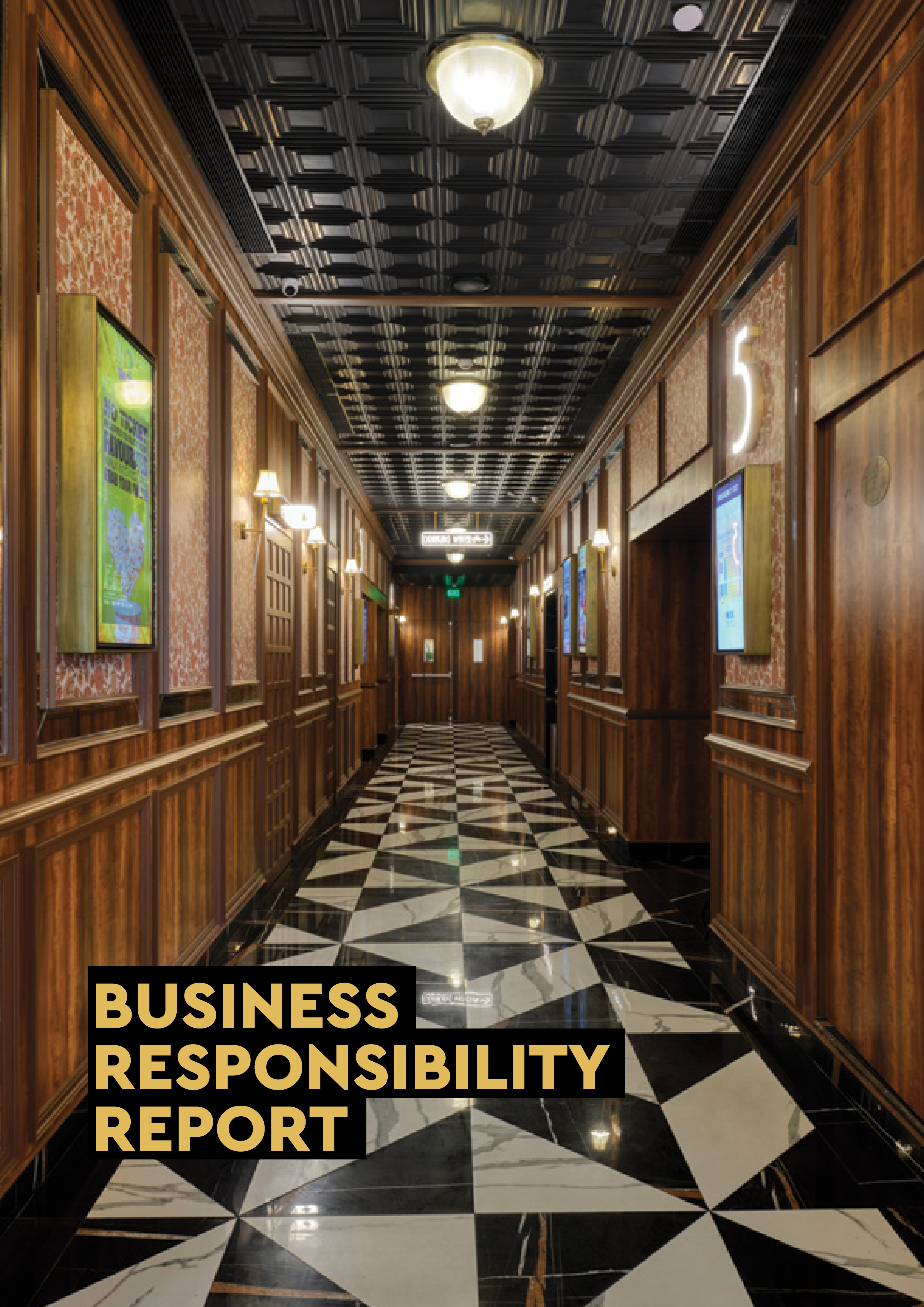
Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Kulkarni and Company,
Chartered Accountants
Firm's Registration Number: 140959W

A D Talavlikar
Partner
Membership Number: 130432

Place: Pune
Date: 3 August 2022
UDIN: 22130432AOEHLX6939



BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report

Regulation 34 (2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34 (2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Directors present the "Business Responsibility Report" (BRR) of the Company for FY 2021-22.

The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 Principles and Core Elements for each of the 9 Principles.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identification Number	L92199MH1999PLC353754
2.	Name of the Company	INOX Leisure Limited
3.	Registered Address	5th Floor, Viraj Towers, Next to Andheri Flyover, Western Express Highway, Andheri (East), Mumbai 400 093
4.	Website	www.inoxmovies.com
5.	Email Address	investors@inoxmovies.com
6.	Financial year reported	2021-2022
7.	Sector(s) that the Company is engaged in	Motion Picture Projection Activities (NIC code 59141)
8.	3 key products/services manufactured/ provided by the Company	Cinema Exhibition, Sale of Food & Beverages (F&B) and generation of power / electricity.
9.	Total number of locations where business activities are undertaken by the Company	
(a)	Number of International Locations (Provide details of major 5)	None
(b)	Number of National Locations	160 Locations as on 31st March, 2022
10.	Markets served by the Company	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up capital (INR)	₹ 12,233.91 Lakhs
2.	Total turnover (INR)	₹ 68,393.81 Lakhs
3.	Total profit/(Loss) after tax (INR)	(₹ 23,933.68 Lakhs)
4.	Total spending on CSR as percentage of PAT (%)	Nil (Since the average Net Profit of the Company for previous 3 years is Negative)
5.	List of the activities in which expenditure in 4 above has been incurred	Not Applicable

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION

1.	Details of Director(s) responsible for BR		
(a)	Details of the Director/Director responsible for implementation of the BR policy/policies:		
1.	DIN Number	00030098	00030202
2.	Name	Mr. Pavan Kumar Jain	Mr. Siddharth Jain
3.	Designation	Chairman	Director
(b)	Details of the BR head:		
1.	DIN Number (if applicable)	N.A.	
2.	Name	Mr. Kailash B. Gupta	
3.	Designation	Chief Financial Officer	
4.	Telephone number	022 4062 6900	
5.	e-mail id	kailash.gupta@inoxmovies.com	

2. Principle-wise (as per NVGs) BR Policy/Policies

a) Details of Compliance (Reply in Y/N)

Principle Number	Principle
P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all the employees
P4	Businesses should respect the interests of, and be responsive towards all its stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Policies are prepared ensuring adherence to applicable regulatory requirements and industry standards.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Most of the relevant policies are disseminated and uploaded for information of relevant stakeholders and employees either on Company's website (https://www.inoxmovies.com/Corporate.aspx?Section=3) or as part of the employee handbook.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Policies are evaluated regularly by Management Team								

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options):
Not Applicable

3. Governance related to BR:

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.	The business responsibility performance of the Company is assessed annually by the BRR Committee constituted by the Board of Directors of the Company.
(b)	Does the Company publish BR or Sustainability Report? What is hyperlink for viewing this report? How frequently it is published?	Yes. BRR of Financial Year 2020-21 is placed on the website of the Company: https://www.inoxmovies.com/Corporate.aspx?Section=3 It is published annually.

SECTION E: PRINCIPLE-WISE PERFORMANCE:

Certain key principles to assess fulfilment of the requirement by the Company and a description of core elements under the principles as detailed in Annexure II of the referred SEBI circular are narrated below:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability:

INOX has formulated a Code of Conduct (CoC) to ensure that the business of the Company is conducted in accordance with the highest standards of ethics and values, while complying with the applicable laws and regulations. The CoC encourages each and every Director and Officer of the Company to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct while working at the Company's premises, at offsite locations, at the Company's sponsored business and social events, and / or at any other place where they represent the Company. The Company has formulated CoC for Vendors who do business with the Company. The CoC for Vendors encourages the Vendors to adhere to the highest standards of ethics and values. Any instance of non-compliance of any of the provisions of the CoC is treated as a breach of ethical conduct and is viewed seriously by the Company. The Company also has a Whistle Blower Policy which is a mechanism to reinforce implementation of the Company's CoC which encourages each and every Director, Employees and Vendors of the Company to take positive actions which are not only commensurate with the Company's beliefs but are also perceived to be so. This Policy provides all employees and Directors of the Company and its subsidiary a mechanism to report improper acts and provides adequate safeguards against victimization.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

   Yes. The policy relating to ethics, bribery and corruption covers the Company, its Subsidiary and the Vendors of the Company.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   None.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

As a cinema exhibition company, safety of its patrons is the prime concern for INOX. The Company has a detailed Fire & Safety Standard Operating Procedure (SOP) which contains guidelines for dealing with different kinds of safety emergencies like fire and bomb threats. It also contains detailed steps to operate the safety system installed in the properties along with guidelines for their maintenance.

We have introduced BONPET fire system for all Deep Fat Fryers at all kitchens. Going forward, the Company will be introducing kitchen hood fire protection system wherever it has kitchens. For safety, the Company has proposed & introduced centralized online DVR monitoring system to monitor and send triggers/notifications in case the DVR supply is cut off or when the DVR goes offline.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:

   All INOX properties use fire retardant materials for curtains, carpets, and chairs. These, along with the Integrated Fire Detection and Control System minimizes the risk of fire while enables quick control of fire, in case of eventualities. Also, the new properties of the Company are being designed in such a manner, that they are easily accessible to the differently-abled.

2. For each such product, provide the following details with respect to resource use (energy, water, raw material etc.) per unit of product(optional):

   a. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

      As a cinema exhibition company, INOX does not have any manufacturing activities and hence it has limited resource consumption. However, the Company has taken a number of initiatives to increase the energy efficiency of its properties, most of which are mentioned later in the report.

b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company has been replacing the conventional lights with the LED lights across its properties. The Company has also introduced Paperless Ticket Entry which results in saving paper. The Company has replaced existing induction motors & belt driven blowers of Air Handling Units with energy efficient Electronically Commutated Fans. Also, the Company has proposed to install permanent magnet motors fan units with an efficiency of 95% to save minimum 30% of energy on AHU consumption. (Further details are available in the **Annexure D** of the Boards' Report dealing with Conservation of Energy, Technology Absorption, etc.)

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof in 50 words or so.

We have sustainable sourcing & transportation model. Almost the entire stock is procured through long term sustainable options from reputed vendors. We ensure that we have alternate vendor for most of our Raw Materials and Packaging Material supplies. Sufficient stocks are also being maintained at the cinemas.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

While most of our consumption is procured from National vendors owing to standard menu and volume, we do procure our Ready to Eat (RTE) menu items & associate with Other Food Business (OFB), who are local and small producers. This helps us to give the right tastes and flavours required for a particular market. During this exercise, we also train them on safe and hygiene practices and work closely with them to help them improve their volumes. We also give them level playing field at our Cinema lobby to enable them to reach out to patrons.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5–10%, >10%). Also, provide details thereof, in about 50 words or so.

A number of INOX properties are located within shopping malls which have their own Sewage Treatment Plant (STP). At such locations, the treated water is used for flushing purposes inside the INOX property. Also the waste generated at all INOX properties is segregated into wet and dry waste at the source. Further we have installed Organic Waste Converter at INOX GOA GMC Building to make manure out of biodegradable food waste being generated from cinema operations.

Principle 3: Businesses should promote the well-being of all employees:

The Company has an HR Operations Manual that provides guidance and policies for governing various aspects related to its employees. It includes guidelines on employee evaluation and performance management, training and development, employee grievance redressal and employee engagement. It also includes guidelines on prevention, prohibition and redressal of sexual harassment of women at workplace.

1. Please indicate the Total number of employees:

The Company has a total of 1488 employees (excluding outsourced employees) as at 31st March, 2022.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis:

A total of 6087 employees have been hired on temporary/contractual/casual basis.

3. Please indicate the Number of permanent women employees:

The Company has 88 permanent women employees and 700 women employees on contractual basis.

4. Please indicate the Number of permanent employees with disabilities:

The Company currently has 3 permanent employees with disabilities.

5. Do you have an employee association that is recognized by the management?

The Company does not have any employee association that is recognized by the management.

6. What percentage of your permanent employees is members of this recognized employee association?

Not applicable.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of Complaints filed during the financial year	No. of Complaints pending as on end of the financial year
1.	Child labour / forced labour / involuntary labour	0	0
2.	Sexual harassment	5	0
3.	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?

Permanent Employees	100%
Permanent Women Employees	100%
Casual/Temporary/Contractual Employees	100%
Employees with Disabilities	100%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:

The Company has a Corporate Social Responsibility (CSR) Policy, which is guided by the philosophy of INOX and the INOX Group of Companies and delineates the Company's responsibility as a responsible corporate citizen. The CSR Policy of the Company lays down the guidelines and mechanism to undertake programmes for social welfare and sustainable development of the community at large. The objective of the Policy is to enhance value creation by the Company in the communities in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community. The Company ensures that its business is conducted in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.

1. Has the company mapped its internal and external stakeholders?

   The Company has identified its internal and external stakeholders which include its employees, shareholders, vendors, customers, regulators, etc.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

   Yes.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof in 50 words or so.

   Some of the initiatives undertaken by the Company include:

   - INOX regularly does movie screening for underprivileged kids & kids with special needs, Cancer Patients etc.
   - INOX also has the facility of providing assistance for elderly guests and guests who are physically challenged.
   - INOX trains small vendors on safety and hygiene practices. We also work closely with them to improve their business.

Principle 5: Businesses should respect and promote human rights:

The HR Operations Manual of the Company contains detailed guidelines in relation to the process and approach for raising and resolving staff grievances. These might include cases of verbal / physical abuse or harassment of employees. It also contains provisions to ensure privacy while dealing with all such complaints.

1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

   The policy extends to Contract Labour, Vendors and all other stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   No stakeholder complaint has been received related to human rights in the past financial year and none are pending as on 31st March 2022.

Principle 6: Business should respect, protect and make efforts to restore the environment:

As a cinema exhibition company, with no manufacturing activities, we have a limited environmental footprint and we make conscious efforts to minimize the same. We focus on areas like energy efficiency and renewable energy to make the operations at our properties environment friendly. We have also achieved LEED GOLD certification for INOX Nariman Point, Mumbai . However, in order to contribute towards the environment, we have taken number of steps/initiatives as mentioned in **Annexure-D** of Board's Report.

1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.

   Yes. The policy extends to our Employees, Vendors and relevant stakeholders.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

In its effort to address the climate change, the Company has adopted a number of initiatives to decrease its energy consumption and enhance energy efficiency at its properties, thereby reducing its greenhouse gas emissions. The strategies are provided in the Earnings Presentation which is available on https://www.inoxmovies.com/Corporate.aspx?Section=3.

3. Does the company identify and assess potential environmental risks? Y/N

   Yes.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

   Eco-friendly wind energy, a renewable source of electricity, is used for multiplex operations at INOX Race Course Vadodara, INOX Anand, INOX Crystal Jamnagar and INOX Shree Rang Palace Bharuch.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   The Company undertakes regular energy audits across all its properties which helps in the identification of areas where there is scope for improvement. It has taken a number of initiatives like retrofitting of chillers, installation of variable frequency drives and LED lighting, which has helped the Company to decrease electricity consumption. The Company has also installed 2 windmills in Mothisindhodi, Kutch, Gujarat with a cumulative capacity of 1.2 MWh. These windmills generates more than 20 lakh units (NET) of electricity which is consumed by 4 of INOX's properties viz; INOX Vadodara Race Course, INOX Bharuch Shree Rang, INOX Anand City Pulse and INOX Jamnagar Crystal with excess units of electricity being sold to the respective DISCOM. The Company has taken various steps for energy efficiency, renewal energy etc. The details of the same is mentioned in **Annexure-D** of the Board's Report.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   As a cinema exhibition company, INOX does not have any manufacturing operations and hence this question is not applicable.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   None.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner:

As a business which is not actively involved in advocacy activity, the Company does not find itself at a stage where it is in a position to formulate and implement relevant policies. However, the Company will continue to assess the evolving business and regulatory environment in future in this regard.

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

   INOX Leisure Limited is a member of Multiplex Association of India.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Yes. The Company regularly engages with relevant regulatory authorities through Multiplex Association of India for public good.

Principle 8: Businesses should support inclusive growth and equitable development

The Company's CSR Policy aims to enhance value creation in the society and in the communities in which it operates. It aims to promote sustained growth for the society and community, in fulfilment of its role as a socially responsible corporate.

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof

   Some of the initiatives undertaken by the Company in the past includes:

   - Promotion of Education
   - Monetary assistance for promoting education in tribal areas.
   - Setting up homes in Rural Areas.
   - Monetary assistance to students from economically disadvantaged backgrounds
   - Monetary assistance for promoting Olympic Sports.

2. Are the programmes/projects undertaken through in-house team /own foundation / external NGO / government structures / any other organization?

   The programmes are undertaken through in-house teams as well as through NGOs.

3. Have you done any impact assessment of your initiative?

   The Company follows a systematic five step approach towards releasing funds for a project. The fifth step in this process includes a provision for seeking information regarding the impact of money spent, on the life of the beneficiary.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

   The Company keeps on contributing for community development projects from time to time.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

   The Company regularly engages with the local communities in the areas chosen for CSR program implementation through its own CSR teams and partner NGOs. Through these interactions it ensures that its CSR initiatives are adopted by the local community and fulfil the needs of the target population.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner:

The Company has a well-defined SOP for all the different aspects that fall under the ambit of Customer Relationship Management. It contains detailed steps that need to be followed in any given situation, along with defined roles and responsibilities.

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?

   15 Consumer complaints are pending as on 31st March, 2022. These complaints are pending before various Consumer Forums, State Commissions and NCDRC.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N. A. /Remarks (additional information)

   We follow all prescribed Local, State and Central laws when it comes to legal metrology and packaging. While most of our Stock Keeping Units (SKUs) are not prepacked (like Popcorn & Cola) we do mention the prescribed requirements in our menu mast (TV). For prepacked SKUs like Chips, Chocolate, Cookies etc., we follow and ensure all statutory details are mentioned in the packs.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

   15 Complaints are pending as on 31st March, 2022 before various Consumer Forums, State Commissions and NCDRC. These complaints are filed by consumers alleging unfair trade practices/ deficiency in service. There were no pending stakeholder case/s against the company pertaining to irresponsible advertising and/or anti-competitive behavior as on 31st March, 2022. Please note, four Consumer complaints were disposed off in favour of INOX and with respect to two cases, adverse orders were received, for which appeals have been filed by us.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   The Company seeks regular feedback from its customers in order to get clear and detailed insights into their satisfaction levels. The Company has a running and functional feedback system which is used by customers to give ratings via email / mobile. Every feedback received is forwarded to the respective Unit Manager and the central customer relationship team for necessary action as required.

By Order of the Board of Directors

Place: Mumbai
Date: 3rd August, 2022

Pavan Kumar Jain
Chairman

STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

to the members of INOX Leisure Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **INOX Leisure Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ("the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

As described in Note 2.2, in preparation of these standalone financial statements, the Company has considered the effect of uncertainties due to COVID-19 pandemic on the operations of the Company. The actual impact of COVID-19 pandemic may be different from that estimated as on the date of approval of these standalone financial statements.

Our report is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.	Key Audit Matter	Auditor's Response
1	**Carrying amount of goodwill, right-of-use assets and property, plant and equipment** As at 31 March 2022, the carrying amount of goodwill, right-of-use assets (ROU) and property, plant and equipment (PPE) is Rs. 1,750.00 lakhs, Rs. 2,13,479.51 lakhs and Rs. 92,834.85 lakhs respectively. The goodwill is in respect of the one of the multiplexes and the Company is required to annually assess the carrying amount of goodwill by performing a value in use calculation based on cash flow projections of the relevant cash generating unit (CGU). As a result of performing value in use calculations, there is no impairment of the goodwill.	To address this key audit matter, our audit procedures included the following: • In case of ROU and PPE, we evaluated the appropriateness of the parameters used to identify whether any indication of impairment existed for the purpose of identification of CGUs to be tested • Obtained an external valuation report in respect of the goodwill. • For all CGUs identified for impairment testing and the CGU with goodwill, we obtained the discounted cash flow forecasts prepared by the management. • We evaluated the appropriateness of management's model used for the impairment assessment and considered the

Independent Auditor's Report to the members of INOX Leisure Limited on the standalone financial statements for the year ended 31 March 2022 (contd...)

Sr.	Key Audit Matter	Auditor's Response
	The Company has also reviewed the carrying amounts of the ROU and PPE to determine whether the recoverable amount of the relevant cash generating unit (CGU) is estimated to be less than its carrying amount by performing a value in use calculation based on cash flow projections of the CGU. For this purpose, each multiplex of the Company is treated as a separate CGU. Based on this analysis, there is no impairment loss. This has been identified as a key audit matter since the value in use calculations includes key assumptions and judgments in the calculation of the recoverable amount, viz. forecast revenue growth rates, discount rate assumptions and the parameters used for growth forecast.	reasonableness of the cash flow forecast, judgments and assumptions used in the calculations. • For each CGU identified for impairment testing, we have checked the mathematical accuracy of the calculations.
2	**Claims and exposure relating to indirect taxation** The Company has disclosed in Note 44 to the standalone financial statements the contingent liabilities as at 31 March 2022 which includes amount of Rs. 9,236.87 lakhs in respect of indirect tax matters viz. entertainment tax and service tax. This has been identified as a key audit matter due to magnitude of the amount involved, uncertainty of the matter and the potential financial impact on the standalone financial statements. There is significant judgement required by management in assessing the exposure of each case due to the complexities of the cases and timescales for resolution.	To address this key audit matter, our audit procedures included the following: • Obtained the summary of all pending indirect tax matters of the Company and assessed the management's position through discussion with the CEO, CFO and legal head, on both the probability of success and the amounts involved. • Inspected external legal opinions (where considered necessary) and other evidence to corroborate management's assessment with respect to these issues. • Assessed the relevant disclosures made within the standalone financial statements to ensure they appropriately reflect the facts and circumstances of the potential exposures are in accordance with Ind AS 37. • Obtained and verified the final copies for all the matters settled during the year.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual Report, for example, Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance etc., but does not include the standalone financial statements and our auditor's report thereon. The Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, and Corporate Governance etc. is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

When we read the Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, and Corporate Governance etc., if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per the applicable laws and regulations.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit, we report that:

Independent Auditor's Report to the members of INOX Leisure Limited on the standalone financial statements for the year ended 31 March 2022 (contd...)

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Changes in Equity, and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure II. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year.

For **Kulkarni and Company**
Chartered Accountants
Firm's Registration No. 140959W

A.D Talavlikar
Partner
Membership No. 130432
UDIN: 22130432AIGUXF6440

Place: Pune
Date: 2 May 2022

Annexure I to Independent auditor's report

to the members of INOX Leisure Limited on the standalone financial statements for the year ended 31 March 2022 – referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

In term of the Companies (Auditor's Report) Order, 2020 ("the Order"), on the basis of information and explanation given to us and the books and records examined by us in the normal course of audit and such checks as we considered appropriate, to the best of our knowledge and belief, we state as under:

i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has also maintained proper records showing full particulars of intangible assets.

(b) The Company has a programme of physical verification of Property, Plant and Equipment so as to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company, except as under:

Description of property	Gross carrying value (Rs. in Lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of company
Building located at Nariman Point, Mumbai	5,686.74	INOX Leisure Limited	No	Since 19 August 2003	Agreement to sale is executed in the name of the Company and the conveyance deed yet to be executed.
Building located at Swabhumi, Kolkata	828.57	Calcutta Cine Private Limited	No	Since 04 April 2003	In name of the erstwhile amalgamated company and yet to be transferred in the name of the Company.
Leasehold land located at Swabhumi, Kolkata	125.18	Calcutta Cine Private Limited	No	Since 04 April 2003	In name of the erstwhile amalgamated company and yet to be transferred in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangibles assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The inventories were physically verified by the management at reasonable intervals during the year and the coverage and procedures of such verification by the management were appropriate. No material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification of inventories as compared to book records.

(b) The Company has not been sanctioned any working capital limit in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

(b) The investments made during the year are not, prima-facie, prejudicial to the Company's interest.

Annexure I to Independent auditor's report

to the members of INOX Leisure Limited (contd...)

(c) The Company has not granted any loans or advances in nature of loans and accordingly, the requirement to report on clause 3(iii)(c) to 3(iii)(f) of the Order is not applicable to the Company.

iv. The Company has complied with the provisions of section 186 of the Act in respect of investments made and guarantees provided. The Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Act and the Company has not provided any security as specified under Section 186 of the Act.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act, and the Rules framed thereunder. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act, for the activities of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and any other material statutory dues applicable to it. There are no undisputed dues relating to sales tax, service tax, duty of excise or value added tax. There are no undisputed amounts payable in respect of such statutory dues which were in arrears as at 31 March 2022 for a period of more than six months from the date they become payable.

(b) The details of statutory dues referred to in sub-clause (a) above, which have not been deposited on account of disputes are as under:

Name of the statute	Nature of dues and the period to which the amount relates	Amount (₹ in Lakhs)	Forum where dispute is pending
Service-tax (Finance Act, 1994)	Service tax on renting of immovable properties for the period August 2008 to September 2011	1,035.02	Supreme Court of India
Service-tax (Finance Act, 1994)	Service tax on Food & Beverage, for the period April 2013 to June 2017	5,915.87	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Goods and Services Tax Act, 2017	Anti-profiteering dues for the period November 2017 to April 2019	355.76	High Court of Delhi
Customs Act, 1962	Customs duty	Amount not ascertainable	Commissioner Appeal, Central Board of Excise and Customs
	Customs duty for the period 2005-06	4.36	Asst. Commissioner of Customs, Jawaharlal Nehru Custom House, JNPT, Nhava Sheva
Income-tax Act, 1961	TDS dues for Assessment years 2013-14, 2014-15 & 2015-16	39.34	National Faceless Appeal Centre of the Income tax Department
Maharashtra Entertainments Duty Act ("Act"), 1923	Entertainment tax on online convenience fees for the period January 2015 to October 2016	102.32	High Court, Bombay
M.P. Entertainment Duty and Advertisement Tax Act, 1936	Entertainment tax matters from February 2006 to March 2012	612.27	High Court of Madhya Pradesh, Indore bench
Andhra Pradesh Entertainments Tax ("Act"), 1939	Entertainment tax matters from April 2011 to June 2013	52.71	Government of Telangana Commercial Tax Department
The Indian Stamp Act, 1899	Stamp duty matter, Lucknow	263.81	Hon'ble Board of Revenue at Allahabad

Annexure I to Independent auditor's report

to the members of INOX Leisure Limited (contd...)

viii. There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) The Company has not defaulted in repayment of loans and other borrowings or in payment of interest thereon to any lender.

(b) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) The term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have not been used for long term purposes.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary.

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

(b) The Company has made private placement of shares by way of Qualified Institutional Placement during the year. The Company has complied with provisions of section 42 of the Act, in respect of these shares issued during the year. The issue proceeds of Rs. 29,613.45 lakhs (net of expenses of Rs. 386.55 lakhs) have been used for the purposes for which the funds were raised except that the unutilized funds of Rs. 10,000.00 lakhs as at year end are temporarily invested in liquid schemes of mutual funds and fixed deposits with scheduled commercial banks. During the year, the Company has not made any other preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible).

xi. (a) No fraud by the Company or on the Company has been noticed or reported during the year.

(b) During the year, no report has been filed by the auditors, under sub-section (12) of section 143 of the Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) There are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and accordingly, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Act, and the details have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.

b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with directors or persons connected with them and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

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

(d) The Group of which the Company is a part has only one CIC.

xvii. The Company has incurred cash losses in the current and the immediately preceding financial year amounting to Rs. 10,175.23 lakhs & Rs. 23,081.39 lakhs respectively.

xviii. There has been no resignation of the statutory auditors during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable

Annexure I to Independent auditor's report

to the members of INOX Leisure Limited (contd...)

of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all the liabilities following due within a period of one year, from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, the Company has transferred unspent amount to a Fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) The Company did not have any ongoing project and accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For **Kulkarni and Company**
Chartered Accountants
Firm's Registration No. 140959W

A.D Talavlikar
Partner
Membership No. 130432

Place: Pune
Date: 2 May 2022

Annexure II to Independent auditor's report

to the members of INOX Leisure Limited on the standalone financial statements for the year ended 31 March 2022 – referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

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

We have audited the internal financial controls with reference to financial statements of **INOX Leisure Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Annexure II to Independent auditor's report

to the members of INOX Leisure Limited (contd...)

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2022 based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Kulkarni and Company**
Chartered Accountants
Firm's Registration No. 140959W

A.D Talavlikar
Partner
Membership No. 130432

Place: Pune
Date: 2 May 2022

Standalone Balance Sheet

as at 31 March 2022

(₹ in Lakhs)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	5(a)	92,834.85	94,139.23
(b) Capital work-in-progress	5(b)	2,628.77	5,695.01
(c) Right-of-use assets	5(c)	2,13,479.51	2,11,639.39
(d) Goodwill	6	1,750.00	1,750.00
(e) Other intangible assets	7	337.82	563.93
(f) Financial assets			
(i) Investments			
(a) Investment in subsidiary	8	100.12	99.12
(b) Other investments	9	–	9.49
(ii) Other financial assets	10	18,571.08	19,130.44
(g) Deferred tax assets (net)	11	35,762.34	28,403.91
(h) Income tax assets (net)	12	533.59	118.32
(i) Other non-current assets	13	2,982.46	2,745.55
Total non – current assets		**3,68,980.54**	**3,64,294.39**
2 Current assets			
(a) Inventories	14	1,432.74	1,033.53
(b) Financial assets			
(i) Other investments	9	14,899.71	10.49
(ii) Trade receivables	15	2,903.38	430.43
(iii) Cash and cash equivalents	16	2,303.23	759.97
(iv) Bank balances other than (iii) above	17	3,252.89	6,948.27
(v) Other financial assets	10	222.23	55.28
(c) Other current assets	13	3,992.79	4,894.30
Total current assets		**29,006.97**	**14,132.27**
Total Assets (1+2)		**3,97,987.51**	**3,78,426.66**
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	18	12,219.16	11,248.54
(b) Other equity	19	57,044.45	52,041.96
Total equity		**69,263.61**	**63,290.50**
LIABILITIES			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	6,940.58	4,701.69
(ii) Lease liabilities	21	2,75,980.98	2,65,925.65
(iii) Other financial liabilities	22	107.89	666.66
(b) Provisions	23	1,533.14	1,668.26
(c) Other non-current liabilities	24	5,122.83	5,765.33
Total non – current liabilities		**2,89,685.42**	**2,78,727.59**
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	1,707.65	5,775.09
(ii) Lease liabilities	21	10,178.83	8,109.57
(iii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	26	1,023.41	796.68
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	26	12,567.67	10,811.71
(iv) Other financial liabilities	22	5,388.52	4,831.79
(b) Other current liabilities	27	6,281.93	4,171.19
(c) Provisions	23	1,890.47	1,912.54
Total current liabilities		**39,038.48**	**36,408.57**
Total Equity and Liabilities (1+2+3)		**3,97,987.51**	**3,78,426.66**

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached
For **Kulkarni and Company**
Chartered Accountants
Firm's Reg. No: 140959W

For and on behalf of the Board of Directors

A. D. Talavlikar
Partner
Membership No: 130432

Pavan Kumar Jain
Chairman
DIN: 00030098

Siddharth Jain
Director
DIN: 00030202

Alok Tandon
Chief Executive Officer

Kailash B Gupta
Chief Financial Officer

Parthasarathy Iyengar
Company Secretary

Place: Pune
Date: 2 May 2022

Place: Mumbai
Date: 2 May 2022

Standalone Statement of Profit and Loss

for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations	28	68,393.81	10,593.13
Other income	29	2,181.80	4,223.88
Total Income (I)		**70,575.61**	**14,817.01**
Expenses			
Cost of materials consumed		4,271.23	787.66
Exhibition cost	30	19,634.67	2,639.23
Employee benefits expense	31	9,477.90	8,667.28
Finance costs	32	25,799.20	25,109.82
Depreciation and amortisation expense	33	29,384.25	28,320.70
Rent concessions	21	(14,497.99)	(22,201.40)
Other expenses	34	27,827.85	15,721.77
Total expenses (II)		**1,01,897.11**	**59,045.06**
Loss before exceptional items and tax (I - II = III)		(31,321.50)	(44,228.05)
Exceptional items (IV)	46	-	408.11
Loss before tax (III-IV = V)		**(31,321.50)**	**(44,636.16)**
Tax expense: (VI)	35		
Current tax		-	-
Deferred tax		(7,798.93)	(10,689.76)
Taxation pertaining to earlier years		411.11	(180.72)
		(7,387.82)	**(10,870.48)**
Loss for the year (V - VI = VII)		**(23,933.68)**	**(33,765.68)**
Other comprehensive income (VIII)			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans		125.77	170.40
(ii) Income tax on above	35	(31.65)	(42.89)
Total Other comprehensive income (i-ii)		**94.12**	**127.51**
Total Comprehensive income for the year (VII +VIII = IX) (Comprising loss and other comprehensive income for the year)		**(23,839.56)**	**(33,638.17)**
Earnings/(Loss) per equity share of Rs. 10 each			
1) Basic (in Rs.)	50	(19.90)	(32.22)
2) Diluted (in Rs.)	50	(19.90)	(32.22)

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For **Kulkarni and Company**
Chartered Accountants
Firm's Reg. No: 140959W

For and on behalf of the Board of Directors

A.D.Talavlikar
Partner
Membership No: 130432

Pavan Kumar Jain
Chairman
DIN: 00030098

Siddharth Jain
Director
DIN: 00030202

Alok Tandon
Chief Executive Officer

Kailash B Gupta
Chief Financial Officer

Parthasarathy Iyengar
Company Secretary

Place: Pune
Date: 2 May 2022

Place: Mumbai
Date: 2 May 2022

Standalone Statement of Cash Flows

for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities		
Loss for the year after tax	**(23,933.68)**	**(33,765.68)**
Adjustments for:		
Income tax expense	(7,387.82)	(10,870.48)
Finance costs	25,799.20	25,109.82
Interest income recognised in profit or loss	(850.37)	(839.70)
Deferred revenue - government grant	(486.65)	(646.45)
Deferred revenue - convenience fee income	(37.30)	(47.72)
Gain on investments measured at fair value through profit or loss	(414.07)	(64.68)
Loss on disposal of property, plant and equipment (net)	173.77	35.36
Liabilities and provisions, no longer required, written back	(776.88)	(599.56)
ESOP charge	194.89	17.86
Bad debt & remissions	0.30	1.31
Deposits and advances written off	31.94	-
Allowance for doubtful deposits and advances (net)	87.50	-
Inventories written off	69.06	131.17
Allowance for doubtful trade receivables and expected credit losses (net)	3.93	191.34
Depreciation and amortisation expense	29,384.25	28,320.70
Rent concessions	(16,361.83)	(22,960.24)
Exceptional Items	-	408.11
Unrealised foreign exchange loss (net)	0.12	1.77
	5,496.36	**(15,577.07)**
Movements in working capital:		
(Increase)/decrease in trade receivables	(2,477.18)	5,651.56
(Increase)/decrease in inventories	(468.27)	199.84
(Increase)/decrease in other financial assets	(55.43)	124.96
(Increase)/decrease in other assets	924.34	(498.20)
Increase/(decrease) in trade payables	2,759.57	(2,086.25)
Increase/(decrease) in provisions	(31.42)	86.21
Increase/(decrease) in other financial liabilities	(35.44)	(677.13)
Increase/(decrease) in other liabilities	1,992.19	(770.86)
Cash generated from/(used in) operations	**8,104.72**	**(13,546.94)**
Income taxes refund/(paid) (net)	(417.50)	494.67
Net cash generated from/(used in) operating activities	**7,687.22**	**(13,052.27)**
Cash flows from investing activities		
Payments for purchase of property, plant and equipment (including changes in capital work in progress, capital creditors & capital advances)	(7,345.88)	(5,956.75)
Payments for acquiring right-of-use assets	(251.35)	(47.09)
Payments for acquiring intangible assets	(104.16)	(60.57)
Proceeds from disposal of property, plant and equipment	105.27	11.78
Maturity of Government securities	12.50	46.55
Purchase of current investments	(47,100.00)	(13,300.00)
Sale of current investments	32,616.96	13,364.68
Movement in other bank balances	4,010.31	(6,484.92)
Interest received	253.03	269.21
Net cash used in investing activities	**(17,803.32)**	**(12,157.11)**

Standalone Statement of Cash Flows

for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from financing activities		
Proceeds from sale of Treasury Shares (net of expenses)	–	10,066.02
Proceeds from issue of equity shares through QIP (net of expenses)	29,613.45	24,655.56
Shares issued under ESOP	4.31	5.06
Additional investment in subsidiary company	(1.00)	–
Repayment of borrowings – non current	(3,666.67)	(4,631.64)
Proceeds from borrowings – non current	3,900.00	7,500.00
Net movement in current borrowings	(2,000.00)	(8,264.13)
Payment of lease liabilities	(15,117.67)	(5,759.27)
Finance costs	(1,073.06)	(1,580.47)
Net cash generated from financing activities	**11,659.36**	**21,991.13**
Net increase/(decrease) in cash and cash equivalents	**1,543.26**	**(3,218.25)**
Cash and cash equivalents at the beginning of the year	759.97	3,978.22
Cash and cash equivalents at the end of the year	**2,303.23**	**759.97**

Changes in liabilities arising from financing activities during the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Non-current borrowings	Current borrowings
Opening balance	8,418.24	2,058.54
Interest expense	726.93	69.04
Cash flows	(496.94)	(2,127.58)
Closing balance	**8,648.23**	**–**

Changes in liabilities arising from financing activities during the year ended 31 March 2021

(₹ in Lakhs)

Particulars	Non-current borrowings	Current borrowings
Opening balance	5,501.52	10,280.38
Interest expense	825.97	610.46
Cash flows	2,090.75	(8,832.30)
Closing balance	**8,418.24**	**2,058.54**

Notes:

1. The above statement of cash flows has been prepared under the Indirect method.
2. Components of cash and cash equivalents are as per Note 16.
3. The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For **Kulkarni and Company**
Chartered Accountants
Firm's Reg. No: 140959W

A.D.Talavlikar
Partner
Membership No: 130432

Place: Pune
Date: 2 May 2022

For and on behalf of the Board of Directors

Pavan Kumar Jain
Chairman
DIN: 00030098

Siddharth Jain
Director
DIN: 00030202

Alok Tandon
Chief Executive Officer

Kailash B Gupta
Chief Financial Officer

Parthasarathy Iyengar
Company Secretary

Place: Mumbai
Date: 2 May 2022

Standalone Statement of Changes in Equity

for the year ended 31 March 2022

A. Equity share capital

(₹ in Lakhs)

Balance as at 1 April 2020	Changes during 2020–21	Balance as at 31 March 2021	Changes during 2021–22	Balance as at 31 March 2022
10,264.78	983.76	11,248.54	970.62	12,219.16

(see Note 18)

B. Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus						Total
	Capital redemption reserve	Securities premium	General reserve	Shares options outstanding account	Treasury shares reserve	Retained earnings	
Balance as at 1 April 2020	**0.10**	**43,966.05**	**2,921.29**	**143.03**	**–**	**8,155.90**	**55,186.37**
Additions during the year:							
Loss for the year	–	–	–	–	–	(33,765.68)	(33,765.68)
Other comprehensive income for the year, net of tax(*)	–	–	–	–	–	127.51	127.51
Total comprehensive income for the year	–	–	–	–	–	(33,638.17)	(33,638.17)
On account of ESOP (see Note 40)	–	89.94	–	(70.39)	–	–	19.55
On issue of equity shares through QIP, net of share issue expenses (see Note 47)	–	23,675.17	–	–	–	–	23,675.17
On sale of treasury shares, net of expenses (see Note 19)	–	–	–	–	6,799.04	–	6,799.04
Balance as at 31 March 2021	**0.10**	**67,731.16**	**2,921.29**	**72.64**	**6,799.04**	**(25,482.27)**	**52,041.96**
Additions during the year:							
Loss for the year	–	–	–	–	–	(23,933.68)	(23,933.68)
Other comprehensive income for the year, net of tax(*)	–	–	–	–	–	94.12	94.12
Total comprehensive income for the year	–	–	–	–	–	(23,839.56)	(23,839.56)
On account of ESOP (see Note 40)	–	78.80	–	117.54	–	–	196.34
On issue of equity shares through QIP, net of share issue expenses (see Note 47)	–	28,645.71	–	–	–	–	28,645.71
Balance as at 31 March 2022	**0.10**	**96,455.67**	**2,921.29**	**190.18**	**6,799.04**	**(49,321.83)**	**57,044.45**

(*) Other comprehensive income for the year is in respect of remeasurement of defined benefit plans

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For **Kulkarni and Company**
Chartered Accountants
Firm's Reg. No: 140959W

For and on behalf of the Board of Directors

A.D.Talavlikar
Partner
Membership No: 130432

Pavan Kumar Jain
Chairman
DIN: 00030098

Siddharth Jain
Director
DIN: 00030202

Alok Tandon
Chief Executive Officer

Kailash B Gupta
Chief Financial Officer

Parthasarathy Iyengar
Company Secretary

Place: Pune
Date: 2 May 2022

Place: Mumbai
Date: 2 May 2022

Notes to the standalone financial statements

for the year ended 31 March 2022

1. Company information

INOX Leisure Limited ("the Company") is a public limited company incorporated and domiciled in India. The Company is engaged in operating & managing multiplexes and cinema theatres in India. The Company earns revenue from sale of movie tickets, advertisements, sale of food and beverages (including restaurant business), allied activities and generation of electricity through windmills. The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India. The Company's holding company is GFL Limited. During the year, INOX Leasing and Finance Limited has ceased to be the ultimate holding company w.e.f. 22 September 2021.

The Company's registered office is located at 5th Floor, Viraj Towers, next to Andheri Flyover, Western Express Highway, Andheri (East), Mumbai 400093, India, and the particulars of its other offices and multiplexes/cinema theatres are disclosed in the annual report.

The Board of Directors at its meeting held on 27 March 2022, approved a draft Scheme of Amalgamation ("Scheme") of INOX Leisure Limited (Transferor Company) with PVR Limited (Transferee Company) and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013. The share exchange ratio shall be 3 equity shares of the face value of Rs. 10 of Transferee Company, credited as fully paid-up, for every 10 equity shares of the face value of Rs. 10 each fully paid-up held by such member in the Transferor Company. The Scheme is subject to the receipt of requisite approvals from statutory and regulatory authorities under applicable laws and the respective shareholders and creditors of the companies. As per the Scheme, the appointed date for the amalgamation is the effective date of the Scheme, or such other date as may be mutually agreed between the parties. The effective date as per the Scheme is the date on which last of the approvals or events specified under Clause 9.1 of Part IV of the Scheme are satisfied or obtained or have occurred or the requirement of which has been waived (in writing) in accordance with this Scheme. The Scheme has been filed with the Bombay Stock Exchange and the National Stock Exchange on 30 March 2022 for their approval.

2. Statement of compliance and basis of preparation and presentation

2.1 Statement of Compliance

These financial statements are the separate financial statements of the Company (also called standalone financial statements) and comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, relevant provisions of the Act and other accounting principles generally accepted in India. Accounting policies have been consistently applied except where a newly issued accounting standards initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use (see Note 2.4).

Ministry of Corporate Affairs (MCA), vide its Notification dated 24 March 2021, amended Schedule III to the Companies Act, 2013 with effect from 1 April 2021. Accordingly, previous year figures have been re-grouped/re-classified wherever necessary, to conform to the classification for the current year in order to comply with the requirements of the amended Schedule III to the Act.

These financial statements for the year ended 31 March 2022 are approved for issue by the Board of Directors at its meeting held on 2 May 2022.

2.2 Assessment of COVID-19 pandemic impact

In view of the COVID-19 pandemic situation, the cinema exhibition sector was under lockdown, partial lockdown and operating restrictions, which adversely impacted the cinema exhibition industry and consequently the business activities of the Company during the preceding and the current financial year. However, due to the relaxation in restrictions and the release of main stream and regional contents, the Company has witnessed significant recovery and an improved performance by the end of financial year. In developing the assumptions relating to possible future uncertainties, the Company has considered all relevant internal and external information available upto the date of approval of these financial statements and the Company has used the principles of prudence in applying judgement, estimates and assumptions. Given the uncertainties due to the COVID-19 pandemic, its actual impact may be different from that estimated as on the date of approval of these financial statements, which will require the impact assessment on the Company's operations to be continuously monitored.

Going concern assumption

On the basis of assessment carried out by the Company's management, the COVID-19 pandemic does not affect the Company's ability to continue as a going concern, in view of the various steps taken by the Company towards optimization of costs, the Company's low leverage, additional line of credit available from the Company's lenders, available liquidity, and the eventual lifting of the lockdown. Accordingly, these financial statements have been prepared on a going concern basis.

Notes to the standalone financial statements

for the year ended 31 March 2022

2.3 Basis of preparation, presentation and measurement

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

These financial statements have been prepared on an accrual basis and under the historical cost convention except as under:

a) certain financial assets and liabilities are measured at fair value or amortised cost (refer accounting policy regarding financial instruments),

b) defined benefit liability is measured as per actuarial valuation, and

c) share-based payments (see Note 3.11)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are not based on observable market data (unobservable inputs) for the asset or liability.

Any asset or liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of products and services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

2.4 Amendments of existing accounting standards and recent accounting pronouncements

a. Amendments to existing accounting standards:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. As per Notification dated 18 June 2021, amendments to the existing standards have been notified and these amendments are effective from 1 April 2021. Following amendments have become applicable for the current reporting period:

- Amendments to Ind AS 116 Leases – COVID-19 related rent concessions: The amendments to Ind AS 116 extend the period of availing the practical expedient relating to Covid-19 related rent concessions to 30 June 2022 (from earlier 30 June 2021). The Company has continued to apply the practical expedient to all COVID-19 related rent concessions that meet the conditions in paragraph 46B of the Ind AS 116: Leases and elected not to assess whether such rent concession is a lease modification. see Note 21 for further details.

Notes to the standalone financial statements

for the year ended 31 March 2022

- Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116 – Interest Rate Benchmark Reform Phase 2: The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). This amendment has no impact on the financial statements of the Company.

b. New accounting pronouncements

As per Notification dated 23 March 2022, amendments to the existing standards have been notified and these amendments are effective from 1 April 2022. The summary of these amendments is as under:

- Amendments to Ind AS 103 Business Combinations: The amendments specify that in a business combination, to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed, at the acquisition date, must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.

- Amendments to Ind AS 16 Property Plant and Equipment: The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

- Amendments to Ind AS 37 Provision Contingent Liabilities & Contingent Asset: The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

- Amendments to Ind AS 109 Financial Instruments: The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

The Company does not expect the above amendments to have any significant impact on its financial statements.

3. Significant Accounting Policies

3.1 Business combinations under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C of Ind AS 103: Business Combinations. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their respective carrying values. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise the accounting policies. Issue of fresh securities towards the consideration for the business combination is recorded at nominal value. The identity of the reserves transferred by the acquired entity is preserved and they are carried in the same form and manner. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

3.2 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Notes to the standalone financial statements

for the year ended 31 March 2022

3.3 Revenue recognition

Revenue from contract with customers is recognized when the Company satisfies the performance obligation by transfer of control of promised product or service to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue excludes taxes collected from customers.

The following specific recognition criteria are met before revenue is recognised:

a) Revenue from services:

Revenue from services is recognized, at a point in time or over time, on satisfaction of performance obligation for the services rendered, as under:

Revenue from sale of movie tickets (box office revenue) is recognized as and when the movie is exhibited viz. at a point in time. Advertisement revenue is recognized on exhibition of the advertisement or over the period of contract, as applicable. Revenue from other services is recognized over the period of contract or at a point in time, as per the contractual terms.

b) Food and beverages revenue:

Food and beverages revenue is recognized when the control of goods have been transferred to the customers. The performance obligation is case of sale of products is satisfied at a point in time i.e., at the point of sale.

c) Loyalty programme:

The Company operates a loyalty programme where a customer earns points as and when the customer transacts with the Company, these points can be redeemed in the future for goods and services. Under Ind AS 115, the loyalty programme gives rise to a separate performance obligation as it provides a material right to the customer. The Company allocates a portion of transaction price to the loyalty programme based on relative standalone selling price, instead of allocating using the fair value of points issued. As at year-end, loyalty points which are not redeemed by the customers are lapsed and amount allocated to those points are transferred to other income.

d) Generally, no element of financing is deemed present as the payment of transaction price is either made in advance / due immediately at the point of sale or the sales are made with a credit term consistent with the market practice. There are no contracts where the period between the transfer of promised goods or services to the customers and payment by the customers exceed one year. Consequently, no adjustment is required to the transaction price for the time value of money. Non-cash consideration (or promise of non-cash consideration) is measured at fair value. If the fair value of the non-cash consideration cannot be reasonably estimated, the same is measured indirectly by reference to the standalone selling price of the goods or services promised to the customer (or class of customer) in exchange for the consideration.

e) Contract balances:

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Contract asset, which is presented as unbilled revenue, is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Contract liabilities include, and are presented as 'Revenue received in advance' and 'Advances from customers'.

3.4 Other Income

Dividend income from investments is recognised when the right to receive payment is established. Interest income from a financial asset is recognized on time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate which exactly discounts estimated future cash receipts through the expected life of the financial asset or a shorter period, where appropriate, to that asset's net carrying amount on initial recognition. Insurance claims are recognised to the extent there is a reasonable certainty of the realizability of the claim amount.

3.5 Government Grants

Government grants are recognised when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grants.

Notes to the standalone financial statements

for the year ended 31 March 2022

Government grants, whose primary condition is that the Company should establish and operate multiplexes in specified areas, are initially recognised as deferred revenue in the balance sheet and subsequently transferred to the statement of profit and loss as other operating revenue on a systematic and rational basis over the useful lives of the related assets of the respective multiplexes. Grants that compensate the Company for expenses incurred are recognized in the statement of profit and loss as other operating revenue on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in the statement of profit and loss in the period in which they become receivable.

3.6 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease viz. whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate.

The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

"Lease liabilities" and "Right of use assets" have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Variable lease payments that are not included in the measurement of lease liabilities is charged as expense in the statement of profit and loss under the head 'Rent'. Rent concessions that are not assessed as lease modification are recognised in the statement of profit and loss.

3.7 Foreign currency transactions and translation

The transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary items are translated using the closing rates. Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and are not translated. Non-monetary items measured at fair value that are denominated in foreign currency are translated using the exchange rates at the date when the fair value was measured. Exchange differences arising of settlement or translation of monetary items are recognised in the statement of profit and loss in the period in which they arise.

3.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.9 Investment in subsidiaries

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

Notes to the standalone financial statements
for the year ended 31 March 2022

3.10 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees and recognized as expenses in the Statement of profit and loss. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include salary and wages, bonus, performance incentives, short-term compensated absences etc.

Long-term employee benefits:

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

Defined contribution plans:

Retirement benefit in the form of provident and pension fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the fund. Payments to defined contribution plan are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans:

The Company's gratuity scheme is a defined benefit plan and is unfunded. For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit plan at the start of the reporting period, taking account of any change in the net defined benefit plan during the year as a result of contributions and benefit payments. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense'.

Other long-term employee benefits:

The employees of the Company are entitled to compensated absences. The employees can carry-forward a portion of the unutilised accumulating compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

3.11 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 40.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options outstanding account in other equity.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

Notes to the standalone financial statements

for the year ended 31 March 2022

3.12 Treasury Shares

Pursuant to the Scheme of Amalgamation of Fame India Limited ('Fame') and its subsidiaries with the Company (see Note 19), equity shares of the Company have been issued to INOX Benefit Trust (the Trust) against the equity shares of Fame held by the Company. These shares are recognised as Interest in INOX Benefit Trust at the amount of consideration paid by the Company to acquire the shares of erstwhile Fame. These shares of the Company held by INOX Benefit Trust were akin to treasury shares and were presented as a deduction in 'Total equity'. Difference between the cost and the amount received at the time of sale of such shares by the Trust, is recognized in other equity as 'Treasury shares reserve', being a transaction relating to the capital of the Company.

3.13 Taxation

Income tax expense comprises of current tax and deferred tax. It is recognized in Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. Deferred tax assets include Minimum Alternate Tax (MAT) paid on the book profits, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an deferred tax assets in the Balance Sheet if there is convincing evidence that the Company will pay normal tax within the period specified for utilization of such credit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Presentation of current and deferred tax:

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

3.14 Property, plant and equipment

An item of Property, Plant and Equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, property, plant and equipment are carried at cost, as reduced by accumulated depreciation and impairment losses, if any.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

Notes to the standalone financial statements

for the year ended 31 March 2022

Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period of multiplexes are capitalized to various eligible PPE in respective multiplexes. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalised.

Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc. on the leased premises at various cinema locations.

Spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Subsequent expenditure on additions and betterment of operational properties are capitalised, only if, it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of PPE outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation is recognised so as to write off the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of property, plant and equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

PPE are depreciated over its estimated useful lives, determined as under:

- Freehold land is not depreciated.
- On leasehold improvements, electrical installations & air conditioners in leased premises, over the period of useful life on the basis of the respective agreements, ranging from 10–29 years or the useful life as per Part C of Schedule II to the Companies Act, 2013, whichever is shorter.
- Laser projectors over the useful life estimated at 10 years.
- On other items of PPE, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.15 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and impairment losses, on the same basis as intangible assets as above.

Notes to the standalone financial statements

for the year ended 31 March 2022

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

Estimated useful lives of the intangible assets are as follows:

• Operating software	3 years
• Other software	6 years
• Website	5 years

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.16 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets (other than goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If it is not possible to measure fair value less cost of disposal because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement dates under market conditions, the asset's value in use is used as recoverable amount.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

3.17 Inventories

Inventories are valued at lower of the cost and net realisable value. Cost is determined using weighted average cost basis. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.18 Provisions and contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Notes to the standalone financial statements

for the year ended 31 March 2022

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

3.19 Financial instruments

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

A] Financial assets

a) Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

b) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the statement of profit and loss and is included in the "Other income" line item.

c) Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

i. The Company's business model for managing the financial asset and

ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) This category applies to cash and bank balances, trade receivables, loans, other financial assets and certain investments of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is adjusted for loss allowance and impairment losses, if any.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the standalone financial statements

for the year ended 31 March 2022

Investments in equity instruments, classified under financial assets, are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI.

This category does not apply to any of the financial assets of the Company.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Company excluding investments in subsidiaries, joint ventures and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

d) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

e) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e., removed from the Company's Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

f) Impairment of financial assets:

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortized cost

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Notes to the standalone financial statements

for the year ended 31 March 2022

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss under the head 'Other expenses'/ 'Other income'.

B] Financial liabilities and equity instruments

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

i. Equity instruments:

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

ii. Financial Liabilities:

a) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

b) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

The Company has not designated any financial liability as at FVTPL.

c) Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the closing rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

d) Derecognition of financial liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability.

Notes to the standalone financial statements

for the year ended 31 March 2022

The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

3.20 Earnings Per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

4 Critical accounting judgements, use of estimates and assumptions

The preparation of Company's financial statements requires management to make judgements, estimations and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

For estimation uncertainty relating to COVID-19 pandemic, see Note 2.2 above.

Following are the other critical judgements, significant estimates and assumptions used in preparation of these financial statements:

a) In respect of leases:

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option when determining the lease term. Accordingly, the Company has considered the entire term of lease for the purpose of Ind AS 116 as the Company has the sole right to cancel the agreement (after the initial lock-in period) and the Company intends to operate the underlying asset for the entire term. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

b) Impairment of goodwill, right-of-use assets and property, plant and equipment:

For the purpose of impairment testing, each multiplex / cinema theatre is identified as a Cash-Generating Unit (CGU) being the smallest identifiable Company of assets that generates cash inflows that are largely independent of the cash inflows from other assets or Company of assets.

Where it is not possible to estimate the recoverable amount of a CGU, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use.

Further, it is not possible to measure fair value less cost of disposal of a CGU (viz. a multiplex or a cinema theatre) because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between the market participant at the measurement date in case of such operating CGUs. Hence the asset's value in use is used as recoverable amount of such CGUs in determining the extent of impairment loss, if any.

The value in use calculation requires the management of the Company to estimate the present value of future cash flows expected to arise from the CGU which includes forecast of revenue growth rates and a suitable discount rate assumption.

c) Government grants:

Some of the multiplexes operated by the Company are entitled to exemption from payment of entertainment tax in terms of the schemes notified by the respective State Governments, whose primary condition is that the Company should establish and operate multiplexes in specified areas. Therefore, in terms of Ind AS 20 Accounting for Government Grants, these grants are classified as grants related to assets of such multiplexes. Accordingly, the Company presents the same in the balance sheet by setting up the grant as deferred income and is

Notes to the standalone financial statements

for the year ended 31 March 2022

recognised in the statement of profit and loss as other operating revenue on a systematic basis over the useful lives of the related assets.

d) Useful lives of Property, Plant & Equipment (PPE) and intangible assets (other than goodwill):

The Company has adopted useful lives of PPE and intangible assets (other than goodwill) as described in Note 3.14 and 3.15 above. Depreciation and amortisation are based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges. The Company reviews the estimated useful lives of PPE and intangible assets (other than goodwill) at the end of each reporting period.

e) Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation technique that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

f) Defined employee benefit obligation:

The cost of post-employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rates, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

g) Expected credit losses on financial assets

The impairment provisions of financial assets and contract assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

h) Recognition and measurement of provisions and contingencies:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

i) Income taxes

Provision for current tax is made based on reasonable estimate of taxable income computed as per the prevailing tax laws. The amount of such provision is based on various factors including interpretation of tax regulations, changes in tax laws, acceptance of tax positions in the tax assessments etc. Further, deferred tax asset is recognized on losses on the basis of assumptions and estimates of future taxable income.

j) Share-based payment

Estimating fair value for share-based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the volatility, risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of fair value of the option and making assumptions about them. For assumptions and models used for estimating fair value for share-based payments, see Note 40.

Notes to the standalone financial statements

for the year ended 31 March 2022

5(a). Property, plant and equipment

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Freehold land	2,669.66	2,669.66
Buildings	10,616.96	10,866.32
Leasehold improvements	34,094.16	33,721.98
Plant and equipment	35,105.77	35,562.67
Furniture and fixtures	8,073.30	8,567.15
Vehicles	83.14	104.78
Office equipment	2,191.86	2,646.67
Total	**92,834.85**	**94,139.23**

Details of property, plant and equipment pledged as security towards borrowings (see Note 20)

a) Details of carrying amounts of buildings that are mortgaged are as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Buildings	2,891.00	2,954.36
Total	**2,891.00**	**2,954.36**

b) Details of carrying amounts of leasehold improvements, plant and equipment, office equipment and furniture and fixtures that are hypothecated are as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Leasehold improvements	3,455.53	8,317.76
Plant and equipment	3,922.62	9,881.19
Furniture and fixtures	1,093.32	2,502.80
Office equipments	388.08	696.11
Total	**8,859.55**	**21,397.86**

The Company is not allowed to mortgage/hypothecate these assets as security for other borrowings.

For impairment testing, see Note 5(d)

Notes to the standalone financial statements
for the year ended 31 March 2022

Notes to the standalone financial statements
for the year ended 31 March 2022

5(a). Property, plant and equipment (Contd..)

(₹ in Lakhs)

Description of Assets	Land Freehold	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Cost or Deemed Cost								
Balance as at 1 April 2020	**2,669.66**	**12,309.49**	**43,708.91**	**53,857.17**	**15,960.13**	**175.43**	**8,554.65**	**1,37,235.44**
Additions	-	20.27	3,180.18	2,891.16	1,071.08	-	459.34	7,622.03
Disposals	-	(0.88)	(13.96)	(227.90)	(121.18)	(4.87)	(51.64)	(420.43)
Balance as at 31 March 2021	**2,669.66**	**12,328.88**	**46,875.13**	**56,520.43**	**16,910.03**	**170.56**	**8,962.35**	**1,44,437.04**
Additions	-	-	3,622.83	4,450.33	1,392.25	-	683.41	10,148.82
Disposals	-	-	(120.05)	(668.31)	(234.23)	-	(80.82)	(1,103.41)
Balance as at 31 March 2022	**2,669.66**	**12,328.88**	**50,377.91**	**60,302.45**	**18,068.05**	**170.56**	**9,564.94**	**1,53,482.45**
Accumulated depreciation and impairment								
Balance as at 1 April 2020	**-**	**1,213.05**	**10,202.62**	**16,579.75**	**6,571.53**	**49.01**	**5,080.71**	**39,696.67**
Depreciation expense for the year	-	249.60	2,964.49	4,573.51	1,881.66	21.64	1,283.53	10,974.43
Eliminated on disposal of assets	-	(0.09)	(13.96)	(195.50)	(110.31)	(4.87)	(48.56)	(373.29)
Balance as at 31 March 2021	**-**	**1,462.56**	**13,153.15**	**20,957.76**	**8,342.88**	**65.78**	**6,315.68**	**50,297.81**
Depreciation expense for the year	-	249.36	3,156.70	4,739.21	1,870.56	21.64	1,136.71	11,174.18
Eliminated on disposal of assets	-	-	(26.10)	(500.29)	(218.69)	-	(79.31)	(824.39)
Balance as at 31 March 2022	**-**	**1,711.92**	**16,283.75**	**25,196.68**	**9,994.75**	**87.42**	**7,373.08**	**60,647.60**

(₹ in Lakhs)

Carrying amounts	Land Freehold	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
As at 31 March 2021	2,669.66	10,866.32	33,721.98	35,562.67	8,567.15	104.78	2,646.67	94,139.23
As at 31 March 2022	2,669.66	10,616.96	34,094.16	35,105.77	8,073.30	83.14	2,191.86	92,834.85

Notes to the standalone financial statements

for the year ended 31 March 2022

5(b). Capital work in progress

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital work-in-progress	2,256.27	4,961.67
Pre-operative expenditure pending allocation	372.50	733.34
Total	**2,628.77**	**5,695.01**

Particulars of pre-operative expenditure incurred during the year are as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	733.34	1,112.58
Add: Expenses incurred during the year		
Salaries and wages	147.61	78.88
Contribution to provident and other funds	19.21	9.80
Staff welfare	–	0.44
Legal & professional fees and expenses	228.08	169.27
Travelling & conveyance	63.76	57.31
Power & fuel	17.54	38.80
Housekeeping expenses	4.43	1.57
Outsourced personnel cost	1.75	1.25
Security expenses	43.41	35.04
Miscellaneous expenses	18.96	13.32
	544.75	**405.68**
Sub total	1,278.09	1,518.26
Less: Capitalised during the year	905.59	784.92
Closing balance	**372.50**	**733.34**

Capital work in progress includes amount of Rs. Nil (previous year Rs. 1,787.36 Lakhs) in respect of multiplex premises under construction which have been hypothecated to secured loans from banks (see Note 20). The Company is not allowed to hypothecate these assets as security for other borrowings or to sell them to another entity.

Capital work in progress (CWIP) ageing as at 31 March 2022:

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
Projects in progress	1,917.76	200.48	455.64	54.89	2,628.77
Projects temporarily suspended	–	–	–	–	–
Total	**1,917.76**	**200.48**	**455.64**	**54.89**	**2,628.77**

Capital work in progress (CWIP) ageing as at 31 March 2021:

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
Projects in progress	1,612.46	3,923.27	149.98	9.30	5,695.01
Projects temporarily suspended	–	–	–	–	–
Total	**1,612.46**	**3,923.27**	**149.98**	**9.30**	**5,695.01**

Notes to the standalone financial statements

for the year ended 31 March 2022

5(c). Right-of-use assets

(₹ in Lakhs)

Particulars	Class of assets		Total
	Leasehold Land	Building	
Gross Block			
Balance as at 1 April 2020	**280.70**	**2,29,542.71**	**2,29,823.41**
Additions	–	15,972.80	15,972.80
Deductions/adjustments	–	(1,566.34)	(1,566.34)
Balance as at 31 March 2021	**280.70**	**2,43,949.17**	**2,44,229.87**
Additions	–	19,920.40	19,920.40
Deductions/adjustments	–	(250.32)	(250.32)
Balance as at 31 March 2022	**280.70**	**2,63,619.25**	**2,63,899.95**
Accumulated depreciation			
Balance as at 1 April 2020	**6.96**	**15,633.68**	**15,640.64**
Depreciation expense for the year	6.96	17,001.63	17,008.59
Deductions/adjustments	–	(58.75)	(58.75)
Balance as at 31 March 2021	**13.92**	**32,576.56**	**32,590.48**
Depreciation expense for the year	6.96	17,872.86	17,879.82
Deductions/adjustments	–	(49.86)	(49.86)
Balance as at 31 March 2022	**20.88**	**50,399.56**	**50,420.44**

For impairment testing, see Note 5(d)

(₹ in Lakhs)

Carrying amounts	Leasehold Land	Building	
As at 31 March 2021	266.78	2,11,372.61	2,11,639.39
As at 31 March 2022	259.82	2,13,219.69	2,13,479.51

Notes to the standalone financial statements

for the year ended 31 March 2022

5(d). Impairment of right-of-use assets and property, plant and equipment

The Company has reviewed the carrying amounts of right of use assets and property, plant and equipment to determine whether the recoverable amount of a cash generating unit (CGU) is estimated to be less than its carrying amount by performing value in use calculation based on cash flow projections of the relevant CGU. For this purpose, each multiplex of the Company is treated as a separate CGU.

The Company, as at the date of approval of these financial statements, has used internal and external sources on the expected future performance of the Company. The Company has applied the principles of prudence in the judgements, estimates and assumptions (in respect of discount, growth rates and other assumptions) including sensitivity analysis and based on current indicators of the future economic conditions, there is no impairment in current year and preceding year.

5(e). Title deeds of Immovable Properties not held in name of the Company:

The title deeds in respect of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company, except as under:

Sr. No.	Line item in the Balance Sheet	Description of property	Gross carrying value (Rs. in Lakhs)	Held in name of	Whether promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the company
1	Property, plant and equipment	Building located at Nariman Point, Mumbai	5,686.74	INOX Leisure Limited	No	19 August 2003	Agreement to sale is executed in the name of the Company and the conveyance deed yet to be executed.
2	Property, plant and equipment	Building located at Swabhumi, Kolkata	828.57	Calcutta Cine Private Limited	No	04 April 2003	In name of the erstwhile amalgamated company and yet to be transferred in the name of the Company
3	Right-of-use assets	Leasehold land located at Swabhumi, Kolkata	125.18	Calcutta Cine Private Limited	No	04 April 2003	In name of the erstwhile amalgamated company and yet to be transferred in the name of the Company

Note: There are no disputes in respect of the title for above immovable properties.

5(f). The Company has not revalued its property, plant and equipment (including right-of-use assets).

6. Goodwill

(₹ in Lakhs)

Description of Assets	As at 31 March 2022	As at 31 March 2021
At cost		
Balance as at 1 April 2020	1,750.00	1,750.00
Balance as at 31 March 2021	1,750.00	1,750.00
Balance as at 31 March 2022	**1,750.00**	**1,750.00**

Notes to the standalone financial statements
for the year ended 31 March 2022

6. Goodwill (Contd..)

Before recognition of impairment losses, the carrying amount of goodwill is as follows:

(₹ in Lakhs)

Cash generating units	As at 31 March 2022	As at 31 March 2021
Multiplex theatre	1,750.00	1,750.00
Total	**1,750.00**	**1,750.00**

Impainment Testing:

Goodwill is in respect of one of the multiplexes of the Company acquired through business combination. This multiplex is considered as cash generating unit (CGU). The Company has performed an annual impairment test to ascertain the recoverable amount of CGU based on a value in use calculation. The Company has used a period greater than five years since the Company has a long term lease arrangement in respect of this multiplex.

The Company, as at the date of approval of these financial statements, has used internal and external sources on the expected future performance of the Company. The Company has applied the principles of prudence in the judgements, estimates and assumptions (in respect of discount, growth rates and other assumptions) including sensitivity analysis.

Key assumptions on which the management has based its cash flow projections:

a) Budgeted footfalls are expected to grow by 5%

b) Budgeted Average Ticket Price (ATP) is expected to grow by 8%

c) Budgeted Refuel Per Person (RPP) is expected to grow by 10%

The Company has considered the impact of COVID-19 pandemic on revenue during the initial period of forecast and then applied the above growth rates for the balance period.

The discount rate used is 9.50% which is based on Weighted Average Cost of Capital (WACC) for the Company.

The calculations performed indicate that there is no impairment of CGU.

7. Other intangible assets

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Computer software	337.82	563.93
Website	–	–
	337.82	**563.93**

(₹ in Lakhs)

Description of Assets	Computer software	Website	Total
Cost or deemed Cost			
Balance as at 1 April 2020	**2,168.30**	**46.00**	**2,214.30**
Additions	60.57	–	60.57
Balance as at 31 March 2021	**2,228.87**	**46.00**	**2,274.87**
Additions	104.16		104.16
Disposals	(2.98)		(2.98)
Balance as at 31 March 2022	**2,330.05**	**46.00**	**2,376.05**

Notes to the standalone financial statements
for the year ended 31 March 2022

7. Other intangible assets (Contd..)

(₹ in Lakhs)

Description of Assets	Computer software	Website	Total
Accumulated amortisation			
Balance as at 1 April 2020	**1,327.26**	**46.00**	**1,373.26**
Amortisation expense for the year	337.68	–	337.68
Balance as at 31 March 2021	**1,664.94**	**46.00**	**1,710.94**
Amortisation expense for the year	330.25	–	330.25
Eliminated on disposal of assets	(2.96)	–	(2.96)
Balance as at 31 March 2022	**1,992.23**	**46.00**	**2,038.23**

(₹ in Lakhs)

Carrying amounts	Computer software	Website	Total
As at 31 March 2021	563.93	–	563.93
As at 31 March 2022	337.82	–	337.82

Note: The Company has not revalued its intangible assets.

8. Investment in subsidiary

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Investment carried at cost		
In equity instruments (unquoted, fully paid up)		
Shouri Properties Private Limited – 14,10,000 (31 March 2021 14,00,000) equity shares	141.00	140.00
Less: Provision for impairment in value of investment	(40.88)	(40.88)
	100.12	**99.12**
Aggregate book value of quoted investments	–	–
Aggregate market value of quoted investments	–	–
Aggregate carrying value of unquoted investments	100.12	99.12
Aggregate amount of impairment in value of investments	40.88	40.88

The Company held 99.29% equity shares in the subsidiary, Shouri Properties Private Limited (SPPL). During the year, the Company has acquired the balance 0.71% of shares in SPPL and consequently SPPL has become a wholly owned subsidiary of the Company with effect from 20 January 2022.

The Company has carried out a review of the recoverable amount of the investment in the subsidiary and on the basis of the review, no further impairment provision is required.

Scheme of Amalgamation (Merger by Absorption)

Shouri Properties Private Limited (SPPL) is a wholly-owned subsidiary of the Company. SPPL holds a license to operate a multiplex cinema theatre. It has taken one multiplex cinema theatre on lease and subleased the same to the Company. At the meeting of the Board of Directors of the Company held on 21 January 2022, the Board has approved the draft Scheme of Amalgamation (Merger by Absorption) (""the Scheme"") under Sections 230 to 232 of the Companies Act, 2013 (""the Act"") and relevant applicable sections of the act for amalgamation of SPPL with the Company subject to approval of the Scheme by the Shareholders and Creditors of the respective Companies (if required), Hon'ble National Company Law Tribunal, Bench at Mumbai (NCLT Mumbai) and subject to approval of any other statutory authorities as may be required. Once sanctioned, the Scheme will be effective from the Appointed date i.e., 1 February 2022. The first hearing at NCLT Mumbai was held on 12 April 2022 and the directions of NCLT Mumbai are awaited. The effect to the said Scheme will be given after obtaining the necessary approvals.

Notes to the standalone financial statements

for the year ended 31 March 2022

9. Other investments

(₹ in Lakhs)

Particulars	Face value	As at 31 March 2022		As at 31 March 2021	
	Rs.	Nos.	Amounts	Nos.	Amounts
Non-current					
Financial assets measured at amortised cost					
Investment in Government securities					
(unquoted, fully paid up)					
National Savings Certificate			2.60		19.98
Less: Current portion			(2.60)		(10.49)
Total			**–**		**9.49**
Current					
Unquoted investments (all fully paid-up)					
Financial assets measured at FVTPL					
Investments in mutual funds					
Aditya Birla SL- Liquid Fund Regular – Growth	100	588505	2,003.49	–	–
HDFC Liquid Fund – Growth	1000	40984	1,701.58	–	–
Nippon India – Liquid Fund growth	1000	29078	1,501.69	–	–
Nippon India Money Market Fund – Growth	1000	77622	2,578.20	–	–
Uti Money Market Fund – Regular Growth	1000	104472	2,577.71	–	–
Axis Liquid Fund – Growth	1000	85271	2,003.82	–	–
Aditya Birla Sunlife Money Manager Fund – Growth	100	854138	2,530.62	–	–
			14,897.11		**–**
Current portion of non-current investments					
Financial assets measured at amortised cost					
Investment in Government securities					
(unquoted, fully paid up)					
National Savings Certificate			2.60		10.49
Total			**14,899.71**		**10.49**
Aggregate book value of quoted investments			–		–
Aggregate market value of quoted investments			–		–
Aggregate carrying value of unquoted investments			14,899.71		19.98
Aggregate amount of impairment in value of investments			–		–

Note: These NSC's are pledged with Government authorities and held in the name of ex-director/employees.

(₹ in Lakhs)

Category-wise other investments – As per Ind AS 109 classification	As at 31 March 2022	As at 31 March 2021
Financial assets measured at fair value through profit or loss (FVTPL)		
Mandatorily measured at FVTPL – Mutual funds	14,897.11	–
Financial assets measured at amortised cost		
National Savings Certificates	2.60	19.98
	14,899.71	**19.98**

Notes to the standalone financial statements

for the year ended 31 March 2022

10. Other financial assets

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Security deposits		
Unsecured – considered good	11,506.88	10,477.18
Unsecured – credit Impaired	78.46	147.46
	11,585.34	**10,624.64**
Less: Provision for impairment	(78.46)	(147.46)
	11,506.88	**10,477.18**
Non-current bank balances (from Note 17)	24.28	341.54
Entertainment tax and GST refund claimed	895.06	782.90
Electricity charges refund claimed (see Note 44)	389.83	389.83
Amount recoverable towards claims		
Unsecured – considered good	–	–
Unsecured – credit Impaired	914.16	914.16
	914.16	**914.16**
Less: Provision for impairment	(914.16)	(914.16)
Other advances (*)		
Unsecured – considered good	5,755.03	7,138.99
Unsecured – credit Impaired	187.00	80.50
	5,942.03	**7,219.49**
Less: Provision for impairment	(187.00)	(80.50)
	5,755.03	**7,138.99**
Total	**18,571.08**	**19,130.44**
Current		
Security deposits		
Unsecured – considered good	204.00	30.00
Interest accrued on others	18.23	25.28
Total	**222.23**	**55.28**

The above financial assets are measured at amortised cost.

Notes:

i) Non current security deposits includes deposit given to a subsidiary company (an officer of the Company is a director in the subsidiary company).	104.21	104.21
ii) Carrying amount of security deposits whose contractual cash flow characteristics have been assessed based on the facts and circumstances that existed at the date of transition to Ind AS.	4,247.16	4,062.31

(*) Other advances represents advances given for properties to be taken on lease, pending execution of final agreement.

Notes to the standalone financial statements
for the year ended 31 March 2022

11. Deferred tax assets (net)

Year ended 31 March 2022

11.1 Deferred tax asset/(liabilities) in relation to:

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance
Property, plant & equipment, goodwill and other intangible assets	(1,530.17)	(193.08)		(1,723.25)
Effect of measuring investments at fair value	-	(49.31)		(49.31)
Gratuity and leave benefits	497.62	22.19	(31.65)	488.16
Expenses allowable on payment basis	742.84	(44.39)		698.45
Allowance for doubtful trade receivables and expected credit loss (net)	185.45	(25.00)		160.45
Government grants - deferred income	1,544.11	(122.48)		1,421.63
Lease liabilities	16,257.35	2,370.18		18,627.53
Business losses (see Note below)	5,522.10	2,539.67		8,061.77
Unabsorbed depreciation (see Note below)	2,914.99	2,804.34		5,719.33
Others deferred tax assets	2,269.62	87.96		2,357.58
Total	**28,403.91**	**7,390.08**	**(31.65)**	**35,762.34**

Year ended 31 March 2021

11.2 Deferred tax asset/(liabilities) in relation to:

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance
Property, plant & equipment, goodwill and other intangible assets	(1,051.54)	(478.63)		(1,530.17)
Gratuity and leave benefits	526.29	14.22	(42.89)	497.62
Expenses allowable on payment basis	694.78	48.06		742.84
Allowance for doubtful trade receivables and expected credit loss (net)	137.29	48.16		185.45
Government grants - deferred income	1,755.10	(210.99)		1,544.11
Lease Liabilities	13,692.48	2,564.87		16,257.35
Business losses (see Note below)	-	5,522.10		5,522.10
Unabsorbed depreciation (see Note below)	-	2,914.99		2,914.99
Others deferred tax assets	1,973.58	296.04		2,269.62
Total	**17,727.98**	**10,718.82**	**(42.89)**	**28,403.91**

11.3 The Company has recognised deferred tax asset on tax losses comprising of unabsorbed depreciation and business losses as per the Income-tax Act, 1961. These tax losses pertain to financial year 2020-21 and 2021-22, which is consequent to the COVID-19 pandemic and the resultant lockdown. The business losses can be carried forward for a period of 8 years and the unabsorbed depreciation can be carried forward indefinitely as per the Income-tax Act, 1961. As stated in Note 1, the Board of Directors at its meeting held on 27 March 2022, approved a draft Scheme of Amalgamation ("Scheme") of INOX Leisure Limited (Transferor Company) with PVR Limited (Transferee Company). As defined in the Scheme, the appointed date means the effective date, or such other date as may be mutually agreed between the parties i.e., the appointed date of the Scheme will be determined in future. On the basis of the projections and estimates of the profitability of the Company and the legal position available, the Company expects the said business loss and unabsorbed depreciation to be utilized and consequently the Company has concluded that the said deferred tax asset is recoverable.

Notes to the standalone financial statements

for the year ended 31 March 2022

12. Income tax assets and Income tax liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non current	Current	Non current
Income tax assets (net)				
Income tax paid (net of provisions)	–	533.59	–	118.32
Total	**–**	**533.59**	**–**	**118.32**
Income tax liabilities (net)				
Provision for Income tax (net of payments)	–	–	–	–
Total	**–**	**–**	**–**	**–**

13. Other non-current and current assets

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Capital advances	724.07	464.33
Security deposits with government authorities	1,674.05	1,726.11
Prepayments	584.34	555.11
Total	**2,982.46**	**2,745.55**
Current		
Advances to suppliers	446.94	493.20
Other advances for expense	15.59	19.20
Balances with government authorities – GST credit available	2,671.58	3,351.69
Prepayments	858.68	1,015.74
Contract assets – unbilled revenue	–	14.47
Total	**3,992.79**	**4,894.30**

14. Inventories

(at lower of cost and net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Food & beverages	825.03	524.63
Stores, spares & fuel	607.71	508.90
Total	**1,432.74**	**1,033.53**

The mode of valuation of inventories is stated in Note 3.17

15. Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Current (unsecured)		
Considered good	2,903.38	430.43
Trade receivables which have significant increase in credit risk	39.99	20.48
Trade receivables which are credit impaired	597.53	716.36
	3,540.90	1,167.27
Less: Provision for expected credit loss and impairment	(637.52)	(736.84)
Net Trade receivables	**2,903.38**	**430.43**
Trade receivable includes amount due from a private company in which a director of the Company is a director (see Note 41)	0.98	0.04

Notes to the standalone financial statements

for the year ended 31 March 2022

15. Trade receivables (Contd..)

Ageing for trade receivables – outstanding as at 31 March 2022 is as follows:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
Considered good	2,529.92	373.04	0.07	–	0.35	–	2,903.38
Which have significant increase in credit risk	32.18	7.46	*	–	0.35	–	39.99
Credit impaired	–	–	–	1.05	128.85	467.63	597.53
Disputed trade receivables							
Considered good	–	–	–	–	–	–	–
Which have significant increase in credit risk	–	–	–	–	–	–	–
Credit impaired	–	–	–	–	–	–	–
Total	**2,562.10**	**380.50**	**0.07**	**1.05**	**129.55**	**467.63**	**3,540.90**
Less: Provision for expected credit loss and impairment	(32.18)	(7.46)	*	(1.05)	(129.20)	(467.63)	(637.52)
Balance at the end of the year	**2,529.92**	**373.04**	**0.07**	**–**	**0.35**	**–**	**2,903.38**

Ageing for trade receivables – outstanding as at 31 March 2021 is as follows:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
Considered good	233.99	117.12	46.41	32.91	–	–	430.43
Which have significant increase in credit risk	5.06	2.43	0.94	12.05	–	–	20.48
Credit impaired	–	–	10.47	227.11	467.63	11.15	716.36
Disputed trade receivables							
Considered good	–	–	–	–	–	–	–
Which have significant increase in credit risk	–	–	–	–	–	–	–
Credit impaired	–	–	–	–	–	–	–
Total	**239.05**	**119.55**	**57.82**	**272.07**	**467.63**	**11.15**	**1,167.27**
Less: Provision for expected credit loss and impairment	(5.06)	(2.43)	(11.41)	(239.16)	(467.63)	(11.15)	(736.84)
Balance at the end of the year	**233.99**	**117.12**	**46.41**	**32.91**	**–**	**–**	**430.43**

(*) Amount less than Rs. 0.01 lakhs.

Notes to the standalone financial statements

for the year ended 31 March 2022

16. Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks – in current accounts	1,911.72	637.47
Cash on hand	390.51	122.50
Deposit with original maturity less than three months	1.00	–
Total	**2,303.23**	**759.97**

17. Other bank balances

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Unpaid dividend account	1.44	1.45
Fixed deposits		
Deposit with original maturity for more than three months but less than twelve months	2,898.56	6,934.29
Deposits with original maturity for more than twelve months	377.17	354.07
	3,275.73	**7,288.36**
Less: Amount disclosed under Note 10 – 'Other financial assets-non current'	(24.28)	(341.54)
	3,251.45	**6,946.82**
Total	**3,252.89**	**6,948.27**

Notes:

Other bank balances include margin money deposits kept as security against bank guarantee as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
a) Deposit with original maturity for more than three months but less than twelve months	326.67	356.27
b) Deposits with original maturity for more than twelve months	262.83	354.07

18. Share capital

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised capital		
14,90,50,000 (31 March 2021: 14,90,50,000) equity shares of Rs. 10/- each	14,905.00	14,905.00
10,000 (31 March 2021: 10,000) preference shares of Rs. 10 each	1.00	1.00
Issued, subscribed and fully paid up		
12,23,39,094 (31 March 2021: 11,26,61,675) equity shares of Rs. 10 each	12,233.91	11,266.17
Less: **1,47,501** (31 March 2021: 1,76,251) equity shares of Rs. 10 each, issued to ESOP Trust but not allotted to employees (see Note 40)	(14.75)	(17.63)
	12,219.16	**11,248.54**

Notes to the standalone financial statements

for the year ended 31 March 2022

18A. Share capital (Contd..)

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount (Rs. in lakhs)	No. of shares	Amount (Rs. in lakhs)
At the beginning of the year	11,24,85,424	11,248.54	10,26,47,753	10,264.78
Add: Issued during the year under ESOP	28,750	2.88	33,750	3.37
Add: Issued during the year through QIP – see Note 47	96,77,419	967.74	98,03,921	980.39
Shares outstanding at the end of the year	**12,21,91,593**	**12,219.16**	**11,24,85,424**	**11,248.54**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs 10 per share. Each shareholder is eligible for one vote per share held and entitled to receive dividend as declared from time to time. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion of their shareholding. As per the resolution passed by the shareholders of the Company in the Annual General Meeting held on 23 August 2013, GFL Limited (the holding company) is entitled to appoint majority of directors on the Board of the Company if GFL Limited holds not less than 40% of the paid-up equity capital of the Company.

(iii) Shares held by holding company, ultimate holding company and subsidiary of its holding company:

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount (Rs. in lakhs)	No. of shares	Amount (Rs. in lakhs)
GFL Limited – holding company	5,27,86,467	5,278.65	5,27,86,467	5,278.65
INOX Leasing & Finance Limited – ultimate holding company (upto 21 September 2021)	–	–	5,87,461	58.75
INOX Infrastructure Limited (subsidiary of holding company)	5,00,581	50.06	–	–
Total	**5,32,87,048**	**5,328.71**	**5,33,73,928**	**5,337.40**

(iv) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding
GFL Limited – holding company	5,27,86,467	43.15%	5,27,86,467	46.85%
ICICI Prudential Mutual Fund	95,80,422	7.83%	1,06,91,287	9.49%

(v) Shareholdings of promoter:

Disclosure of Shareholding of promoters as at 31 March 2022 is as follows

Name of the Promoter	As at 31 March 2022		As at 31 March 2021		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Promoter					
GFL Limited	5,27,86,467	43.15%	5,27,86,467	46.85%	(3.70%)
Promoters group					
INOX Leasing and Finance Limited	5,87,461	0.48%	5,87,461	0.52%	(0.04%)
INOX Infrastructure Limited	5,00,581	0.41%	–	–	0.41%

Notes to the standalone financial statements

for the year ended 31 March 2022

18A. Share capital (Contd..)

Disclosure of Shareholding of promoters as at 31 March 2021 is as follows

Name of the Promoter	As at 31 March 2021		As at 31 March 2020		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Promoter					
GFL Limited	5,27,86,467	46.85%	5,27,86,467	51.32%	(4.47%)
Promoters group					
INOX Leasing and Finance Limited	5,87,461	0.52%	5,87,461	0.57%	(0.05%)

(vi) Shares reserved for issue under option

For details of equity shares reserved for issue under the employees stock option (ESOP) plan of the Company, see Note 40.

19. Other equity

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital redemption reserve	0.10	0.10
Securities premium	96,455.67	67,731.16
General reserve	2,921.29	2,921.29
Shares options outstanding account	190.18	72.64
Treasury Share Reserve	6,799.04	6,799.04
Retained earnings	(49,321.83)	(25,482.27)
	57,044.45	**52,041.96**

Capital redemption reserve

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	0.10	0.10
Movement during the year	-	-
Balance at end of the year	**0.10**	**0.10**

Capital redemption reserve represents amount taken over from erstwhile Fame India Ltd. on merger with the Company in FY 2012-13.

Securities premium

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	67,731.16	43,966.05
Movement during the year		
On account of ESOP	78.80	89.94
On equity shares issued through QIP - see Note 47	29,032.26	24,019.61
Share issue expense on above	(386.55)	(344.44)
Balance at end of the year	**96,455.67**	**67,731.16**

Securities premium represents premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Notes to the standalone financial statements

for the year ended 31 March 2022

19. Other equity (Contd..)

General reserve

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	2,921.29	2,921.29
Movement during the year	–	–
Balance at end of the year	**2,921.29**	**2,921.29**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Shares options outstanding account

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	72.64	143.03
Movement during the year		
On account of stock compensation expense	194.89	17.85
On account of exercise of stock options	(77.35)	(88.24)
Balance at end of the year	**190.18**	**72.64**

The above reserve relates to share option granted by the Company to its employees/employees of the holding company under the employee share option plan. Further information about share based payment to employees is set out in Note 40.

Treasury shares reserve

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	6,799.04	–
Movement during the year		
On account of sale of treasury shares, net of expenses	–	6,799.04
Balance at end of the year	**6,799.04**	**6,799.04**

Pursuant to the Composite Scheme of amalgamation of Company's subsidiary Fame India Limited ("Fame") and subsidiaries of Fame with the Company, which was operative from 1 April 2012, the Company had allotted fully paid-up 3,45,62,206 equity shares of Rs. 10 each to the shareholders of the transferor companies on 10 July 2013, including fully paid-up 2,44,31,570 equity shares of Rs. 10 each to INOX Benefit Trust ("Trust") towards shares held by Company in Fame. These shares were held by the Trust exclusively for the benefit of the Company. The Company's interest in the Trust, in accordance with its substance and economic reality, was akin to 'treasury shares'.

As at 31 March 2020, the Trust held 43,50,092 equity shares of the Company. During the preceding year, these shares were sold and the gain of Rs. 6,799.04 lakhs arising from sale of such treasury shares, net of expenses of Rs. 69.72 lakhs, was recognized in other equity as 'Treasury shares reserve', being a transaction relating to the capital of the Company.

Retained earnings

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	(25,482.27)	8,155.90
Loss for the year	(23,933.68)	(33,765.68)
Other comprehensive income arising from remeasurement of defined benefit obligation, net of income tax	94.12	127.51
Balance at end of the year	**(49,321.83)**	**(25,482.27)**

Notes to the standalone financial statements

for the year ended 31 March 2022

20. Non current borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Secured:		
Term loans - from banks	6,048.23	8,418.24
Unsecured		
Term loans - from banks	2,600.00	-
Total borrowings	**8,648.23**	**8,418.24**
Less: Amounts disclosed under Note 25 " Current borrowings"		
Current maturities of long-term debt	(1,666.67)	(3,666.67)
Interest accrued	(40.98)	(49.88)
Total	**6,940.58**	**4,701.69**

(i) The terms of repayment of term loans from banks are as under:

As at 31 March 2022

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of interest
HDFC Bank Ltd (Tranche 1)	1,527.78	The Loan is repayable in 18 equal quarterly instalments Rs. 138.89 lakhs beginning from 2 September 2020.	8.20%
HDFC Bank Ltd (Tranche 2)	1,527.78	The Loan is repayable in 18 equal quarterly instalments Rs. 138.89 lakhs beginning from 17 September 2020.	8.20%
HDFC Bank Ltd (Tranche 3)	1,666.67	The Loan is repayable in 18 equal quarterly instalments Rs. 138.89 lakhs beginning from 15 October 2020.	8.20%
HDFC Bank Ltd - ECGLS Term Loan	1,300.00	The Loan is repayable in 48 equal monthly instalments Rs. 27.08 lakhs beginning from 01 July 2023.	6.85%
Axis Bank Ltd - ECGLS Term Loan	2,600.00	The Loan is repayable in 48 equal monthly instalments Rs. 54.17 lakhs beginning from 30 June 2023.	6.75%

As at 31 March 2021

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of interest
The Hongkong and Shanghai Banking Corporation Limited (Term Loan I)	937.50	The loan is repayable in 16 equal quarterly instalments of Rs. 312.50 Lakhs beginning from 7 February 2018.	8.50% to 8.54%
The Hongkong and Shanghai Banking Corporation Limited (Term Loan II)	562.50	The loan is repayable in 16 equal quarterly instalments of Rs. 187.50 Lakhs beginning from 29 March 2018.	8.27% to 8.50%
The Hongkong and Shanghai Banking Corporation Limited (Term Loan III)	500.00	The loan is repayable in 16 equal quarterly instalments of Rs. 125 lakhs beginning from 26 June 2018.	7.47% to 8.50%
HDFC Bank Ltd (Tranche 1)	2,083.33	The Loan is repayable in 18 equal quarterly instalments Rs.138.89 lakhs beginning from 2nd September 2020.	9.00%
HDFC Bank Ltd (Tranche 2)	2,083.33	The Loan is repayable in 18 equal quarterly instalments Rs.138.89 lakhs beginning from 17th September 2020.	9.00%
HDFC Bank Ltd (Tranche 3)	2,222.22	The Loan is repayable in 18 equal quarterly instalments Rs.138.89 lakhs beginning from 15th October 2020.	9.00%

Notes to the standalone financial statements
for the year ended 31 March 2022

20. Non current borrowings (Contd..)

(ii) Securities provided for secured loans

HDFC Bank Ltd

Term loan from HDFC Bank is secured by first exclusive charge on all movable fixed assets of some multiplexes financed by the said term loan and extended charge on immovable property situated at Mumbai.

The Hongkong and Shanghai Banking Corporation Limited

Term loans from The Hongkong and Shanghai Banking Corporation Limited were secured by first exclusive charge on all movable fixed assets of multiplexes financed by the said term loans. Term loans have been repaid during the year.

(iii) There is no default on repayment of principal or payment of interest on borrowings.

(iv) See Note 48(h) for additional disclosures/regulatory information in respect of borrowings from banks, as required by Schedule III to the Companies Act, 2013.

21. Lease liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current lease liabilities	2,75,980.98	2,65,925.65
Current lease liabilities	10,178.83	8,109.57
Total	**2,86,159.81**	**2,74,035.22**

Movement in lease liabilities:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Lease liabilities at the beginning of the year	2,74,035.22	2,66,185.55
Additions during the year (net of lease liability reversed amounting to Rs. Nil (preceding year Rs. 1,163.11 lakhs))	18,852.90	13,181.42
Interest on lease liabilities	24,751.19	23,387.76
Payment of lease liabilities	(15,117.67)	(5,759.27)
Rent concessions	(16,361.83)	(22,960.24)
Lease liabilities at the end of the year	**2,86,159.81**	**2,74,035.22**

The Company has applied the practical expedient to all COVID-19 related rent concessions that meet the conditions in paragraph 46B of the Ind AS 116: Leases, as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2021 and the Companies (Indian Accounting Standards) Amendment Rules 2020 and elected not to assess whether such rent concession is a lease modification. The Company has recognised rent concessions aggregating to Rs. 14,497.99 lakhs (preceding year Rs. 22,201.40 lakhs) (after adjusting rent expenses of Rs. 1,863.84 lakhs (preceding year Rs. 758.84 lakhs)). In accordance with principles of fair presentation, the amount of rent concessions recognized has been disclosed as a separate line item in the statement of Profit and Loss.

22. Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Security deposits	84.65	641.73
Retention money	23.24	24.93
Total	**107.89**	**666.66**

Notes to the standalone financial statements
for the year ended 31 March 2022

22. Other financial liabilities (Contd..)

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Unclaimed dividend (*)	1.44	1.45
Security deposits	740.88	151.85
Creditors for capital expenditure (**)	3,243.05	3,246.49
Retention money	894.54	806.85
Employee dues	460.59	556.41
Expenses and other payable	48.02	68.74
	5,388.52	**4,831.79**
Total	**5,496.41**	**5,498.45**

(*) Investor Education and Protection Fund will be credited as and when due.

(**) Includes dues to micro enterprises and small enterprises (see Note 37)

23. Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Employee benefits (see Note 38)		
a) Gratuity	1,179.90	1,285.97
b) Leave benefits	353.24	382.29
Total	**1,533.14**	**1,668.26**
Current		
Employee benefits (see Note 38)		
a) Gratuity	251.92	135.43
b) Leave benefits	154.53	173.48
Other provisions (see below)	1,484.02	1,603.63
Total	**1,890.47**	**1,912.54**

Other provisions:

(₹ in Lakhs)

Particulars	Service tax	Other indirect taxes	Total
Balance as at 1 April 2020	**1,035.02**	**613.60**	**1,648.62**
Provided during the year	–	48.60	48.60
Reversed during the year	–	(93.59)	(93.59)
Balance as at 31 March 2021	**1,035.02**	**568.61**	**1,603.63**
Provided during the year	–	30.39	30.39
Paid during the year	–	(150.00)	(150.00)
Balance as at 31 March 2022	**1,035.02**	**449.00**	**1,484.02**

(i) Provision for service tax is in respect of service tax payable on renting of immovable property, for the period from 1 June 2007 to 30 September 2011, which was defined as a taxable service by the Finance Act, 2010, with retrospective effect from 1 June 2007. The matter is pending before the Hon'ble Supreme Court of India.

(ii) Provision for other indirect taxes is in respect of demands/notices received under indirect tax laws and the same are contested by the Company at appropriate levels.

Notes to the standalone financial statements

for the year ended 31 March 2022

24. Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred revenue arising from Government grants	5,648.58	6,135.22
Less: Current portion disclosed under Note 27 "Other current liabilities"	(525.75)	(586.62)
	5,122.83	5,548.60
Revenue received in advance	–	**216.73**
Total	**5,122.83**	**5,765.33**

Movement in deferred revenue arising from government grant:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance	6,135.22	6,973.54
Less: Transferred to other operating revenue	(486.64)	(646.43)
Less: Reversed during the year (see Note 46)	–	(191.89)
Closing Balance	**5,648.58**	**6,135.22**

25. Current borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Secured loan		
Current maturities of long term debts (*)	1,707.65	3,716.55
Unsecured loan		
From ultimate holding company		
Inter-corporate deposit – see Note 41	–	2,058.54
Total	**1,707.65**	**5,775.09**

(*) Includes interest accrued on long-term debts.

Note: Borrowings are subsequently measured at amortised cost and therefore interest accrued on current borrowings are included in the respective amounts.

(i) The terms of repayment of unsecured loans are as under:

As at 31 March 2021:

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of Interest
Inter-corporate deposit from INOX Leasing and Finance Limited.	2,000.00	Repayable in bullet instalment of Rs. 2,000 Lakhs on 28 October 2021	7.50%

(ii) Securities provided for secured loans:

Overdraft facility was secured by first charge on entire current assets of the Company (except those charged against term loans).

(iii) Unsecured overdraft facility carries interest rate ranging from 7.45 % to 9.00%.

(iv) There is no default on repayment of principal or payment of interest on borrowings.

(v) See Note 48(h) for additional disclosures/regulatory information in respect of borrowings from banks, as required by Schedule III to the Companies Act, 2013.

Notes to the standalone financial statements
for the year ended 31 March 2022

26. Trade payables

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Dues of micro enterprises and small enterprises (see Note 37)	1,023.41	796.68
Due of creditors other than micro enterprises and small enterprises	12,567.67	10,811.71
Total	**13,591.08**	**11,608.39**

Ageing for trade payables – outstanding as at 31 March 2022 is as follows:

(₹ in Lakhs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1–2 years	2–3 years	More than 3 years	Total
(i) MSME	–	160.40	860.64	2.37	–	–	1,023.41
(ii) Others	5,599.42	263.87	5,838.93	173.52	95.22	510.13	12,481.09
(iii) Disputed dues – MSME	–	–	–	–	–	–	–
(iv) Disputed dues – Others	–	–	–	–	–	86.58	86.58
Balance at the end of the year	**5,599.42**	**424.27**	**6,699.57**	**175.89**	**95.22**	**596.71**	**13,591.08**

Ageing for trade payables – outstanding as at 31 March 2021 is as follows:

(₹ in Lakhs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1–2 years	2–3 years	More than 3 years	Total
(i) MSME	–	87.37	698.30	8.80	2.21	–	796.68
(ii) Others	3,642.18	172.17	5,298.66	732.88	47.67	778.82	10,672.38
(iii) Disputed dues – MSME	–	–	–	–	–	–	–
(iv) Disputed dues – Others	–	–	–	–	–	139.33	139.33
Balance at the end of the year	**3,642.18**	**259.54**	**5,996.96**	**741.68**	**49.88**	**918.15**	**11,608.39**

27. Other current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue received in advance	3,091.88	1,747.94
Advances from customers	832.01	830.89
Deferred revenue arising from Government grant (from Note 24)	525.75	586.62
Statutory dues		
– Taxes payable (other than income taxes)	1,353.25	535.58
– Employee recoveries and employer contributions	96.85	110.47
Other liabilities	382.19	359.69
Total	**6,281.93**	**4,171.19**

Notes to the standalone financial statements
for the year ended 31 March 2022

28. Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from contracts with customers:		
Revenue from services	48,515.42	7,098.96
Food and beverages revenue	19,271.92	2,775.60
	67,787.34	**9,874.56**
Other operating revenue	606.47	718.57
Total revenue	**68,393.81**	**10,593.13**

Disaggregated revenue information

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Type of services or goods:		
Revenue from box office	41,762.21	5,449.51
Revenue from advertisement services	3,445.64	266.61
Convenience fees	2,047.29	1,045.96
Virtual print fees	857.87	166.54
Other services	402.41	170.34
	48,515.42	**7,098.96**
Food and beverages revenue	19,271.92	2,775.60
Total revenue from contracts with customers	**67,787.34**	**9,874.56**

Contract balances:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Trade receivables	2,903.38	430.43
Contract assets	–	14.47
Contract liabilities	3,923.89	2,795.56

During the year ended 31 March 2022, the Company has recognized revenue of Rs. 1,475.08 lakhs (preceding year Rs. 1,014.11 lakhs) arising from opening contract liabilities.

Performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) are as under:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Within one year	2,701.33	2,022.29
More than one year but less than five years	2,494.00	4,988.28
Total	**5,195.33**	**7,010.57**

The transaction price allocated to contracts for original expected duration of one year or less are not included in amounts disclosed above as permitted under Ind AS 115.

Notes to the standalone financial statements

for the year ended 31 March 2022

29. Other Income

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A) Interest income		
Interest income calculated using the effective interest method:		
On bank fixed deposits	201.95	206.97
On long term investments	1.77	3.47
On security deposits	611.60	563.13
	815.32	**773.57**
Other interest income		
Interest on income tax refunds	20.55	6.56
Others	14.50	59.57
	35.05	**66.13**
Total interest income	**850.37**	**839.70**
B) Other non-operating income		
Liabilities and provisions no longer required, written back	776.88	599.56
Insurance claim received	63.92	2,489.60
Bad debts recovered	24.72	88.48
Miscellaneous income	51.84	122.16
Total other non-operating income	**917.36**	**3,299.80**
C) Other gains and losses		
Net gain on foreign currency transactions and translation	-	19.70
Gain on investments measured at fair value through profit or loss	414.07	64.68
Total other gain and losses	**414.07**	**84.38**
Total	**2,181.80**	**4,223.88**
Note: Realised gain in respect of mutual fund	218.15	64.68

30. Exhibition cost

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Distributors' share	19,201.13	2,552.53
Other exhibition cost	433.54	86.70
Total	**19,634.67**	**2,639.23**

31. Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and wages	8,298.16	7,731.95
Contribution to provident and other funds	575.85	507.22
Expense on ESOP	194.89	15.76
Gratuity	274.28	336.52
Staff welfare expenses	134.72	75.83
Total	**9,477.90**	**8,667.28**

Notes to the standalone financial statements
for the year ended 31 March 2022

32. Finance costs

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
a) Interest on financial liabilities carried at amortised cost		
– loan from related parties	69.04	63.29
– other borrowings	763.77	1,424.08
	832.81	**1,487.37**
b) Interest on lease liabilities (see Note 21)	24,751.19	23,387.76
c) Other Interest		
Other Interest expense	187.66	215.23
	187.66	**215.23**
Total interest (a+b+c)	**25,771.66**	**25,090.36**
Other borrowing costs	27.54	19.46
Total	**25,799.20**	**25,109.82**

33. Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment	11,174.18	10,974.43
Depreciation on right-of-use assets	17,879.82	17,008.59
Amortization of intangible assets	330.25	337.68
Total	**29,384.25**	**28,320.70**

34. Other expenses

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Power and fuel	5,618.25	2,928.26
Common facility charges	7,483.50	4,849.32
Repairs to :		
– Buildings	168.62	89.11
– Plant and equipment	2,024.23	1,171.28
– Others	542.01	390.46
Rates and taxes	824.06	741.75
Expenditure on corporate social responsibility (CSR) – Note (v) below	–	264.84
Directors' sitting fees	13.60	10.40
Remuneration to non-executive director (see Note 41)	150.00	–
Allowance for doubtful trade receivables and expected credit losses (net)	3.93	191.34
Allowance for doubtful advances and deposits	87.50	–
Bad debts & remissions – Note (i) below	0.30	1.31
Deposits and advances written off – Note (ii) below	31.94	–
Indirect tax expenses	1,879.26	660.33
Net loss on foreign currency transactions and translation	20.58	–
Legal and professional fees and expense	1,268.70	877.75
Advertisement & sales promotion	427.00	121.70
Travelling and conveyance	201.79	120.95
Housekeeping expenses	2,144.56	1,292.87
Security charges	1,149.34	526.26

Notes to the standalone financial statements

for the year ended 31 March 2022

34. Other expenses (Contd..)

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Outsourced personnel cost	2,243.72	398.40
Loss on sale/disposal of property, plant and equipment (net)	173.77	35.36
Inventories written off – Note (iii) below	69.06	131.17
Miscellaneous expenses	1,302.13	918.91
Total	**27,827.85**	**15,721.77**

i) Bad debts & remissions are net of provision for doubtful trade receivable adjusted of Rs. 103.25 lakhs (preceding year Rs. Nil).

ii) Deposits and advances written off are net of provision for doubtful deposit and advances adjusted of Rs. 50.00 lakhs (preceding year Rs. Nil).

iii) In view of the ongoing uncertainties due to COVID-19 pandemic, the inventory of perishable food and beverages expiring within short span of time is written off.

iv) Legal and professional fees and expense includes:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
a) payments to auditors:		
– Statutory audit, limited reviews and corporate governance report	43.00	43.00
– For certification matters – towards share issue expenses and adjusted in securities premium)	10.00	12.00
– For other certificate matters	1.15	–
	54.15	**55.00**
b) Professional fees paid to one of the non-executive directors	–	60.00
c) Legal fees paid to firms/LLPs in which some of the non-executive directors are partners (including amount of Rs. 42.00 lakhs (preceding year Rs. 47.00 lakhs), towards share issue expenses and adjusted in securities premium)	236.17	167.70

Note – All above amounts are exclusive of GST.

v) Corporate Social Responsibility (CSR)

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
1) Gross amount required to be spent by the company during the year	–	264.84
2) Amount of expenditure incurred		
(i) Construction/acquisition of any assets	–	–
(ii) On purposes other than (i) above	–	217.74
3) (i) The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year;	–	47.10
(ii) Total of previous years shortfall	–	–
4) The shortfall amount transferred to a Fund specified in Schedule VII to the Act, as per section 135(5) of the Act	47.10	–
5) Details of related party transactions	Nil	Nil
6) Provision made with respect to a liability incurred by entering into a contractual obligation	NA	NA

Notes to the standalone financial statements

for the year ended 31 March 2022

34. Other expenses (Contd..)

7) Reason for shortfall in preceding year:

During the preceding year, the Company could not spent the entire amount required to be spent as per Section 135(5) of the Act as it was in process of identifying the suitable projects for CSR. The unspent CSR amount was subsequently transferred to the PM Cares Fund i.e. a fund mentioned under Schedule VII of the Act within the timelines specified.

8) The nature of CSR activities undertaken by the Company as below:

Eradication of hunger and malnutrition, promoting education and employment enhancing vocation skills, training to promote rural, nationally recognised, Paralympic and Olympic sports.

35.1. Income tax recognised in profit or loss

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax		
In respect of the current year	–	–
In respect of earlier years	2.26	(151.66)
	2.26	**(151.66)**
Deferred tax		
In respect of the current year	(7,798.93)	(10,689.76)
In respect of earlier years	408.85	(29.06)
	(7,390.08)	**(10,718.82)**
Total income tax expense recognised in the current year	**(7,387.82)**	**(10,870.48)**

The income tax expense for the year can be reconciled as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss before tax	(31,321.50)	(44,636.16)
Income tax expense calculated at 25.168% (preceding year 25.168%)	(7,883.00)	(11,234.03)
Effect of expenses that are not deductible in determining taxable profit	84.07	544.27
	(7,798.93)	**(10,689.76)**
Taxation in respect of earlier years	411.11	(180.72)
Income tax expense recognised in profit and loss	**(7,387.82)**	**(10,870.48)**

The tax rate used in the reconciliations above is the corporate tax rate of 25.168% payable under section 115BAA by corporate entities in India on taxable profits.

35.2 Income tax recognised in other comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Deferred tax		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	(31.65)	(42.89)
Total income tax recognised in other comprehensive income	**(31.65)**	**(42.89)**

Notes to the standalone financial statements
for the year ended 31 March 2022

35.3 In respect of taxation matters

The Company's contention that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted by Hon'ble Supreme Court in respect of the exemption availed in the state of Maharashtra, West Bengal & Gujarat on the basis of Schemes pertaining to these three States. In respect of all other states, the same has been accepted by various appellate authorities. Provision for income tax, till the year ended 31 March 2015, was made on this basis, to the extent the entertainment tax exemption is held as capital receipt for such multiplexes.

36. Segment Information

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and segment performance focuses on single business segment viz. theatrical exhibition. All activities of the Company are in India and hence there are no geographical segments.

Information about major products and services

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from services		
Revenue from box office	41,762.21	5,449.51
Revenue from advertising income	3,445.64	266.61
Convenience Fees	2,047.29	1,045.96
Virtual Print fee	857.87	166.54
Other services	402.41	170.34
Sub-total	**48,515.42**	**7,098.96**
Food & beverages revenue	19,271.92	2,775.60
Sub-total	**19,271.92**	**2,775.60**
Other operating revenue		
Government Grants - deferred revenue	486.64	646.43
Others	119.83	72.14
Sub-total	**606.47**	**718.57**
Total revenue from operations	**68,393.81**	**10,593.13**

Information about major customers:

There is no single customer contributing more than 10% of the Company's revenue.

37. Particulars of dues to Micro, and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
a) Principal amount due to suppliers under MSMED Act, 2006 at the year end		
(i) Trade payables	1023.41	796.68
(ii) Creditors for capital expenditure	390.60	610.21
Total	**1414.01**	**1406.89**
Out of above, amount overdue beyond the due date	55.41	515.01
b) Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount, unpaid at the year end	1.86	21.30
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	1523.90	1289.88
d) Interest paid to suppliers under section 16 of MSMED Act, 2006 during the year	58.48	130.01
e) Interest due and payable to suppliers under MSMED Act for payments already made.	41.70	-
f) Interest accrued and not paid to suppliers under MSMED Act, 2006 up to the year end.	43.56	21.30

The above information has been disclosed in respect of parties which have been identified on the basis of the information available with the Company.

Notes to the standalone financial statements

for the year ended 31 March 2022

38: Employee benefits

A. Defined contribution plans

The Company contributes to the Government managed provident and pension fund for all qualifying employees.

During the year contribution to provident and pension fund of Rs. 552.66 Lakhs (preceding year Rs. 481.34 Lakhs) is recognized as an expense and included in 'Contribution to Provident & Other Funds' in the Statement of Profit and Loss and Rs. 19.21 lakhs (preceding year Rs. 9.80 lakhs) is included in pre-operative expenses.

B. Defined benefit plan:

The Company has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the Payment of Gratuity Act, 1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. The Company's defined benefit plan is unfunded.

There are no other post retirement benefits provided by the Company.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2022 by M/s KP Actuaries and Consultants LLP. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

Movement in the present value of the defined benefit obligation are as follows:

(₹ in Lakhs)

Particulars	Gratuity	
	31 March 2022	31 March 2021
Opening defined benefit obligation	1,421.40	1,467.96
Current service cost	182.94	244.41
Interest cost	91.34	92.11
Re-measurement (gain) / losses:		
a) arising from changes in financial assumptions	(46.58)	11.67
b) arising from experience adjustments	(79.19)	(182.07)
Benefits paid	(138.09)	(212.68)
Closing defined benefit obligation	**1,431.82**	**1,421.40**

Components of amounts recognised in profit or loss and other comprehensive income are as under:

(₹ in Lakhs)

Particulars	Gratuity	
	31 March 2022	31 March 2021
Current service cost	182.94	244.41
Interest expense	91.34	92.11
Amount recognised in profit or loss	**274.28**	**336.52**
Actuarial (gain)/loss		
a) arising from changes in financial assumptions	(46.58)	11.67
b) arising from experience adjustments	(79.19)	(182.07)
Amount recognised in other comprehensive income	**(125.77)**	**(170.40)**
Total	**148.51**	**166.12**

Notes to the standalone financial statements
for the year ended 31 March 2022

38: Employee benefits (Contd..)

The principal assumptions used for the purposes of the actuarial valuations of gratuity are as follows.

(₹ in Lakhs)

Particulars	Valuation as at	
	31 March 2022	31 March 2021
Discount rate (per annum)	6.90%	6.43%
Expected rate of salary increase	7.00%	7.00%
Employee attrition rate	10.00%	10.00%
Mortality	IALM (2012-14) ultimate mortality table	

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

This plan typically exposes the Company to actuarial risks such as interest rate risk and salary risk.

a) Interest risk: a decrease in the bond interest rate will increase the plan liability.

b) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, any variation in the expected rate of the salary increase of the plan participants will change the plan liability.

Sensitivity Analysis

Significant actuarial assumptions for the determination of defined obligation are discount rate, expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Lakhs)

Particulars	Gratuity	
	31 March 2022	31 March 2021
Impact on present value of defined benefit obligation:		
If discount rate is increased by 1%	(90.79)	(92.12)
If discount rate is decreased by 1%	102.37	104.51
If salary escalation rate is increased by 1%	101.26	97.78
If salary escalation rate is decreased by 1%	(91.52)	(87.88)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the defined obligation as at 31 March 2022 is 7 years (preceding year 6.47 years)

Expected outflow in future years (as provided in acturial report)

Particulars	Rs in Lakhs
Expected outflow in 1st Year	251.92
Expected outflow in 2nd Year	167.59
Expected outflow in 3rd Year	131.46
Expected outflow in 4th Year	132.80
Expected outflow in 5th Year	127.05
Expected outflow in more than 5 years	2,254.98

Notes to the standalone financial statements

for the year ended 31 March 2022

38: Employee benefits (Contd..)

C. Other long term employment benefits:

Leave benefits

The Liability towards Leave benefits (Annual Privilege leave) for the year ended 31 March 2022 based on actuarial valuation carried out by using Projected unit credit method resulted in decrease in liability by Rs. 13.65 lakhs (preceding year Rs 67.37 lakhs) which is included in the employee benefits in the Statement of Profit and Loss.

The principal assumptions used for the purposes of the actuarial valuations of leave benefits are as follows.

(₹ in Lakhs)

Particulars	Valuation as at	
	31 March 2022	31 March 2021
Discount rate (per annum)	6.90%	6.43%
Expected rate of salary increase	7.00%	7.00%
Employee attrition rate	10.00%	10.00%
Mortality	IALM (2012-14) ultimate mortality table	

39. Financial Instruments

(i) Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt and total equity of the Company. The Company is not subject to any externally imposed capital requirements. The Company's Board of Directors (BOD) reviews the capital structure of the entity. As part of this review, BOD considers the cost of capital and risk associated with each class of capital.

Gearing ratio

The gearing ratio at the end of the year was as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Total debt	8,648.23	10,476.78
Cash & bank balances (not subject to lien)	(4,989.46)	(7,337.99)
Net debt	**3,658.77**	**3,138.79**
Total Equity	69,263.61	63,290.50
Net debt to equity ratio (in times)	**0.05**	**0.05**

a) Debt is defined as total borrowings as described in Note 20 and 25, and excludes lease liabilities.

b) Cash & bank balances includes cash and cash equivalents (Note 16), other bank balances (Note 17) not subject to lien.

(ii) Categories of financial instruments

(₹ in Lakhs)

Financial Assets	As at 31 March 2022	As at 31 March 2021
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured at FVTPL:		
Debt-oriented mutual funds	14,897.11	-
Measured at amortised cost		
(a) Cash and bank balances	5,580.40	8,049.78
(b) Other financial assets at amortised cost		
(i) Investments in NSC	2.60	19.98

Notes to the standalone financial statements
for the year ended 31 March 2022

39. Financial Instruments (Contd..)

(₹ in Lakhs)

Financial Assets	As at 31 March 2022	As at 31 March 2021
(ii) Trade receivables	2,903.38	430.43
(iii) Other financial assets	18,769.03	18,844.18
Sub-total	**27,255.41**	**27,344.37**
Total financial assets	**42,152.52**	**27,344.37**

The carrying amount reflected above represents the Company's maximum exposure to credit risk for such financial assets.

(₹ in Lakhs)

Financial Liabilities	As at 31 March 2022	As at 31 March 2021
Measured at amortised cost		
(i) Borrowings	8,648.23	10,476.78
(ii) Lease liabilities	2,86,159.81	2,74,035.22
(iii) Trade payables	13,591.08	11,608.39
(iv) Other financial liabilities	5,496.41	5,498.45
Total financial liabilities	**3,13,895.53**	**3,01,618.84**

(iii) Financial risk management

The Company's principal financial liabilities comprise of borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations including acquiring of PPE and ROU. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances derived directly from its operations. The Company also holds FVTPL investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Senior management provides assurance to the Board of directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company does not enters into any derivative instruments for trading or speculative purposes. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables and loans.

(i) Foreign Currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company's import of materials and PPE are not significant to cause major exposure to foreign currency variations. Exchange rate exposures are managed within approved policy parameters utilising forward foreign currency contracts, as and when necessary.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the year, which are not hedged are as follows:

(USD in Lakhs)

Particulars	Liabilities	
	As at 31 March 2022	As at 31 March 2021
Liabilities		
Capital Creditors	–	1.78
Other payable	0.68	2.32

Notes to the standalone financial statements

for the year ended 31 March 2022

39. Financial Instruments (Contd..)

(in Lakhs)

Particulars	Assets	
	As at 31 March 2022	As at 31 March 2021
Assets – Trade receivable (USD)	0.33	–
Assets – Trade receivable (EURO)	–	0.01

The carrying amount in INR value of above foreign currency is as under:

(₹ in Lakhs)

Particulars	Liabilities	
	As at 31 March 2022	As at 31 March 2021
Liabilities		
Capital Creditors	–	131.11
Other payable	51.70	170.51

(₹ in Lakhs)

Particulars	Assets	
	As at 31 March 2022	As at 31 March 2021
Assets – Trade receivable	24.34	1.01

The Company is exposed to changes in USD. The below table demonstrates the sensitivity to a 10% increase or decrease in the USD/Euro against INR, on profit or loss and total equity , with all other variable held constant.

The sensitivity analysis is prepared to the net unhedged exposure of the Company.

(₹ in Lakhs)

Particulars	Currency USD impact (net of tax)		Currency Euro impact (net of tax)	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Increase by 10%	(2.05)	(22.57)	–	0.08
Decrease by 10%	2.05	22.57	–	(0.08)

(ii) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk mainly on account of its borrowing from banks, which have both fixed and floating interest rates. Bank overdrafts are subject to variable rate of interest. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the year was outstanding for the whole year.

(₹ in Lakhs)

Particulars	Impact (net of tax)	
	As at 31 March 2022	As at 31 March 2021
Increase by 50 basis points	(32.21)	(31.31)
Decrease by 50 basis points	32.21	31.31

Notes to the standalone financial statements

for the year ended 31 March 2022

39. Financial Instruments (Contd..)

(iii) Other price risks

The Entity is exposed to equity price risks arising from equity investments. Equity investment in subsidiary is held for strategic rather than trading purposes. The entity does not actively trade in this investments. The Company's investment in mutual funds are in debt funds. Hence the Company's exposure to equity price risk is minimal.

(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining security, where appropriate, as a means of mitigating the risk of financial loss from defaults.

For trade receivables, the average credit period generally ranges from 60 to 90 days. Before accepting any new customer, Company uses information available in public domain and industry sources to assess the potential customer's credit quality and defines credit limits for respective customer. Credit Limits attributed to customers are reviewed periodically.

Customers who represents more than 5% of the total balance of trade receivable as at 31 March 2022 is Rs. 1,164.74 lakhs (as at 31 March 2021 Rs. 149.37 lakhs) are due from 4 customers (preceding year 2 customers).

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix.

The provision matrix at the end of the year is as follows.

(₹ in Lakhs)

Ageing	Expected credit loss (%)
Upto 1 year	2%
Above 1 year	25%
Above 2 years	50%
Above 3 years	100%

Movement in the expected credit loss allowance

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2022
Balance as at beginning of the year	20.48	194.84
Net increase in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	19.51	(174.36)
Balance as at end of the year	**39.99**	**20.48**

In respect of counter-guarantees given by the Company:

As at 31 March 2022, an amount of Rs. Nil (preceding year Rs. 342.97 lakhs) has been recognised in the balance sheet as contingent liabilities. It was towards counter-guarantee given for bank guarantee taken by a subsidiary company, which is the Company's maximum exposure in this regard.

Notes to the standalone financial statements

for the year ended 31 March 2022

39. Financial Instruments (Contd..)

(c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities and continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities as at 31 March 2022

(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total contracted cash flows
Financial Liabilities				
Trade payables	13,591.08	–	–	13,591.08
Borrowings	1,707.65	6,751.00	189.58	8,648.23
Other financial liabilities	5,388.52	99.82	8.07	5,496.41
Total	**20,687.25**	**6,850.82**	**197.65**	**27,735.72**

The table below provides details regarding the contractual maturities of financial liabilities as at 31 March 2021

(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total contracted cash flows
Financial Liabilities				
Trade payables	11,608.39	–	–	11,608.39
Borrowings	5,775.09	4,701.69	–	10,476.78
Other financial liabilities	4,831.79	639.99	26.67	5,498.45
Total	**22,215.27**	**5,341.68**	**26.67**	**27,583.62**

Particulars of contractual maturities in respect of lease liabilities is as per Note 42.

The above liabilities will be met by the Company from internal accruals, realization of current and non-current financial assets (other than strategic investments). Further, the Company also has unutilised credit facilities from bank. Also see Note 2.2.

(iv) Fair value measurement

The following table provides the fair value measurement hierarchy of the Company's financial asset that are measured at fair value

(₹ in Lakhs)

Financial Assets	Fair Value as at 31 March 2022 (Rs. In Lakhs)	Fair Value as at 31 March 2021 (Rs. in Lakhs)	Fair Value hierarchy	Valuation technique (s) and key input (s)
Investments in Mutual Funds (Note 9)	14,897.11	–	Level 1	Quoted bid prices in an active market

In the period, there were no transfers between Level 1, 2 and 3.

Notes to the standalone financial statements

for the year ended 31 March 2022

39. Financial Instruments (Contd..)

Financial instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortized cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different than the values that will be eventually received or paid.

40: Share-based payments

Details of the employee share option plan of the Company:

The Company has a share option scheme applicable to the employees and Directors of the Company, its subsidiary companies or its holding company and any successor company thereof, as determined by the Compensation, Nomination and Remuneration Committee on its own discretion. The Scheme is administered through INOX Leisure Limited – Employees Welfare Trust.

In the year ended 31 March 2006, the Company had issued 500,000 equity shares of Rs. 10 each at a premium of Rs. 5 per share to INOX Leisure Limited – Employees' Welfare Trust ("ESOP Trust") to be transferred to the employees of the Company under the scheme of ESOP framed by the Company in this regard. The Company has provided finance of Rs. 75.00 Lakh to the ESOP Trust for subscription of these shares at the beginning of the plan.

Each share option converts into one equity share of the Company on exercise. The options are granted at an exercise price of Rs. 15 per option. The option carry neither rights to dividends nor voting rights. The options granted are required to be exercised within a period of one year from the date of vesting of the respective options.

On 01 June 2021, stock options of 1,47,500 shares has been granted to employees and on 23 June 2017, stock options of 1,67,500 shares had been granted to employees. The vesting period for these equity settled options is between one to four years from the date of the respective grants. The options are exercisable within one year from the date of vesting.

The compensation costs of stock options granted to employees are accounted using the fair value method.

Fair value of share options granted

The fair value has been calculated using the Black Scholes Options Pricing Model. The Black-Scholes model requires the consideration of certain variables such as volatility, risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of fair value of the option. These variables significantly influence the fair value and any change in these variables could significantly affect the fair value of the option. The significant assumptions made in this regard are as under:

(₹ in Lakhs)

Particulars	Options granted	
Date of grant	01 June 2021	23 June 2017
Fair value of share option at grant date	297.75	269.10
No. of share options granted	1,47,500	1,67,500
Grant date share price	310.65	281.50
Exercise price	15	15
Expected volatility	"42.13% to 52.07%"	"33.53% to 39.82%"
Option life	1.5 to 4.5 years	1.5 to 4.5 years
Dividend yield	0	0
Risk free interest rate	4.18% to 5.56%	6.25% to 6.53%

Notes to the standalone financial statements

for the year ended 31 March 2022

40: Share-based payments (Contd..)

Movements in share options during the year

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance at beginning of the year	28,750	67,500
Granted during the year	1,47,500	0
Forfeited during the year	0	5,000
Exercised during the year	28,750	33,750
Balance at end of the year	1,47,500	28,750
Exercisable as at end of the year	Nil	Nil
Weighted average exercise price of all stock options	Rs. 15	Rs. 15

Method used for accounting of share based payment plan:

The Company has used fair value method to account for the compensation cost of stock options granted to its employees and the employee of holding company. The compensation cost of Rs. 194.89 Lakhs (preceding year Rs. 17.86 Lakhs) is recognised in the Statement of Profit and Loss.

Range of exercise price and weighted average remaining contractual life of outstanding options

For Options granted on 1 June 2021:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Number of options outstanding	1,47,500	–
Weighted Average Remaining Contractual Life (in years)	4.50	–
Weighted Average Exercise Price (Rs.)	15	–

For Options granted on 23 June 2017:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Number of options outstanding	–	28,750
Weighted Average Remaining Contractual Life (in years)	–	1.23
Weighted Average Exercise Price (Rs.)	–	15

Notes to the standalone financial statements
for the year ended 31 March 2022

41. Related Party Transactions

(i) Where Control Exists

a. GFL Limited – holding company

b. INOX Leasing & Finance Limited – ultimate holding company (upto 21 September 2021)

c. Shouri Properties Private Limited – subsidiary company (wholly owned subsidiary company w.e.f. 20 January 2022)

d. INOX Leisure Limited – Employees' Welfare Trust – controlled trust

(ii) Other related parties with whom there are transactions:

Key Management Personnel (KMP)

a. Mr. Pavan Kumar Jain – Director
b. Mr. Vivek Kumar Jain – Director
c. Mr. Siddharth Jain – Director
d. Mr. Deepak Asher – Director (upto 12 October 2020)
e. Ms. Girija Balakrishnan – Director
f. Mr. Haigreve Khaitan – Director
g. Mr. Vishesh Chander Chandiok – Director
h. Mr. Amit Jatia – Director
i. Mr. Alok Tandon – Chief Executive Officer

Fellow subsidiaries upto 21 September 2021 and subsequently reclassified

Gujarat Fluorochemicals Limited

Enterprises over which a KMP, or his relative, having control/significant influence

Gujarat Fluorochemicals Limited (w.e.f. 22 September 2021)

INOX India Private Limited

Details of transactions between the Company and related parties are disclosed below.

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
1) Transactions during the year		
A. Transactions with ultimate holding company:		
INOX Leasing & Finance Limited		
(a) Inter-corporate deposits taken	–	2,000.00
(b) Interest paid on Inter-corporate deposits	69.04	63.29
(c) Inter-corporate deposits repaid	2,000.00	–
B. Transactions with subsidiary company:		
Shouri Properties Private Limited		
(a) Conducting fees paid	85.39	22.33
(b) Reimbursement of expenses paid	–	6.52
C. Transactions with other related parties:		
Gujarat Fluorochemicals Limited		
(a) Lease rent paid	–	27.21
(b) Reimbursement of expenses paid	–	2.67
INOX India Private Limited		
(a) Sale of movie tickets	3.33	0.08

Note: The above amounts are exclusive of taxes, wherever applicable

Notes to the standalone financial statements

for the year ended 31 March 2022

41. Related Party Transactions (Contd..)

The following balances were outstanding at the end of the year:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
2) Amounts outstanding at the year end		
A) Receivables		
Counter-guarantee given for bank guarantee taken by subsidiary company		
Shouri Properties Private Limited	–	342.97
Security deposit given		
Shouri Properties Private Limited	104.21	104.21
Trade receivables		
INOX India Private Limited	0.98	0.04
B) Payables		
Trade payables		
Shouri Properties Private Limited	24.14	7.97
Other payables		
Gujarat Fluorochemicals Limited	30.48	30.48
Inter-corporate deposit payable		
INOX Leasing & Finance Limited	–	2,058.54

Notes:

a. Sales of movie tickets and service transactions are made at the arms length price.

b. The amounts outstanding are unsecured and will be settled in cash. No expense has been recognised in the current or preceding year for bad or doubtful receivables in respect of the amounts owed by related parties.

c. The Company had been provided with Inter corporate deposit at rate comparable to the average commercial rate of interest. This loan was unsecured. The same has been repaid during the year.

Compensation of Key management personnel

The remuneration of directors and other members of key management personnel during the year was as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Remuneration to Mr. Alok Tandon	155.90	100.70
Remuneration to non executive director – Mr. Siddharth Jain	75.00	–
Remuneration to non executive director – Mr. Pavan Kumar Jain	75.00	–
Sitting fees paid to directors	13.60	10.40
Professional fees paid to Mr. Deepak Asher	–	60.00
Total	**319.50**	**171.10**

The remuneration of directors and key executives is determined by the Remuneration Committee having regard to the performance of individuals and market trends. As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Company as a whole, the amount pertaining to KMP are not included above.

The amount of remuneration reported above includes:

A. Contribution to Provident Fund (defined contribution plan) is Rs. 7.66 Lakhs (preceding year Rs. 4.66 lakhs)

B. Share options exercised under ESOP of Rs. 14.81 Lakhs (preceding year Rs 10.77 Lakhs)

Additional disclosures required under section 186(4) of the Companies Act, 2013

The Company has given a counter guarantee of Rs. Nil (preceding year Rs. 342.97 lakhs) in respect of bank guarantee taken by its subsidiary, Shouri Properties Private Limited. This bank guarantee was towards entertainment tax exemption availed by the subsidiary. The Company has a leasing arrangement with this subsidiary to operate a multiplex from the said location.

Notes to the standalone financial statements

for the year ended 31 March 2022

42 Leases

42.1 As a Lessee

The Company is operating most of its multiplexes under operating lease. These arrangements generally are for an initial period of 9-29 years with a minimum lock-in period of 5-15 years, after which the lessor does not have a right to terminate the arrangement. The agreements provide for escalation after pre-determined periods. Some of the agreements are fully or partially on revenue share basis. The Company does not have an option to purchase the leased premises at the expiry of lease period.

A) Contractual maturities of lease liabilities as at reporting date on an undiscounted basis:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	32,867.71	30,838.96
One to five years	1,40,000.93	1,37,779.66
More than five years	3,69,823.27	3,47,725.09
Total	**5,42,691.91**	**5,16,343.71**

B) Amount recognized in statement of profit and loss

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A) Interest on lease liabilities	24,751.19	23,387.76
B) Included in rent expenses (see Note below)		
a) Variable lease payments not included in the measurement of lease liabilities	1,863.64	727.98
b) Expense relating to short-term leases	0.20	30.86
	1,863.84	**758.84**

As explained in Note 21: Lease Liabilities, the Company has recognised rent concessions aggregating to Rs. 16,361.83 lakhs (preceding year Rs. 22,960.24 lakhs) and after adjusting the rent expenses of Rs. 1,863.84 lakhs (preceding year Rs. 758.84 lakhs) as above, the net amount of Rs. 14,497.99 lakhs (preceding year Rs. 22,201.40 lakhs) has been disclosed as a separate line item in the statement of Profit and Loss.

42.2 As lessor

Operating lease

The Company has entered into operating leases for part of the multiplex premises. These leases have terms of between 1 to 9 years. The total rent recognised as income during the year is Rs. 171.80 lakhs (preceding year Rs. 125.89 lakhs). Future minimum rentals receivable under non-cancellable operating leases as at 31 March are, as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	316.88	154.01
One to five years	843.52	1,056.54
More than five years	67.58	25.42
Total	**1,227.98**	**1,235.97**

Notes to the standalone financial statements

for the year ended 31 March 2022

43. Commitments

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	6,315.77	2,313.20
(b) Other commitments		
Commitments for the operating multiplexes for minimum period of operations in terms of respective State Government policies equivalent to the exemption availed from commencement till reporting date.	3,171.02	4,605.35

44. Contingent liabilities

(₹ in Lakhs)

	Particulars	As at 31 March 2022	As at 31 March 2021
a.	Claims against the Company not acknowledged as debt :	116.36	116.36
	In the arbitration proceedings in respect of termination notice of MOU for a proposed multiplex, the arbitrator has awarded the matter against the Company and directed the Company to pay Rs. 116.36 Lakh towards rent for the lock in period. Further, the arbitrator has also directed the Company to pay the amount of difference between the rent payable by the Company as per the MOU and the amount of actual rent received by the other party from their new tenant. The differential amount is presently not determinable. The Company has challenged the arbitration award before the Hon'ble High Court of judicature at Delhi and the same is pending.		
b.	Entertainment Tax matters:	2,923.65	4,674.01
	This includes		
	i Demands in respect of some multiplexes pertaining to exemption period and the same is contested by way of appeal before appropriate authorities.	2,821.33	4,571.69
	ii Other demands are mainly in respect of levy of entertainment tax on service charges and convenience fee collected.	102.32	102.32
	The Company has paid Rs. 7.70 lakhs (preceding year Rs 578.43 lakhs) to the respective authorities under protest (which is included in 'Other non current assets')		
c.	Service Tax matters	6,313.22	20,540.19
	This includes		
	i In respect of levy of service tax on film distributor's' share paid by the Company. During the year, the matter is decided in favour of the Company by CESTAT and Hon'ble Supreme Court.	-	14,226.97
	ii In respect of levy of service tax on sale of food and beverages in multiplex premises and the matter is being contested by way of appeal before the appropriate authorities.	6,313.22	6,313.22
	The Company has paid Rs. 397.55 lakhs (preceding year Rs. 976.55 lakhs) to the respective authorities under protest (which is included in 'Other non current assets')		
d.	Stamp duty matter		
	Authority has raised the demand for non-payment of stamp duty on Leave & License Agreement in respect of one of the multiplexes, holding the same as lease transaction. Stay has been granted and the matter is pending before Board of Revenue.	263.81	263.81

Notes to the standalone financial statements

for the year ended 31 March 2022

44. Contingent liabilities (Contd..)

(₹ in Lakhs)

	Particulars	As at 31 March 2022	As at 31 March 2021
e.	Custom duty matter in respect of import of projector	4.36	4.36
	In addition to above, the Company had also received a show cause cum demand notice from customs on import of cinematographic films, the amount of duty is yet to be quantified.		
f.	TDS matters, disputed in appeal by the Company:	43.64	21.79
	The Company has paid Rs. 4.30 lakhs (preceding year Rs. Nil) to the respective authorities under protest (which is included in 'Other non current assets')		
g.	The Company may be required to charge additional cost towards electricity from 1 June 2007 to 31 March 2010 pursuant to the increase in the tariff in case the appeal made with Maharashtra Electricity Regulatory Commission 'MERC' by the Company through the Multiplex Association of India is rejected and the case filed in the Supreme Court by one of the electricity supplier against the order of the Appellate Tribunal for Electricity, dated 19 January 2009, for change in category, is passed in favour of the electricity supplier. The Company has paid the whole amount to the respective authorities under protest (which is included in 'Other non current financial assets')	389.83	389.83
h.	Counter-guarantee given for bank guarantee taken by a subsidiary company	–	342.98

In respect of above matters, no additional provision is considered necessary as the Company expects favourable outcome. Further, it is not possible for the Company to estimate the timing and amount of the further cash outflow, if any, in respect of these matters.

45. The Code on Social Security 2020 has been notified in the Official Gazette on 29 September 2020, which could impact the contributions by the Company towards certain employment benefits. However, the date from which the Code will come into effect has not been notified. The Company will assess and give appropriate impact in the financial statements in the period in which the Code comes into effect.

46. Exceptional Items

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Entertainment tax subsidy recoverable in respect of one of the multiplexes, written off	–	600.00
Less: Corresponding balance in the deferred revenue account	–	(191.89)
Total	**–**	**408.11**

47. Qualified Institutions Placement (QIP)

(i) During the year ended 31 March 2022, the Company has completed the Qualified Institutions Placement ('QIP') under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the "SEBI ICDR Regulations"), pursuant to which 96,77,419 equity shares having a face value of Rs. 10 each were issued and allotted, at an issue price of Rs. 310 per equity share (including a securities premium of Rs. 300 per equity share), aggregating to Rs. 30,000 lakhs.

The proceeds of Qualified Institutions Placement amounts to Rs. 28,645.56 lakhs (net of issue related expenses which has been adjusted against securities premium). As per the placement document, QIP proceeds can be utilised for (i) to meet capital expenditure requirements for ongoing and future projects; (ii) to sustain growth in the business; (iii) for business expansion and to improve the financial leveraging strength of the Company; (iv) towards working capital requirements; (v) towards debt repayments including repayment of any existing or future debt incurred for any purpose including for paying

Notes to the standalone financial statements

for the year ended 31 March 2022

47. Qualified Institutions Placement (QIP) (Contd..)

off any liability; (vi) for investments including amongst others, in subsidiary companies; (vii) to meet the current operational expenses; and (viii) for general corporate purposes including but not limited to pursuing new business opportunities, acquisitions, alliances etc. As at 31 March 2022, Rs. 10,000 lakhs of QIP proceeds are unutilised and have been temporarily invested in liquid schemes of mutual funds and fixed deposits with scheduled commercial banks.

(ii) During the previous year ended 31 March 2021, the Company had completed the Qualified Institutions Placement ('QIP') under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, pursuant to which 98,03,921 equity shares having a face value of Rs. 10 each were issued and allotted, at an issue price of Rs. 255 per equity share (including a securities premium of Rs. 245 per equity share), aggregating to Rs. 25,000 lakhs.

The proceeds of Qualified Institutions Placement amounts to Rs. 24,655.56 lakhs (net of issue related expenses which has been adjusted against securities premium). As per the placement document, QIP proceeds can be utilised for (i) to meet capital expenditure requirements for ongoing and future projects, (ii) to sustain growth in the business, (iii) for business expansion and to improve the financial leveraging strength of the Company, (iv) towards working capital requirements, (v) towards debt repayments including repayment of any existing or future debt incurred for any purpose including for paying off any liability, (vi) for investments including amongst others, in subsidiary companies, and (vii) for general corporate purposes including but not limited to pursuing new business opportunities, acquisitions, alliances etc. As at 31 March 2022, entire QIP proceeds have been utilised.

48. Additional disclosures/regulatory information as required by Schedule III to the Companies Act, 2013

a) Details of benami property held

No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.

b) Compliance with number of layers of companies

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

c) Compliance with approved Scheme(s) of Arrangements

There is no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

d) Loans and advances granted to related party

The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties.

e) Undisclosed income

There is no income surrendered or disclosed as income during the current or preceding year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), that has not been recorded in the books of account.

f) Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

g) Utilisation of Borrowed funds and share premium

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the standalone financial statements
for the year ended 31 March 2022

48. Additional disclosures/regulatory information as required by Schedule III to the Companies Act, 2013 (Contd..)

The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

h) In case of borrowings from banks

i) Utilisation of borrowed funds

At the balance sheet date, the Company has used the borrowings from banks for the specific purpose for which it was taken.

ii) Security of current assets against borrowings

The Company does not have any borrowings from banks on the basis of security of current assets.

iii) Wilful defaulter

The Company is not declared wilful defaulter by any bank or financial institution or other lender.

iv) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction of charges that are yet to be registered with Registrar of Companies beyond the statutory period.

i) Relationship with Struck off Companies

(₹ in Lakhs)

Sr. No.	Name of Struck Off Company	Nature of transactions with struck off Company	Balance as at 31.03.2022 (Rs. in Lakhs)	Balance as at 31.03.2021 (Rs. in Lakhs)	Relationship with the Struck off company
1	Jaiswal Food Factory Private Limited	Amount Payable	0.24	0.24	None

49. Ratios

Sr. No.	Analytical Ratios	Numerator	Denominator	Year ended 31 March 2022	Year ended 31 March 2021	% Variance	Reason for variance of more than 25%
1	Current Ratio (in times)	Total current assets	Total Current liabilities	0.74	0.39	89.74%	The variance in on account of temporary investment of QIP proceeds in current investments and bank fixed deposits.
2	Debt – Equity Ratio (in times)	Total debt (including lease liabilities)	Shareholder's equity	4.26	4.50	(5.33%)	Not applicable

Notes to the standalone financial statements
for the year ended 31 March 2022

49. Ratios (Contd..)

Sr. No.	Analytical Ratios	Numerator	Denominator	Year ended 31 March 2022	Year ended 31 March 2021	% Variance	Reason for variance of more than 25%
3	Debt Service Coverage Ratio (in times)	Earnings available for debt service = Net profit/ (loss) after taxes + finance cost + depreciation and amortisation + Other non-cash expenses/ income	Debt Service = Interest and lease payments + term loans principal repayment	Since the earnings available for debt service is negative, this ratio is considered as not applicable			
4	Return on Equity (ROE) (in %)	Net profit/(loss) after taxes	"Average shareholder's equity"	(32.89%)	(54.37%)	39.51%	See Note below
5	Inventory Turnover Ratio (in times)	Cost of materials consumed	Average food & beverages inventory	6.33	1.28	394.53%	See Note below
6	Trade Receivables Turnover Ratio (in times)	Net credit sales	Average trade receivables	4.29	0.18	2283.33%	See Note below
7	Trade Payable Turnover Ratio (in times)	Purchases of goods/services and other expenses	Average trade payables	5.42	2.19	147.49%	See Note below
8	Net Capital Turnover Ratio (in times)	Net Sales	Average working capital	Since the average working capital is negative, this ratio is considered as not applicable			
9	Net Profit Ratio (in %)	Net profit/(loss) after tax	Net sales	(34.99%)	(318.75%)	89.02%	See Note below
10	Return on Capital Employed (ROCE) (in %)	Profit before tax and finance cost	Capital employed = tangible net worth + total debt (including lease liabilities) - Deferred tax assets	(1.69%)	(5.99%)	71.79%	See Note below
11	Return on Investment (ROI) (in %)	Income generated from investments	Weighted average investment	3.70%	2.90%	27.59%	The variance is on account of higher yield from the investments made during the year in liquid mutual fund schemes.

Note: The variance is on account of improved business operations post COVID-19.

Notes to the standalone financial statements
for the year ended 31 March 2022

50. Earnings/(Loss) per share

Basic earnings/(loss) per share:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss for the year attributable to owners of the Company (Rs. in lakhs)	(23,933.68)	(33,765.68)
Weighted average number of equity shares used in calculation of basic earnings/(loss) per shares (nos.)	12,02,74,927	10,48,08,742
Nominal value of each share (Rs.)	10.00	10.00
Basic earnings/(loss) per share (Rs.)	(19.90)	(32.22)

Diluted earnings/(loss) per share:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss for the year used in the calculation of diluted earnings per share (Rs. in lakhs)	(23,933.68)	(33,765.68)
Weighted average number of equity shares used in calculation of diluted earnings/(loss) per shares (nos.)	12,03,56,665	10,48,49,151
Nominal value of each share (Rs.)	10.00	10.00
Diluted earnings/(loss) per share (Rs.) (*)	(19.90)	(32.22)

(*)The anti-dilutive effect is ignored.

The following is a reconciliation of the equity shares used in the computation of basic and dilutive earnings:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Weighted average number of equity shares used in calculation of basic earnings/(loss) per shares (nos.)	12,02,74,927	10,48,08,742
Add: Effect of dilutive equivalent equity shares – share options outstanding	81,738	40,409
Weighted average number of equity shares used in calculation of diluted earnings/(loss) per shares (nos.)	12,03,56,665	10,48,49,151

As per our report of even date attached

For **Kulkarni and Company**
Chartered Accountants
Firm's Reg. No: 140959W

For and on behalf of the Board of Directors

A.D.Talavlikar
Partner
Membership No: 130432

Pavan Kumar Jain
Chairman
DIN: 00030098

Siddharth Jain
Director
DIN: 00030202

Alok Tandon
Chief Executive Officer

Kailash B Gupta
Chief Financial Officer

Parthasarathy Iyengar
Company Secretary

Place: Pune
Date: 2 May 2022

Place: Mumbai
Date: 2 May 2022

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

to the members of INOX Leisure Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **INOX Leisure Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, the loss and total comprehensive income, consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

As described in Note 2.2, in preparation of these consolidated financial statements, the Group has considered the effect of uncertainties due to COVID-19 pandemic on the operations of the Group. The actual impact of COVID-19 pandemic may be different from that estimated as on the date of approval of these consolidated financial statements.

Our report is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr.	Key Audit Matter	Auditor's Response
1	**Carrying amount of goodwill, right-of-use assets and property, plant and equipment** As at 31 March 2022, the carrying amount of goodwill, right-of-use assets (ROU) and property, plant and equipment (PPE) is Rs. 1,750.97 lakhs, Rs. 2,13,479.51 lakhs and Rs. 92,834.85 lakhs respectively. The goodwill is in respect of the acquisition of one of the multiplexes and goodwill on consolidation of a subsidiary. The Group is required to annually assess the carrying amount of goodwill by performing a value in use calculation based on cash flow projections of the relevant cash generating unit (CGU). As a result of performing value in use calculations, there is no impairment of the goodwill. The Group has also reviewed the carrying amounts of the PPE to determine whether the recoverable amount	To address this key audit matter, our audit procedures included the following: • In case of ROU and PPE, we evaluated the appropriateness of the parameters used to identify whether any indication of impairment existed for the purpose of identification of CGUs to be tested. • Obtained an external valuation report in respect of the goodwill. • For all CGUs identified for impairment testing and the CGU with goodwill, we obtained the discounted cash flow forecasts prepared by the management of the Holding company. • We evaluated the appropriateness of management's model used for the impairment assessment and considered the reasonableness of the cash flow forecast, judgments and assumptions used in the calculations.

Independent Auditor's Report to the members of INOX Leisure Limited on the consolidated financial statements for the year ended 31 March 2022 (contd...)

Sr.	Key Audit Matter	Auditor's Response
	of a CGU is estimated to be less than its carrying amount by performing a value in use calculation based on cash flow projections of the relevant cash generating unit (CGU). For this purpose, each multiplex of the Group is treated as a separate CGU. Based on this analysis, there is no impairment loss. This has been identified as a key audit matter since the value in use calculations includes key assumptions and judgments in the calculation of the recoverable amount, viz. forecast revenue growth rates, discount rate assumptions and the parameters used for growth forecast.	• For each CGU identified for impairment testing, we have checked the mathematical accuracy of the calculations.
2	**Claims and exposure relating to indirect taxation** The Group has disclosed in Note 44 to the consolidated financial statements the contingent liabilities as at 31 March 2022 which includes amount of Rs. 9,236.87 lakhs in respect of indirect tax matters viz. entertainment tax and service tax. This has been identified as a key audit matter due to magnitude of the amount involved, uncertainty of the matter and the potential financial impact on the financial statements. There is significant judgement required by management in assessing the exposure of each case due to the complexities of the cases and timescales for resolution.	To address this key audit matter, our audit procedures included the following: • Obtained the summary of all pending indirect tax matters of the Group and assessed the management's position through discussion with the CEO, CFO and legal head, on both the probability of success and the amounts involved. • Inspected external legal opinions (where considered necessary) and other evidence to corroborate management's assessment with respect to these issues. • Assessed the relevant disclosures made within the financial statements to ensure they appropriately reflect the facts and circumstances of the potential exposures are in accordance with Ind AS 37. • Obtained and verified the final copies for all the matters settled during the year.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in in Annual Report, for example, Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance etc., but does not include the consolidated financial statements and our auditor's report thereon. The Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance etc. is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

When we read the Board's Report, including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, and Corporate Governance etc., if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per the applicable laws and regulations.

Other Matter

We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs. 1,417.33 lakhs as at 31 March 2022, total revenues of Rs. 58.24 lakhs, total net loss after tax of Rs. 0.06 lakhs and total comprehensive income of Rs. (0.06) lakhs and net cash inflows amounting to Rs. 8.09 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below,

Independent Auditor's Report to the members of INOX Leisure Limited on the consolidated financial statements for the year ended 31 March 2022 (contd...)

is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) with respect to the preparation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for

Independent Auditor's Report to the members of INOX Leisure Limited on the consolidated financial statements for the year ended 31 March 2022 (contd...)

the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" or "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by the respective auditors of companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report as under:

Sr. No.	Name of the Entity	CIN	Holding company/ subsidiary	Clause number of the CARO Report which is qualified or adverse
1	INOX Leisure Limited	L92199MH1999PLC353754	Holding company	Clause 3(i)(c) *

*This clause pertains to title deeds of certain immovable properties not held in the name of the company.

2) As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and on the basis of report of the independent auditor of its subsidiary company incorporated in India, none of the directors of the Group companies are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure.

Independent Auditor's Report to the members of INOX Leisure Limited on the consolidated financial statements for the year ended 31 March 2022 (contd...)

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of a subsidiary company as noted in the 'Other matter' paragraph:

i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

ii. The Group did not have any material foreseeable losses on long term contracts, including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

iv. (a) The respective management of the Holding Company and its subsidiary company have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective management of the Holding Company and its subsidiary company have represented that, to the best of their knowledge and belief, no funds have been received by the Holding company and its subsidiary company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its subsidiary company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Holding Company and its subsidiary company have neither declared nor paid any dividend during the year.

For **Kulkarni and Company**
Chartered Accountants
Firm's Registration No. 140959W

A.D Talavlikar
Partner
Membership No. 130432
UDIN: 22130432AIGVBI7208

Place: Pune
Date: 2 May 2022

Annexure to Independent auditor's report

to the members of INOX Leisure Limited on the consolidated financial statements for the year ended 31 March 2022 – referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

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

In conjunction with our audit of the consolidated financial statements of INOX Leisure Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override

Annexure to Independent auditor's report

to the members of INOX Leisure Limited on the consolidated financial statements for the year ended 31 March 2022 – referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date. (contd...)

of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the Holding Company and its subsidiary company considering the essential components of internal controls stated in the Guidance Note issued by ICAI.

Other matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to one subsidiary which is a company incorporated in India, is based on the corresponding report of the auditor of such company. Our opinion is not qualified in respect of this matter.

For **Kulkarni and Company**
Chartered Accountants
Firm's Registration No. 140959W

A.D Talavlikar
Partner
Membership No. 130432

Place: Pune
Date: 2 May 2022

Consolidated Balance Sheet

as at 31 March 2022

(₹ in Lakhs)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
1 Non – current assets			
(a) Property, plant and equipment	5(a)	92,834.85	94,139.23
(b) Capital work-in-progress	5(b)	2,628.77	5,695.01
(c) Right-of-use assets	5(c)	2,13,479.51	2,11,639.39
(d) Goodwill	6	1,750.97	1,750.97
(e) Other intangible assets	7	337.82	563.93
(f) Financial assets			
(i) Investments	8	–	9.49
(ii) Other financial assets	9	18,571.08	19,130.44
(g) Deferred tax assets (net)	10	35,762.34	28,403.91
(h) Income tax assets (net)	11	543.80	128.29
(i) Other non-current assets	12	3,004.53	2,767.62
Total non – current assets		**3,68,913.67**	**3,64,228.28**
2 Current assets			
(a) Inventories	13	1,432.74	1,033.53
(b) Financial assets			
(i) Other investments	8	14,931.58	41.33
(ii) Trade receivables	14	2,903.38	430.43
(iii) Cash and cash equivalents	15	2,330.45	773.51
(iv) Bank balances other than (iii) above	16	3,252.89	6,963.34
(v) Other financial assets	9	222.23	55.28
(c) Other current assets	12	3,998.01	4,899.22
Total current assets		**29,071.28**	**14,196.64**
Total Assets (1+2)		**3,97,984.95**	**3,78,424.92**
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	17	12,219.16	11,248.54
(b) Other equity	18	57,038.18	52,045.70
Equity attributable to owners of the Company		69,257.34	63,294.24
Non-controlling interests	19	–	0.61
Total equity		**69,257.34**	**63,294.85**
LIABILITIES			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	6,940.58	4,701.69
(ii) Lease Liabilities	21	2,75,980.98	2,65,925.65
(iii) Other financial liabilities	22	107.89	666.66
(b) Provisions	23	1,533.14	1,668.26
(c) Other non-current liabilities	24	5,122.83	5,765.33
Total non – current liabilities		**2,89,685.42**	**2,78,727.59**
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	1,707.65	5,775.09
(ii) Lease Liabilities	21	10,178.83	8,109.57
(iii) Trade payables			
a. total outstanding dues of micro enterprises and small enterprises	26	1,023.41	796.68
b. total outstanding dues of creditors other than micro enterprises and small enterprises	26	12,568.12	10,804.42
(iv) Other financial liabilities	22	5,388.52	4,831.79
(b) Other current liabilities	27	6,285.19	4,172.39
(c) Provisions	23	1,890.47	1,912.54
Total current liabilities		**39,042.19**	**36,402.48**
Total Equity and Liabilities (1+2+3)		**3,97,984.95**	**3,78,424.92**

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached
For **Kulkarni and Company**
Chartered Accountants
Firm's Reg. No: 140959W

For and on behalf of the Board of Directors

A. D. Talavlikar
Partner
Membership No: 130432

Pavan Kumar Jain
Chairman
DIN: 00030098

Siddharth Jain
Director
DIN: 00030202

Alok Tandon
Chief Executive Officer

Kailash B Gupta
Chief Financial Officer

Parthasarathy Iyengar
Company Secretary

Place: Pune
Date: 2 May 2022

Place: Mumbai
Date: 2 May 2022

Consolidated Statement of Profit and Loss

for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations	28	68,393.81	10,593.13
Other income	29	2,183.53	4,226.38
Total Income (I)		**70,577.34**	**14,819.51**
Expenses			
Cost of materials consumed		4,271.23	787.66
Exhibition cost	30	19,634.67	2,639.23
Employee benefits expense	31	9,487.51	8,667.28
Finance costs	32	25,799.20	25,109.82
Depreciation and amortisation expense	33	29,384.25	28,320.70
Rent concessions	21	(14,497.99)	(22,201.40)
Other expenses	34	27,829.59	15,723.41
Total expenses (II)		**1,01,908.46**	**59,046.70**
Loss before exceptional items and tax (I – II = III)		**(31,331.12)**	**(44,227.19)**
Exceptional items (IV)	46	–	408.11
Loss before tax (III-IV = V)		**(31,331.12)**	**(44,635.30)**
Tax expense (VI)	35		
Current tax		–	–
Deferred tax		(7,798.93)	(10,689.76)
Taxation pertaining to earlier years		411.11	(180.05)
		(7,387.82)	**(10,869.81)**
Loss for the year (V – VI = VII)		**(23,943.30)**	**(33,765.49)**
Loss for the year attributable to:			
Equity holders of the Parent		(23,943.30)	(33,765.48)
Non-controlling interests		*	(0.01)
		(23,943.30)	**(33,765.49)**
Other Comprehensive Income (VIII)			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		125.77	170.40
(ii) Tax on above	35	(31.65)	(42.89)
Total other comprehensive Income (i-ii)		**94.12**	**127.51**
Total Comprehensive income for the year (VII + VIII = IX) (Comprising loss and other comprehensive income for the year)		**(23,849.18)**	**(33,637.98)**
Other comprehensive income for the year attributable to			
– Owners of the Company		94.12	127.51
– Non-controlling interests		–	–
		94.12	**127.51**
Total comprehensive income for the year attributable to:			
– Equity holders of the Parent		(23,849.18)	(33,637.97)
– Non-controlling interests		*	(0.01)
		(23,849.18)	**(33,637.98)**
Earnings/(Loss) per equity share of Rs. 10 each			
1) Basic (in Rs.)	50	(19.91)	(32.22)
2) Diluted (in Rs.)	50	(19.91)	(32.22)

* Amount less than Rs. 0.01 Lakhs

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

For **Kulkarni and Company**
Chartered Accountants
Firm's Reg. No: 140959W

For and on behalf of the Board of Directors

A.D.Talavlikar
Partner
Membership No: 130432

Pavan Kumar Jain
Chairman
DIN: 00030098

Siddharth Jain
Director
DIN: 00030202

Alok Tandon
Chief Executive Officer

Kailash B Gupta
Chief Financial Officer

Parthasarathy Iyengar
Company Secretary

Place: Pune
Date: 2 May 2022

Place: Mumbai
Date: 2 May 2022

Consolidated Statement of Cash Flows

for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities		
Loss for the year after tax	(23,943.30)	(33,765.49)
Adjustments for:		
Income tax expense	(7,387.82)	(10,869.81)
Finance costs	25,799.20	25,109.82
Interest income recognised in profit or loss	(851.04)	(840.78)
Deferred revenue- government grant	(486.65)	(646.45)
Deferred revenue – convenience fee income	(37.30)	(47.72)
Gain on investments measured at fair value through profit or loss	(415.10)	(65.75)
Loss on disposal of property, plant and equipment (net)	173.77	35.36
Liabilities and provisions, no longer required, written back	(776.91)	(599.81)
ESOP charges	194.89	17.86
Bad debt & remissions	0.30	1.31
Deposits and advances written of	31.94	–
Allowance for doubtful deposits and advances (net)	87.50	–
Inventories written off	69.06	131.17
Allowance for doubtful trade receivables and expected credit losses (net)	3.93	191.34
Depreciation and amortisation expense	29,384.25	28,320.70
Rent concessions	(16,361.83)	(22,960.24)
Exceptional Items	–	408.11
Unrealised foreign exchange loss (net)	0.12	1.77
	5,485.01	**(15,578.61)**
Movements in working capital:		
(Increase)/decrease in trade receivables	(2,477.18)	5,651.56
(Increase)/decrease in inventories	(468.27)	199.84
(Increase)/decrease in other financial assets	(55.43)	123.96
(Increase)/decrease in other assets	924.04	(497.54)
Increase/(decrease) in trade payables	2,600.49	(2,109.83)
Increase/(decrease) in provisioons	143.33	86.21
Increase/(decrease) in other financial liabilities	144.30	(677.13)
Increase/(decrease) in other liabilities	1,806.61	(774.77)
Cash generated from/(used in) operations	**8,102.90**	**(13,576.31)**
Income taxes refund/(paid) (net)	(417.74)	492.92
Net cash generated from/(used in) operating activities	**7,685.16**	**(13,083.39)**
Cash flows from investing activities		
Payments for purchase of property, plant and equipment (including changes in capital work in progress, capital creditors & capital advances)	(7,345.88)	(5,956.75)
Payment for acquiring right-of-use assets	(251.35)	(47.09)
Payments for acquiring intangible assets	(104.16)	(60.57)
Proceeds from disposal of property, plant and equipment	105.27	11.78
Maturity of Government securities	12.50	46.55
Purchase of current investments	(47,100.00)	(13,300.00)
Sale of current investments	32,616.96	13,364.68
Movement in other bank balances	4,025.31	(6,484.92)
Interest received	253.77	270.33
Net cash used in investing activities	**(17,787.58)**	**(12,155.99)**
Cash flows from financing activities		
Proceeds from sale of Treasury Shares (net of expenses)	–	10,066.02
Proceeds from issue of equity shares through QIP (net of expenses)	29,613.45	24,655.56
Shares issued under ESOP	4.31	5.06
Transaction with non-controlling interests	(1.00)	–
Repayment of borrowings – non current	(3,666.67)	(4,631.64)

Consolidated Statement of Cash Flows

for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Proceeds from borrowings - non current	3,900.00	7,500.00
Net movement in current borrowings	(2,000.00)	(8,264.13)
Payment of lease liabilities	(15,117.67)	(5,759.27)
Finance costs	(1,073.06)	(1,580.47)
Net cash generated from financing activities	**11,659.36**	**21,991.13**
Net increase/(decrease) in cash and cash equivalents	**1,556.94**	**(3,248.25)**
Cash and cash equivalents at the beginning of the year	773.51	4,021.76
Cash and cash equivalents at the end of the year	**2,330.45**	**773.51**

Changes in liabilities arising from financing activities during the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Non-current borrowings	Current borrowings
Opening balance	8,418.24	2,058.54
Interest expense	726.93	69.04
Cash flows	(496.94)	(2,127.58)
Closing balance	**8,648.23**	**-**

Changes in liabilities arising from financing activities during the year ended 31 March 2021

(₹ in Lakhs)

Particulars	Non-current borrowings	Current borrowings
Opening balance	5,501.52	10,280.38
Interest expense	825.97	610.46
Cash flows	2,090.75	(8,832.30)
Closing balance	**8,418.24**	**2,058.54**

Notes:

1. The above statement of cash flow has been prepared under the Indirect method.
2. Components of cash and cash equivalents are as per Note 15.
3. The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

For **Kulkarni and Company**
Chartered Accountants
Firm's Reg. No: 140959W

A.D.Talavlikar
Partner
Membership No: 130432

Place: Pune
Date: 2 May 2022

For and on behalf of the Board of Directors

Pavan Kumar Jain
Chairman
DIN: 00030098

Siddharth Jain
Director
DIN: 00030202

Alok Tandon
Chief Executive Officer

Kailash B Gupta
Chief Financial Officer

Parthasarathy Iyengar
Company Secretary

Place: Mumbai
Date: 2 May 2022

Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

A. Equity share capital

(₹ in Lakhs)

Balance as at 1 April 2020	Changes during 2020-21	Balance as at 31 March 2021	Changes during 2021-22	Balance as at 31 March 2022
10,264.78	983.76	11,248.54	970.62	12,219.16

(see Note 17)

B. Other equity

(₹ in Lakhs)

Particulars	ATTRIBUTABLE TO OWNERS OF THE COMPANY						Non controlling interests	Total
	Reserves and surplus							
	Capital redemption reserve	Securities premium	General reserve	Shares options outstanding account	Treasury shares reserve	Retained earnings		
Balance as at 1 April 2020	**0.10**	**43,610.05**	**2,782.55**	**143.03**	**–**	**8,654.18**	**0.62**	**55,190.53**
Additions during the year:								
Loss for the year	–	–	–	–	–	(33,765.48)	(0.01)	(33,765.49)
Other comprehensive income for the year, net of tax (**)	–	–	–	–	–	127.51	–	127.51
Total comprehensive income for the year	–	–	–	–	–	(33,637.97)	(0.01)	(33,637.98)
On account of ESOP (see Note 40)	–	89.94	–	(70.39)	–	–	–	19.55
On issue of equity shares through QIP, net of share issue expenses (see Note 47)	–	23,675.17	–	–	–	–	–	23,675.17
On sale of treasury shares, net of expenses (see Note 18)	–	–	–	–	6,799.04	–	–	6,799.04
Balance as at 31 March 2021	**0.10**	**67,375.16**	**2,782.55**	**72.64**	**6,799.04**	**(24,983.79)**	**0.61**	**52,046.31**
Additions during the year:								
Loss for the year	–	–	–	–	–	(23,943.30)	–	(23,943.30)
Other comprehensive income for the year, net of tax (**)	–	–	–	–	–	94.12	–	94.12
Total comprehensive income for the year	–	–	–	–	–	(23,849.18)	*	(23,849.18)
On account of ESOP (see Note 40)	–	78.80	–	117.54	–	–	–	196.34
On issue of equity shares through QIP, net of share issue expenses (see Note 47)	–	28,645.71	–	–	–	–	–	28,645.71
Transactions with non-controlling interests (see Note 19)	–	–	–	–	–	(0.39)	(0.61)	(1.00)
Balance as at 31 March 2022	**0.10**	**96,099.67**	**2,782.55**	**190.18**	**6,799.04**	**(48,833.36)**	**–**	**57,038.18**

(*) Amount less than Rs. 0.01 lakhs.

(**) Other comprehensive income for the year is in respect of remeasurement of defined benefit plans.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

For **Kulkarni and Company**
Chartered Accountants
Firm's Reg. No: 140959W

For and on behalf of the Board of Directors

A.D.Talavlikar
Partner
Membership No: 130432

Pavan Kumar Jain
Chairman
DIN: 00030098

Siddharth Jain
Director
DIN: 00030202

Alok Tandon
Chief Executive Officer

Kailash B Gupta
Chief Financial Officer

Parthasarathy Iyengar
Company Secretary

Place: Pune
Date: 2 May 2022

Place: Mumbai
Date: 2 May 2022

Notes to the consolidated financial statements

for the year ended 31 March 2022

1. Group information

INOX Leisure Limited ("the Company") is a public limited company incorporated and domiciled in India. These Consolidated Financial Statements ("these CFS") relate to the Company and its subsidiaries (collectively referred to as the "Group"). The Group is engaged in operating & managing multiplexes and cinema theatres in India. The Group earns revenue from sale of movie tickets, advertisements, sale of food and beverages (including restaurant business), allied activities and generation of electricity through windmills. The shares of the Company are listed on the Bombay Stock Exchange and the National Stock Exchange of India. The Company's holding company is GFL Limited. During the year, INOX Leasing and Finance Limited has ceased to be the ultimate holding company w.e.f. 22 September 2021.

The Company's registered office is located at 5th Floor, Viraj Towers, next to Andheri Flyover, Western Express Highway, Andheri (East), Mumbai 400093, India, and the particulars of its other offices and multiplexes/cinema theatres are disclosed in the annual report.

The Board of Directors of the INOX Leisure Limited at its meeting held on 27 March 2022, approved a draft Scheme of Amalgamation ("Scheme") of INOX Leisure Limited (Transferor Company) with PVR Limited (Transferee Company) and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013. The share exchange ratio shall be 3 equity shares of the face value of Rs. 10 of Transferee Company, credited as fully paid-up, for every 10 equity shares of the face value of Rs. 10 each fully paid-up held by such member in the Transferor Company. The Scheme is subject to the receipt of requisite approvals from statutory and regulatory authorities under applicable laws and the respective shareholders and creditors of the companies. As per the Scheme, the appointed date for the amalgamation is the effective date of the Scheme, or such other date as may be mutually agreed between the parties. The effective date as per the Scheme is the date on which last of the approvals or events specified under Clause 9.1 of Part IV of the Scheme are satisfied or obtained or have occurred or the requirement of which has been waived (in writing) in accordance with this Scheme. The Scheme has been filed with the Bombay Stock Exchange and the National Stock Exchange on 30 March 2022 for their approval.

2. Statement of compliance and basis of preparation and presentation

2.1 Statement of Compliance

These CFS comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, relevant provisions of the Act and other accounting principles generally accepted in India. Accounting policies have been consistently applied except where a newly issued accounting standards initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use (see Note 2.4).

Ministry of Corporate Affairs (MCA), vide its Notification dated 24 March 2021, amended Schedule III to the Companies Act, 2013 with effect from 1 April 2021. Accordingly, previous year figures have been re-grouped/re-classified wherever necessary, to conform to the classification for the current year in order to comply with the requirements of the amended Schedule III to the Act.

These CFS for the year ended 31 March 2022 are approved for issue by the Board of Directors at its meeting held on 2 May 2022.

2.2 Assessment of COVID-19 pandemic impact

In view of the COVID-19 pandemic situation, the cinema exhibition sector was under lockdown, partial lockdown and operating restrictions, which adversely impacted the cinema exhibition industry and consequently the business activities of the Group during the preceding and the current financial year. However, due to the relaxation in restrictions and the release of main stream and regional contents, the Group has witnessed significant recovery and an improved performance by the end of financial year.

In developing the assumptions relating to possible future uncertainties, the Group has considered all relevant internal and external information available upto the date of approval of these financial statements and the Group has used the principles of prudence in applying judgement, estimates and assumptions. Given the uncertainties due to the COVID-19 pandemic, its actual impact may be different from that estimated as on the date of approval of these financial statements, which will require the impact assessment on the Group's operations to be continuously monitored.

Going concern assumption

On the basis of assessment carried out by the Company's management, the COVID-19 pandemic does not affect the Group's ability to continue as a going concern, in view of the various steps taken by the Group towards optimization of costs, the Group's low leverage, additional lines of credit available from the Group's lenders, available liquidity, and the eventual lifting of the lockdown. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

Notes to the consolidated financial statements

for the year ended 31 March 2022

2.3 Basis of preparation, presentation and measurement

These CFS are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

These CFS have been prepared on an accrual basis and under the historical cost convention except as under:

a) certain financial assets and liabilities are measured at fair value or amortised cost (refer accounting policy regarding financial instruments),

b) defined benefit liability is measured as per actuarial valuation, and

c) share-based payments (see Note 3.11)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these CFS is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are not based on observable market data (unobservable inputs) for the asset or liability.

Any asset or liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Group's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of products and services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

2.4 Amendments of existing accounting standards and recent accounting pronouncements

a. Amendments to existing accounting standards:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. As per Notification dated 18 June 2021, amendments to the existing standards have been notified and these amendments are effective from 1 April 2021. Following amendments have become applicable for the current reporting period:

- Amendments to Ind AS 116 Leases – COVID-19 related rent concessions: The amendments to Ind AS 116 extend the period of availing the practical expedient relating to Covid-19 related rent concessions to 30 June 2022 (from earlier 30 June 2021). The Group has continued to apply the practical expedient to all COVID-19 related rent concessions that meet the conditions in paragraph 46B of the Ind AS 116: Leases and elected not to assess whether such rent concession is a lease modification. see Note 21 for further details.

Notes to the consolidated financial statements

for the year ended 31 March 2022

- Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116 – Interest Rate Benchmark Reform Phase 2: The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). This amendment has no impact on the consolidated financial statements of the Group.

b. New accounting pronouncements

As per Notification dated 23 March 2022, amendments to the existing standards have been notified and these amendments are effective from 1 April 2022. The summary of these amendments is as under:

- Amendments to Ind AS 103 Business Combinations: The amendments specify that in a business combination, to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed, at the acquisition date, must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.

- Amendments to Ind AS 16 Property Plant & Equipment: The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

- Amendments to Ind AS 37 Provision Contingent Liabilities & Contingent Asset: The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

- Amendments to Ind AS 109 Financial Instruments: The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

  The Group does not expect the above amendments to have any significant impact on its consolidated financial statements.

3. Basis of Consolidation and Significant Accounting Policies

3.1 Basis of consolidation

These CFS incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of the members of the Group to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the

Notes to the consolidated financial statements

for the year ended 31 March 2022

subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Group.

When the Group losses control of a subsidiary, gain or loss is recognized in the statement of profit and loss and is calculated as a difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 Financial Instruments, or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

3.2 Business combinations under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C of Ind AS 103: Business Combinations. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their respective carrying values. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise the accounting policies. Issue of fresh securities towards the consideration for the business combination is recorded at nominal value. The identity of the reserves transferred by the acquired entity is preserved and they are carried in the same form and manner. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

3.3 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.4 Revenue recognition

Revenue from contract with customers is recognized when the Group satisfies the performance obligation by transfer of control of promised product or service to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. Revenue excludes taxes collected from customers.

The following specific recognition criteria are met before revenue is recognised:

a) Revenue from services:

   Revenue from services is recognized, at a point in time or over time, on satisfaction of performance obligation for the services rendered, as under:

   Revenue from sale of movie tickets (box office revenue) is recognized as and when the movie is exhibited viz. at a point in time. Advertisement revenue is recognized on exhibition of the advertisement or over the period of contract, as applicable. Revenue from other services is recognized over the period of contract or at a point in time, as per the contractual terms.

Notes to the consolidated financial statements

for the year ended 31 March 2022

b) Food and beverages revenue:

Food and beverages revenue is recognized when the control of goods have been transferred to the customers. The performance obligation is case of sale of products is satisfied at a point in time i.e. at the point of sale.

c) Loyalty programme:

The Group operates a loyalty programme where a customer earns points as and when the customer transacts with the Group, these points can be redeemed in the future for goods and services. Under Ind AS 115, the loyalty programme gives rise to a separate performance obligation as it provides a material right to the customer. The Group allocates a portion of transaction price to the loyalty programme based on relative standalone selling price, instead of allocating using the fair value of points issued. As at year-end, loyalty points which are not redeemed by the customers are lapsed and amount allocated to those points are transferred to other income.

d) Generally, no element of financing is deemed present as the payment of transaction price is either made in advance / due immediately at the point of sale or the sales are made with a credit term of 60–90 days, which is consistent with the market practice. There are no contracts where the period between the transfer of promised goods or services to the customers and payment by the customers exceed one year. Consequently, no adjustment is required to the transaction price for the time value of money. Non-cash consideration (or promise of non-cash consideration) is measured at fair value. If the fair value of the non-cash consideration cannot be reasonably estimated, the same is measured indirectly by reference to the standalone selling price of the goods or services promised to the customer (or class of customer) in exchange for the consideration.

e) Contract balances:

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Contract asset, which is presented as unbilled revenue, is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. Contract liabilities include, and are presented as 'Revenue received in advance' and 'Advances from customers'.

3.5 Other Income

Dividend income from investments is recognised when the right to receive payment is established. Interest income from a financial asset is recognized on time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate which exactly discounts estimated future cash receipts through the expected life of the financial asset or a shorter period, where appropriate, to that asset's net carrying amount on initial recognition. Insurance claims are recognised to the extent there is a reasonable certainty of the realizability of the claim amount.

3.6 Government Grants

Government grants are recognised when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grants.

Government grants, whose primary condition is that the Group should establish and operate multiplexes in specified areas, are initially recognised as deferred revenue in the consolidated balance sheet and subsequently transferred to profit or loss as other operating revenue on a systematic and rational basis over the useful lives of the related assets of the respective multiplexes. Grants that compensate the Group for expenses incurred are recognized in the statement of profit and loss as other operating revenue on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in the statement of profit and loss in the period in which they become receivable.

3.7 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease viz. whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Notes to the consolidated financial statements

for the year ended 31 March 2022

Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Group's incremental borrowing rate.

The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Variable lease payments that are not included in the measurement of lease liabilities is charged as expense in the statement of profit and loss under the head 'Rent'. Rent concessions that are not assessed as lease modification are recognised in the statement of profit and loss.

3.8 Foreign currency transactions and translation

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary items are translated using the closing rates. Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and are not translated. Non-monetary items measured at fair value that are denominated in foreign currency are translated using the exchange rates at the date when the fair value was measured. Exchange differences arising of settlement or translation of monetary items are recognised in the statement of profit and loss in the period in which they arise.

3.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.10 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees and recognized as expenses in the Statement of profit and loss. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include salary and wages, bonus, performance incentives, short-term compensated absences etc.

Long-term employee benefits:

The Group participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

Defined contribution plans:

Retirement benefit in the form of provident and pension fund is a defined contribution scheme. The Group has

Notes to the consolidated financial statements

for the year ended 31 March 2022

no obligation, other than the contribution payable to the fund. Payments to defined contribution plan are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans:

The Group's gratuity scheme is a defined benefit plan and is unfunded. For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit plan at the start of the reporting period, taking account of any change in the net defined benefit plan during the year as a result of contributions and benefit payments. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense'.

Other long-term employee benefits

The employees of the Group are entitled to compensated absences. The employees can carry-forward a portion of the unutilised accumulating compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

3.11 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 40.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options outstanding account in other equity.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

3.12 Treasury Shares

Pursuant to the Scheme of Amalgamation of Fame India Limited ('Fame') and its subsidiaries with the Company (see Note 19), equity shares of the Company have been issued to INOX Benefit Trust (the Trust) against the equity shares of Fame held by the Company. These shares are recognised as Interest in INOX Benefit Trust at the amount of consideration paid by the Company to acquire the shares of erstwhile Fame. These shares of the Company held by INOX Benefit Trust were akin to treasury shares and were presented as a deduction in 'Total equity'. Difference between the cost and the amount received at the time of sale of such shares by the Trust, is recognized in other equity as 'Treasury shares reserve', being a transaction relating to the capital of the Company.

3.13 Taxation

Income tax expense comprises of current tax and deferred tax. It is recognized in Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Notes to the consolidated financial statements

for the year ended 31 March 2022

Current tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investment in subsidiary except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which the benefits of the temporary differences can be utilised and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. Deferred tax assets include Minimum Alternate Tax (MAT) paid on the book profits, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an deferred tax assets in the Balance Sheet if there is convincing evidence that the Group will pay normal tax within the period specified for utilization of such credit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Presentation of current and deferred tax

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

3.14 Property, plant and equipment

An item of Property, Plant and Equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, property, plant and equipment are carried at cost, as reduced by accumulated depreciation and impairment losses, if any.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

Notes to the consolidated financial statements

for the year ended 31 March 2022

Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period of multiplexes are capitalized to various eligible PPE in respective multiplexes. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalised.

Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc. on the leased premises at various cinema locations

Spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Subsequent expenditure on additions and betterment of operational properties are capitalised, only if, it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of PPE outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation is recognised so as to write off the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of property, plant and equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

PPE are depreciated over its estimated useful lives, determined as under:

- Freehold land is not depreciated.
- On leasehold improvements, electrical installations & air conditioners in leased premises, over the period of useful life on the basis of the respective agreements ranging from 10–29 years or the useful life as per Part C of Schedule II to the Companies Act, 2013, whichever is shorter.
- Laser projectors over the useful life estimated at 10 years.
- On other items of PPE, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.15 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and impairment losses, on the same basis as intangible assets as above.

Notes to the consolidated financial statements

for the year ended 31 March 2022

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

Estimated useful lives of the intangible assets are as follows:

- Operating software 3 years
- Other software 6 years
- Website 5 years

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of 1 April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.16 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets (other than goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If it is not possible to measure fair value less cost of disposal because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement dates under market conditions, the asset's value in use is used as recoverable amount.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

3.17 Inventories

Inventories are valued at lower of the cost and net realisable value. Cost is determined using weighted average cost basis. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.18 Provisions and contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not

Notes to the consolidated financial statements

for the year ended 31 March 2022

recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

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

3.19 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

A] Financial assets

a) Initial recognition and measurement

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

b) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the statement of profit and loss and is included in the "Other income" line item.

c) Subsequent measurement:

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:

i. The Group's business model for managing the financial asset and

ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Group classifies its financial assets into the following categories:

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The Group's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans, other financial assets and certain investments of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is adjusted for loss allowance and impairment losses, if any.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

a) The Group's business model objective for managing the financial asset is achieved

Notes to the consolidated financial statements

for the year ended 31 March 2022

both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in equity instruments, classified under financial assets, are initially measured at fair value. The Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI.

This category does not apply to any of the financial assets of the Group.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Group excluding investments in subsidiaries, joint ventures and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

d) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

e) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Group's Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Group neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognizes an associated liability.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

f) Impairment of financial assets:

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortized cost

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

Notes to the consolidated financial statements

for the year ended 31 March 2022

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss under the head 'Other expenses'/'Other income'.

B] Financial liabilities and equity instruments

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

i. Equity instruments:

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

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

ii. Financial Liabilities:

a) Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

b) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

The Group has not designated any financial liability as at FVTPL.

c) Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the closing rate at

Notes to the consolidated financial statements

for the year ended 31 March 2022

the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

d) **Derecognition of financial liabilities:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

3.20 Earnings Per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

4. Critical accounting judgements, use of estimates and assumptions

The preparation of Group's financial statements requires management to make judgements, estimations and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

For estimation uncertainty relating to COVID-19 pandemic, see Note 2.2 above

Following are the other critical judgements, significant estimates and assumptions used in preparation of these financial statements:

a) In respect of leases:

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option when determining the lease term. Accordingly, the Group has considered the entire term of lease for the purpose of Ind AS 116 as the Group has the sole right to cancel the agreement (after the initial lock-in period) and the Group intends to operate the underlying asset for the entire term. The Group reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

b) Impairment of goodwill, right-of-use assets and property, plant and equipment:

For the purpose of impairment testing, each multiplex / cinema theatre is identified as a Cash-Generating Unit (CGU) being the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or Group of assets.

Where it is not possible to estimate the recoverable amount of a CGU, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use.

Further, it is not possible to measure fair value less cost of disposal of a CGU (viz. a multiplex or a cinema theatre) because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between the market participant at the measurement date in case of such operating CGUs. Hence the asset's value in use is used as recoverable amount of such CGUs in determining the extent of impairment loss, if any.

Notes to the consolidated financial statements

for the year ended 31 March 2022

The value in use calculation requires the Group to estimate the present value of future cash flows expected to arise from the CGU which includes forecast of revenue growth rates and a suitable discount rate assumption.

c) In respect of Government Grants

Some of the multiplexes operated by the Group are entitled to exemption from payment of entertainment tax in terms of the schemes notified by the respective State Governments, whose primary condition is that the Group should establish and operate multiplexes in specified areas. Therefore, in terms of Ind AS 20 Accounting for Government Grants, these grants are classified as grants related to assets of such multiplexes. Accordingly, the Group presents the same in the balance sheet by setting up the grant as deferred income and is recognised in the statement of profit and loss as other operating revenue on a systematic basis over the useful lives of the related assets.

d) Useful lives of Property, Plant & Equipment (PPE) and intangible assets (other than goodwill):

The Group has adopted useful lives of PPE and intangible assets (other than goodwill) as described in Note 3.14 & 3.15 above. Depreciation and amortisation are based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges. The Group reviews the estimated useful lives of PPE & intangible assets (other than goodwill) at the end of each reporting period.

e) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation technique that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

f) Defined employee benefit obligation:

The cost of post-employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rates, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

g) Expected credit losses on financial assets

The impairment provisions of financial assets and contract assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

h) Recognition and measurement of provisions and contingencies:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

i) Income taxes

Provision for current tax is made based on reasonable estimate of taxable income computed as per the prevailing tax laws. The amount of such provision is based on various factors including interpretation of tax regulations, changes in tax laws, acceptance of tax positions in the tax assessments etc. Further, deferred tax asset is recognized on losses on the basis of assumptions and estimates of future taxable income.

Notes to the consolidated financial statements

for the year ended 31 March 2022

j) Share-based payment

Estimating fair value for share-based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the volatility, risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of fair value of the option and making assumptions about them. For assumptions and models used for estimating fair value for share-based payments, see Note 40.

k) In respect of INOX Employee Welfare Trust and INOX Benefit Trust

INOX Employees Welfare Trust manages the ESOP Scheme of INOX Leisure Limited and INOX Benefit Trust held treasury shares for the benefit of INOX Leisure Limited. INOX Leisure Limited is the Settlor for both these trusts. As a settlor, the Company has the power to remove the trustees as it may deem necessary. Hence, the directors of the Company have concluded that the Group has control over these trusts and the same has been consolidated in these CFS. The INOX Benefit Trust was wound up during the preceding year.

Notes to the consolidated financial statements
for the year ended 31 March 2022

5(a). Property, plant and equipment

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Freehold land	2,669.66	2,669.66
Buildings	10,616.96	10,866.32
Leasehold improvements	34,094.16	33,721.98
Plant and equipment	35,105.77	35,562.67
Furniture and fixtures	8,073.30	8,567.15
Vehicles	83.14	104.78
Office equipment	2,191.86	2,646.67
Total	**92,834.85**	**94,139.23**

Details of property, plant and equipment pledged as security towards borrowings (see Note 20)

a) Details of carrying amounts of buildings that are mortgaged are as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Buildings	2,891.00	2,954.36
Total	**2,891.00**	**2,954.36**

b) Details of carrying amounts of leasehold improvements, plant and equipment, office equipment and furniture and fixtures that are hypothecated are as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Leasehold improvements	3,455.53	8,317.76
Plant and equipment	3,922.62	9,881.19
Furniture and fixtures	1,093.32	2,502.80
Office equipment	388.08	696.11
Total	**8,859.55**	**21,397.86**

The Group is not allowed to mortgage/hypothecate these assets as security for other borrowings.

for impairment testing, see Note5(d)

Notes to the consolidated financial statements
for the year ended 31 March 2022

5(a) Property, Plant and Equipment(Contd..)

(₹ in Lakhs)

Description of Assets	Land - Freehold	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Cost or deemed cost								
Balance as at 1 April 2020	**2,669.66**	**12,309.49**	**43,708.91**	**53,857.17**	**15,960.13**	**175.43**	**8,554.65**	**1,37,235.44**
Additions	-	20.27	3,180.18	2,891.16	1,071.08	-	459.34	7,622.03
Disposals	-	(0.88)	(13.96)	(227.90)	(121.18)	(4.87)	(51.64)	(420.43)
Balance as at 31 March 2021	**2,669.66**	**12,328.88**	**46,875.13**	**56,520.43**	**16,910.03**	**170.56**	**8,962.35**	**1,44,437.04**
Additions	-	-	3,622.83	4,450.33	1,392.25	-	683.41	10,148.82
Disposals	-	-	(120.05)	(668.31)	(234.23)	-	(80.82)	(1,103.41)
Balance as at 31 March 2022	**2,669.66**	**12,328.88**	**50,377.91**	**60,302.45**	**18,068.05**	**170.56**	**9,564.94**	**1,53,482.45**
Accumulated depreciation and impairment								
Balance as at 1 April 2020	**-**	**1,213.05**	**10,202.62**	**16,579.75**	**6,571.53**	**49.01**	**5,080.71**	**39,696.67**
Depreciation expense for the year	-	249.60	2,964.49	4,573.51	1,881.66	21.64	1,283.53	10,974.43
Eliminated on disposal of assets	-	(0.09)	(13.96)	(195.50)	(110.31)	(4.87)	(48.56)	(373.29)
Balance as at 31 March 2021	**-**	**1,462.56**	**13,153.15**	**20,957.76**	**8,342.88**	**65.78**	**6,315.68**	**50,297.81**
Depreciation expense for the year	-	249.36	3,156.70	4,739.21	1,870.56	21.64	1,136.71	11,174.18
Eliminated on disposal of assets	-	-	(26.10)	(500.29)	(218.69)	-	(79.31)	(824.39)
Balance as at 31 March 2022	**-**	**1,711.92**	**16,283.75**	**25,196.68**	**9,994.75**	**87.42**	**7,373.08**	**60,647.60**

(₹ in Lakhs)

Carrying amounts	Land - Freehold	Buildings	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
As at 31 March 2021	2,669.66	10,866.32	33,721.98	35,562.67	8,567.15	104.78	2,646.67	94,139.23
As at 31 March 2022	2,669.66	10,616.96	34,094.16	35,105.77	8,073.30	83.14	2,191.86	92,834.85

Notes to the consolidated financial statements

for the year ended 31 March 2022

5(b). Capital work in progress

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital work-in-progress	2,256.27	4,961.67
Pre-operative expenditure pending allocation	372.50	733.34
Total	**2,628.77**	**5,695.01**

Particulars of pre-operative expenditure incurred during the period are as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	733.34	1,112.58
Add: Expenses incurred during the year		
Salaries and wages	147.61	78.88
Contribution to provident and other funds	19.21	9.80
Staff welfare	–	0.44
Legal & professional fees and expenses	228.08	169.27
Travelling & conveyance	63.76	57.31
Power & fuel	17.54	38.80
Housekeeping expenses	4.43	1.57
Outsourced personnel cost	1.75	1.25
Security expenses	43.41	35.04
Miscellaneous expenses	18.96	13.32
	544.75	**405.68**
Sub-total	1,278.09	1,518.26
Less: Capitalised during the year	905.59	784.92
Closing balance	**372.50**	**733.34**

Capital work in progress includes amount of Rs. Nil (preceding year Rs. 1,787.36 Lakhs) in respect of multiplex premises under construction which have been hypothecated to secured loans from banks (see Note 20). The Group is not allowed to hypothecate these assets as security for other borrowings or to sell them to another entity.

Capital work in progress (CWIP) ageing as at 31 March 2022:

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,917.76	200.48	455.64	54.89	2,628.77
Projects temporarily suspended	–	–	–	–	–
Total	**1,917.76**	**200.48**	**455.64**	**54.89**	**2,628.77**

Notes to the consolidated financial statements
for the year ended 31 March 2022

Capital work in progress (CWIP) ageing as at 31 March 2021:

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,612.46	3,923.27	149.98	9.30	5,695.01
Projects temporarily suspended	–	–	–	–	–
Total	**1,612.46**	**3,923.27**	**149.98**	**9.30**	**5,695.01**

5(c). Right-of-use assets

(₹ in Lakhs)

Particulars	Class of assets		Total
	Leasehold Land	Building	
Gross Block			
Balance as at 1 April 2020	**280.70**	**2,29,542.71**	**2,29,823.41**
Additions	–	15,972.80	15,972.80
Deductions/adjustments	–	(1,566.34)	(1,566.34)
Balance as at 31 March 2021	**280.70**	**2,43,949.17**	**2,44,229.87**
Additions	–	19,920.40	19,920.40
Deductions/adjustments	–	(250.32)	(250.32)
Balance as at 31 March 2022	**280.70**	**2,63,619.25**	**2,63,899.95**
Accumulated depreciation			
Balance as at 1 April 2020	**6.96**	**15,633.68**	**15,640.64**
Depreciation expense for the year	6.96	17,001.63	17,008.59
Deductions/adjustments	–	(58.75)	(58.75)
Balance as at 31 March 2021	**13.92**	**32,576.56**	**32,590.48**
Depreciation expense for the year	6.96	17,872.86	17,879.82
Deductions/adjustments	–	(49.86)	(49.86)
Balance as at 31 March 2022	**20.88**	**50,399.56**	**50,420.44**

(₹ in Lakhs)

Carrying amounts	Leasehold Land	Building	Total
As at 31 March 2021	266.78	2,11,372.61	2,11,639.39
As at 31 March 2022	259.82	2,13,219.69	2,13,479.51

For impairment testing, see Note 5(d)

Notes to the consolidated financial statements
for the year ended 31 March 2022

5(d). Impairment of right-of-use assets and property, plant and equipment

The Group has reviewed the carrying amounts of right of use assets and property, plant and equipment to determine whether the recoverable amount of a cash generating unit (CGU) is estimated to be less than its carrying amount by performing value in use calculation based on cash flow projections of the relevant CGU. For this purpose, each multiplex of the Group is treated as a separate CGU.

The Group, as at the date of approval of these financial statements, has used internal and external sources on the expected future performance of the Group. The Group has applied the principles of prudence in the judgements, estimates and assumptions (in respect of discount, growth rates other assumptions) including sensitivity analysis and based on current indicators of the future economic conditions, there is no impairment in current year and preceding year.

5(e). The Group has not revalued its property, plant and equipment (including right-of-use assets).

6. Goodwill

(₹ in Lakhs)

Particulars	On business combination	On consolidation	Total
Gross carrying amount			
As at 1 April 2020	1,750.00	41.85	1,791.85
As at 31 March 2021	1,750.00	41.85	1,791.85
As at 31 March 2022	1,750.00	41.85	1,791.85
Accumulated impairment loss			
As at 1 April 2020	–	40.88	40.88
As at 31 March 2021	–	40.88	40.88
As at 31 March 2022	–	40.88	40.88
Net carrying amount			
As at 1 April 2020	1,750.00	0.97	1,750.97
As at 31 March 2021	1,750.00	0.97	1,750.97
As at 31 March 2022	1,750.00	0.97	1,750.97

Goodwill on business combination is in respect of one of the multiplexes of the Group acquired through business combination. Goodwill on consolidation is in respect of consolidation of Shouri Properties Private Limited.

Impairment testing:

a) In respect of goodwill on business combination

Goodwill on business combination is in respect of one of the multiplexes of the Group acquired through business combination. This multiplex is considered as cash generating unit (CGU). The Group has performed an annual impairment test to ascertain the recoverable amount of CGU based on a value in use calculation. The Group has used a period greater than five years since the Group has a long term lease arrangement in respect of this multiplex.

The Group, as at the date of approval of these financial statements, has used internal and external sources on the expected future performance of the Group. The Group has applied the principles of prudence in the judgements, estimates and assumptions (in respect of discount, growth rates other assumptions) including sensitivity analysis.

Key assumptions on which the management has based its cash flow projections:

a) Budgeted footfalls are expected to grow by 5%

b) Budgeted Average Ticket Price (ATP) is expected to grow by 8%

c) Budgeted Refuel Per Person (RPP) is expected to grow by 10%

The Group has considered the impact of COVID-19 pandemic on revenue during the initial period of forecast and then applied the above growth rates for the balance period.

The discount rate used is 9.50% which is based on Weighted Average Cost of Capital (WACC) for the Group.

The calculations performed indicate that there is no impairment of CGU.

Notes to the consolidated financial statements

for the year ended 31 March 2022

6. Goodwill (Contd..)

b) In respect of goodwill on consolidation of Shouri Properties Private Limited (SPPL)

SPPL holds a license to operate a multiplex cinema theatre which is operated by INOX Leisure Limited and this multiplex is considered as cash generating unit (CGU). The Group has performed an annual impairment test to ascertain the recoverable amount of CGU based on a value in use calculation. The discount rate used in 9.50% and growth rates used to estimate future performance are based on conservative estimates from past performance.

Based on above, there is no impairment loss required to be recognized in the current year.

7. Other intangible assets

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Computer software	337.82	563.93
Website	–	–
	337.82	**563.93**

7A. Other intangible assets

(₹ in Lakhs)

Description of Assets	Computer software	Website	Total
Cost or deemed Cost			
Balance as at 1 April 2020	**2,168.30**	**46.00**	**2,214.30**
Additions	60.57	–	60.57
Disposals	–	–	–
Balance as at 31 March 2021	**2,228.87**	**46.00**	**2,274.87**
Additions	104.16	–	104.16
Disposals	(2.98)	–	(2.98)
Balance as at 31 March 2022	**2,330.05**	**46.00**	**2,376.05**
Accumulated amortisation			
Balance as at 1 April 2020	**1,327.26**	**46.00**	**1,373.26**
Amortisation expense for the year	337.68	–	337.68
Eliminated on disposal of assets	–	–	–
Balance as at 31 March 2021	**1,664.94**	**46.00**	**1,710.94**
Amortisation expense for the year	330.25	–	330.25
Eliminated on disposal of assets	(2.96)	–	(2.96)
Balance as at 31 March 2022	**1,992.23**	**46.00**	**2,038.23**

(₹ in Lakhs)

Carrying amounts	Computer software	Website	Total
As at 31 March 2021	563.93	–	563.93
As at 31 March 2022	337.82	–	337.82

Note: The Group has not revalued its intangible assets.

Notes to the consolidated financial statements

for the year ended 31 March 2022

8. Other investments

(₹ in Lakhs)

Particulars	Face value	As at 31 March 2022		As at 31 March 2021	
	Rs.	Nos.	Amounts	Nos.	Amounts
Non-current					
Financial assets measured at amortised cost					
Investment in Government securities					
(unquoted, fully paid up)					
National Savings Certificates			2.60		19.98
Less: Current portion			(2.60)		(10.49)
Total			**–**		**9.49**
Current					
Unquoted investments (all fully paid)					
Financial assets measured at FVTPL					
Investments in mutual funds					
ICICI Prudential Liquid Plan-Growth-Regular Plan	100	10177	31.87	10177	30.84
Aditya Birla Sl – Liquid Fund Reg (G)	100	588505	2,003.49	–	–
HDFC Liquid Fund – Growth	1000	40984	1,701.58	–	–
Nippon India – Liquid Fund (G)	1000	29078	1,501.69	–	–
Nippon India Money Market Fund – Growth Plan	1000	77622	2,578.20	–	–
Uti Money Market Fund – Regular Growth	1000	104472	2,577.71	–	–
Axis Liquid Fund – Growth	1000	85271	2,003.82	–	–
Aditya Birla Sunlife Money Manager Fund- Growth	100	854138	2,530.62	–	–
			14,928.98		**30.84**
Current portion of non-current investments					
Financial assets measured at amortised cost					
Investment in Government securities					
(unquoted, fully paid up)					
National Savings Certificate			2.60		10.49
Total			**14,931.58**		**41.33**
Aggregate book value of quoted investments			–		–
Aggregate market value of quoted investments			–		–
Aggregate carrying value of unquoted investments			14,931.58		50.82
Aggregate amount of impairment in value of investments			–		–

Note: These NSC's are pledged with Government authorities and held in the name of ex-director/employees.

(₹ in Lakhs)

Category-wise other investments – as per Ind AS 109 classification	As at 31 March 2022	As at 31 March 2021
Financial assets measured at fair value through profit or loss (FVTPL)		
Mandatorily measured at FVTPL – Mutual funds	14,928.98	30.84
Financial assets measured at amortised cost		
National Savings Certificates	2.60	19.98
Total	**14,931.58**	**50.82**

Notes to the consolidated financial statements

for the year ended 31 March 2022

9. Other financial assets

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Security deposits		
Unsecured – considered good	11,506.88	10,477.18
Unsecured – credit Impaired	78.46	147.46
	11,585.34	**10,624.64**
Less: Provision for Impairment	78.46	(147.46)
	11,506.88	**10,477.18**
Non-current bank balances (from Note 16)	24.28	341.54
Entertainment tax and GST subsidy claimed	895.06	782.90
Electricity charges refund claimed (see Note 44)	389.83	389.83
Amount recoverable towards claims		
Unsecured – considered good	–	–
Unsecured – credit Impaired	914.16	914.16
	914.16	**914.16**
Less: Provision for Impairment	(914.16)	(914.16)
Other advances (*)		
Unsecured – considered good	5,755.03	7,138.99
Unsecured – credit Impaired	187.00	80.50
	5,942.03	**7,219.49**
Less: Provision for impairment	(187.00)	(80.50)
	5,755.03	**7,138.99**
Total	**18,571.08**	**19,130.44**
Current		
Security deposits		
Unsecured – considered good	204.00	30.00
Interest accrued on others	18.23	25.28
Total	**222.23**	**55.28**

The above financial assets are measured at amortised cost.

Notes:

Carrying amount of security deposits whose contractual cash flow characteristics have been assessed based on the facts and circumstances that existed at the date of transition to Ind AS.	4,247.16	4,062.31

(*)Other advances represents advances given for properties to be taken on lease, pending execution of final agreement.

Notes to the consolidated financial statements

for the year ended 31 March 2022

10. Deferred tax assets (net)

Year ended 31 March 2022

10.1Deferred tax assets/(liabilities) in relation to:

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance
Property, plant & equipment, goodwill and other intangible assets	(1,530.17)	(193.08)		(1,723.25)
Effect of measuring investments at fair value	-	(49.31)		(49.31)
Gratuity and leave benefits	497.62	22.19	(31.65)	488.16
Expenses allowable on payment basis	742.84	(44.39)		698.45
Allowance for doubtful trade receivables and expected credit loss (net)	185.45	(25.00)		160.45
Government grants - deferred income	1,544.11	(122.48)		1,421.63
Lease liabilities	16,257.35	2,370.18		18,627.53
Business losses (see Note 10.3)	5,522.10	2,539.67		8,061.77
Unabsorbed depreciation (see Note 10.3)	2,914.99	2,804.34		5,719.33
Others deferred tax assets	2,269.62	87.96		2,357.58
Total	**28,403.91**	**7,390.08**	**31.65**	**35,762.34**

Year ended 31 March 2021

10.1Deferred tax assets/(liabilities) in relation to:

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance
Property, plant & equipment, goodwill and other intangible assets	(1,051.54)	(478.63)	-	(1,530.17)
Gratuity and leave benefits	526.29	14.22	(42.89)	497.62
Expenses allowable on payment basis	694.78	48.06	-	742.84
Allowance for doubtful trade receivables and expected credit loss (net)	137.29	48.16	-	185.45
Government grants - deferred income	1,755.10	(210.99)	-	1,544.11
Lease liabilities	13,692.48	2,564.87	-	16,257.35
Business losses (see Note 10.3)	-	5,522.10	-	5,522.10
Unabsorbed depreciation (see Note 10.3)	-	2,914.99	-	2,914.99
Others deferred tax assets	1,973.58	296.04	-	2,269.62
Total	**17,727.98**	**10,718.82**	**(42.89)**	**28,403.91**

10.3 Deferred tax asset on tax losses recognized by INOX Leisure Limited

INOX Leisure Limited ("ILL") has recognised deferred tax asset on tax losses comprising of unabsorbed depreciation and business losses as per the Income-tax Act, 1961. These tax losses pertain to financial year 2020-21 and 2021-22, which is consequent to the COVID-19 pandemic and the resultant lockdown. The business losses can be carried forward for a period of 8 years and the unabsorbed depreciation can be carried forward indefinitely as per the Income-tax Act, 1961. As stated in Note 1, the Board of Directors at its meeting held on 27 March 2022, approved a draft Scheme of Amalgamation ("Scheme") of INOX Leisure Limited (Transferor Company) with PVR Limited (Transferee Company). As defined in the Scheme, the appointed date means the effective date, or such other date as may be mutually agreed between the parties i.e., the appointed date of the Scheme will be determined in future. On the basis of the projections and estimates of the profitability of ILL and the legal position available, ILL expects the said business loss and unabsorbed depreciation to be utilized and consequently the ILL has concluded that the said deferred tax asset is recoverable.

10.4 As at 31 March 2022, one of the subsidiary has following unused tax losses under the Income-tax Act for which no deferred tax asset has been recognised:

Nature of tax loss or tax credit	Financial Year	Gross amount (Rs. in Lakhs)	Expiry date
Business loss	2014-15	9.27	31 March 2023
Business loss	2015-16	13.76	31 March 2024
Business loss	2020-21	1.34	31 March 2029
Business loss	2021-22	0.68	31 March 2030

10.5 The subsidiary does not have undistributed profits.

Notes to the consolidated financial statements

for the year ended 31 March 2022

11. Income tax assets and Income tax liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non current	Current	Non current
Income tax assets (net)				
Income tax paid (net of provisions)	–	543.80	–	128.29
Total	**–**	**543.80**	**–**	**128.29**
Income tax liabilities (net)				
Provision for income tax (net of payments)	–	–	–	–
Total	**–**	**–**	**–**	**–**

12. Other non-current and current assets

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Capital advances	724.07	464.33
Security deposits with government authorities	1,696.12	1,748.18
Prepayments	584.34	555.11
Total	**3,004.53**	**2,767.62**
Current		
Advances to suppliers	446.94	493.20
Other advances for expense	15.59	19.20
Balances with government authorities – GST credit available	2,676.80	3,356.61
Prepayments	858.68	1,015.74
Contract assets – unbilled revenue	–	14.47
Total	**3,998.01**	**4,899.22**

13. Inventories

(at lower of cost and net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Food & beverages	825.03	524.63
Stores, spares & fuel	607.71	508.90
Total	**1,432.74**	**1,033.53**

The mode of valuation of inventories is stated in Note 3.17

14. Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Current (unsecured)		
Considered good	2,903.38	430.43
Trade receivable which have significant increase in credit risk	39.99	20.48
Trade Receivable which are credit impaired	597.53	716.36
	3,540.90	1,167.27
Less: Provision for expected credit loss and impairment	(637.52)	(736.84)
Net Trade receivables	**2,903.38**	**430.43**
Trade receivable includes amount due from a private company in which a director of the Company is a director (see Note 41)	0.98	0.04

Notes to the consolidated financial statements

for the year ended 31 March 2022

14. Trade receivables (Contd..)

Ageing for trade receivables – outstanding as at 31 March 2022 is as follows:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1–2 years	2–3 years	More than 3 years	Total
Undisputed trade receivables							
Considered good	2,529.92	373.04	0.07	–	0.35	–	2,903.38
Which have significant increase in credit risk	32.18	7.46	*	–	0.35	–	39.99
Credit impaired	–	–	–	1.05	128.85	467.63	597.53
Disputed trade receivables							
Considered good	–	–	–	–	–	–	–
Which have significant increase in credit risk	–	–	–	–	–	–	–
Credit impaired	–	–	–	–	–	–	–
Total	**2,562.10**	**380.50**	**0.07**	**1.05**	**129.55**	**467.63**	**3,540.90**
Less: Provision for expected credit loss and impairment	(32.18)	(7.46)	*	(1.05)	(129.20)	(467.63)	(637.52)
Balance at the end of the year	**2,529.92**	**373.04**	**0.07**	**–**	**0.35**	**–**	**2,903.38**

Ageing for trade receivables – outstanding as at 31 March 2021 is as follows:

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1–2 years	2–3 years	More than 3 years	Total
Undisputed trade receivables							
Considered good	233.99	117.12	46.41	32.91	–	–	430.43
Which have significant increase in credit risk	5.06	2.43	0.94	12.05	–	–	20.48
Credit impaired		–	10.47	227.11	467.63	11.15	716.36
Disputed trade receivables							
Considered good	–	–	–	–	–	–	–
Which have significant increase in credit risk	–	–	–	–	–	–	–
Credit impaired	–	–	–	–	–	–	–
Total	**239.05**	**119.55**	**57.82**	**272.07**	**467.63**	**11.15**	**1,167.27**
Less: Provision for expected credit loss and impairment	(5.06)	(2.43)	(11.41)	(239.16)	(467.63)	(11.15)	(736.84)
Balance at the end of the year	**233.99**	**117.12**	**46.41**	**32.91**	**–**	**–**	**430.43**

(*) Amount less than Rs. 0.01 lakhs.

Notes to the consolidated financial statements

for the year ended 31 March 2022

15. Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks - in current accounts	1,938.94	651.01
Cash on hand	390.51	122.50
Deposit with original maturity less than three months	1.00	-
Total	**2,330.45**	**773.51**

16. Other bank balances

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Unpaid dividend account	1.44	1.45
Fixed deposits		
Deposits with original maturity for more than three months but less than twelve months	2,898.56	6,949.36
Deposit with original maturity for more than twelve months	377.17	354.07
	3,275.73	**7,303.43**
Less: Amount disclosed under Note 9 - 'Other financial assets - non current'	(24.28)	(341.54)
	3,251.45	**6,961.89**
Total	**3,252.89**	**6,963.34**

Notes:

Other bank balances include margin money deposits kept as security against bank guarantee as under:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
a) Deposits with original maturity for more than three months but less than twelve months	326.67	356.27
b) Deposit with original maturity for more than twelve months	262.83	354.07

Notes to the consolidated financial statements

for the year ended 31 March 2022

17. Share capital

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised capital		
14,90,50,000 (31 March 2021: 14,90,50,000) equity shares of Rs. 10/- each	14,905.00	14,905.00
10,000 (31 March 2021: 10,000) preference shares of Rs 10 each	1.00	1.00
Issued, subscribed and fully paid up		
12,23,39,094 (31 March 2021: 11,26,61,675) equity shares of Rs. 10 each	12,233.91	11,266.17
Less: **1,47,501** (31 March 2021: 1,76,251) equity shares of Rs. 10 each, issued to ESOP Trust but not allotted to employees (see Note 40)	(14.75)	(17.63)
	12,219.16	**11,248.54**

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount (Rs. in lakhs)	No. of shares	Amount (Rs. in lakhs)
At the beginning of the year	11,24,85,424	11,248.54	10,26,47,753	10,264.78
Add: Issued during the year under ESOP	28,750	2.88	33,750	3.37
Add: Issued during the year through QIP – see Note 47	96,77,419	967.74	98,03,921	980.39
Shares outstanding at the end of the year	**12,21,91,593**	**12,219.16**	**11,24,85,424**	**11,248.54**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs 10 per share. Each shareholder is eligible for one vote per share held and entitled to receive dividend as declared from time to time. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion of their shareholding. As per the resolution passed by the shareholders of the Company in the Annual General Meeting held on 23 August 2013, GFL Limited (the holding company) is entitled to appoint majority of directors on the Board of the Company if GFL Limited holds not less than 40% of the paid-up equity capital of the Company.

(iii) Shares held by holding company, ultimate holding company and subsidiary of its holding company:

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount (Rs. in lakhs)	No. of shares	Amount (Rs. in lakhs)
GFL Limited – holding company	5,27,86,467	5,278.65	5,27,86,467	5,278.65
INOX Leasing & Finance Limited – ultimate holding company (upto 21 September 2021)	–	–	5,87,461	58.75
INOX Infrastructure Limited (subsidiary of holding company)	5,00,581	50.06	–	–
Total	**5,32,87,048**	**5,328.71**	**5,33,73,928**	**5,337.40**

Notes to the consolidated financial statements

for the year ended 31 March 2022

17. Share capital (Contd..)

(iv) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding
GFL Limited – holding company	5,27,86,467	43.15%	5,27,86,467	46.85%
ICICI Prudential Mutual Fund	95,80,422	7.83%	1,06,91,287	9.49%

v) Shareholdings of promoter:

Disclosure of Shareholding of promoters as at 31 March 2022 is as follows

Name of the Promoter	As at 31 March 2022		As at 31 March 2021		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Promoter					
GFL Limited	5,27,86,467	43.15%	5,27,86,467	46.85%	(3.70%)
Promoters group					
INOX Leasing and Finance Limited	5,87,461	0.48%	5,87,461	0.52%	(0.04%)
INOX Infrastructure Limited	5,00,581	0.41%	-	-	0.41%

Disclosure of Shareholding of promoters as at 31 March 2021 is as follows

Name of the Promoter	As at 31 March 2021		As at 31 March 2020		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Promoter					
GFL Limited	5,27,86,467	46.85%	5,27,86,467	51.32%	(4.47%)
Promoters group					
INOX Leasing and Finance Limited	5,87,461	0.52%	5,87,461	0.57%	(0.05%)

(vi) Shares reserved for issue under option

For details of equity shares reserved for issue under the employees stock option (ESOP) plan of the Company, see Note 40.

Notes to the consolidated financial statements

for the year ended 31 March 2022

18. Other equity

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital redemption reserve	0.10	0.10
Securities premium	96,099.67	67,375.16
General reserve	2,782.55	2,782.55
Shares option outstanding account	190.18	72.64
Treasury Share Reserve	6,799.04	6,799.04
Retained earnings	(48,833.36)	(24,983.79)
	57,038.18	**52,045.70**

Capital redemption reserve

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	0.10	0.10
Movement during the year	–	–
Balance at end of the year	**0.10**	**0.10**

Capital redemption reserve represents amount taken over from erstwhile fame India ltd. on merger with the company in FY 2012–13

Securities premium

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	67,375.16	43,610.05
Movement during the year		
On account of ESOP	78.80	89.94
On equity shares issued through QIP – see Note 47	29,032.26	24,019.61
Share issue expense on above	(386.55)	(344.44)
Balance at end of the year	**96,099.67**	**67,375.16**

Securities Premium represents premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	2,782.55	2,782.55
Movement during the year	–	–
Balance at end of the year	**2,782.55**	**2,782.55**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Notes to the consolidated financial statements
for the year ended 31 March 2022

18. Other equity (Contd..)

Share options outstanding account

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	72.64	143.03
Movement during the year		
On account of stock compensation expense	194.89	17.85
On account of exercise of stock options	(77.35)	(88.24)
Balance at end of the year	**190.18**	**72.64**

The above reserve relates to share option granted by the Group to its employees/employees of the holding company under the employee share option plan. Further information about share based payment to employees is set out in Note 40.

Treasury shares reserve

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	6,799.04	–
Movement during the year		
On account of sale of Treasury Shares, net of expenses	–	6,799.04
Balance at end of the year	**6,799.04**	**6,799.04**

Pursuant to the Composite Scheme of amalgamation of Company's subsidiary Fame India Limited ("Fame") and subsidiaries of Fame with the Company, which was operative from 1 April 2012, the Company had allotted fully paid-up 3,45,62,206 equity shares of Rs. 10 each to the shareholders of the transferor companies on 10 July 2013, including fully paid-up 2,44,31,570 equity shares of Rs. 10 each to INOX Benefit Trust ("Trust") towards shares held by Company in Fame. These shares were held by the Trust exclusively for the benefit of the Company. The Company's interest in the Trust, in accordance with its substance and economic reality, was akin to 'treasury shares'.

As at 31 March 2020, the Trust held 43,50,092 equity shares of the Company. During the preceding year, these shares were sold and the gain of Rs. 6,799.04 lakhs arising from sale of such treasury shares, net of expenses of Rs. 69.72 lakhs, was recognized in other equity as 'Treasury shares reserve', being a transaction relating to the capital of the Company.

Retained Earnings

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	(24,983.79)	8,654.18
Loss attributable to owners of the Company	(23,943.30)	(33,765.48)
Other comprehensive income arising from remeasurement of defined benefit obligation, net of income tax	94.12	127.51
Transactions with non-controlling interests (see Note 19)	(0.39)	–
Balance at end of the year	**(48,833.36)**	**(24,983.79)**

Notes to the consolidated financial statements
for the year ended 31 March 2022

19. Non-controlling interests

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	0.61	0.62
Share of loss for the year	*	(0.01)
Transactions with non-controlling interests (see Note below)	(0.61)	–
Balance at end of the year	**–**	**0.61**

(*) Amount less than Rs. 0.01 lakhs.

Transactions with non-controlling interests:

The Group held 99.29% equity shares in the subsidiary, Shouri Properties Private Limited (SPPL). During the year, the Group has acquired the balance 0.71% of equity shares in SPPL and consequently SPPL has become a wholly owned subsidiary of the Group with effect from 20 January 2022. Accordingly, the group has recognised a decrease in non-controlling interests and a decrease in equity attributable to owners of the parent. The effect on the equity attributable to the owners of the Company during the year is summarised as follows

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Carrying amount of non-controlling interests acquired	0.61	–
Consideration paid to non-controlling interests	(1.00)	–
Excess of consideration paid recognised in retained earnings	**(0.39)**	**–**

There were no transactions with non-controlling interests in preceding year.

20. Non-current borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
Term loans – from banks	6,048.23	8,418.24
Unsecured		
Term loans – from banks	2,600.00	–
Total borrowings	**8,648.23**	**8,418.24**
Less: Amounts disclosed under Note 25 " Current borrowings"		
Current maturities of long-term debt	(1,666.67)	(3,666.67)
Interest accrued	(40.98)	(49.88)
Total	**6,940.58**	**4,701.69**

Notes to the consolidated financial statements

for the year ended 31 March 2022

20. Non-current borrowings (Contd..)

(i) The terms of repayment of term loans from banks are as under:

As at 31 March 2022

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of interest
HDFC Bank Ltd (Tranche 1)	1,527.78	The Loan is repayable in 18 equal quarterly instalments Rs. 138.89 lakhs beginning from 2 September 2020.	8.20%
HDFC Bank Ltd (Tranche 2)	1,527.78	The Loan is repayable in 18 equal quarterly instalments Rs. 138.89 lakhs beginning from 17 September 2020.	8.20%
HDFC Bank Ltd (Tranche 3)	1,666.66	The Loan is repayable in 18 equal quarterly instalments Rs. 138.89 lakhs beginning from 15 October 2020.	8.20%
HDFC Bank Ltd – ECGLS Term Loan	1,300.00	The Loan is repayable in 48 equal monthly instalments Rs. 27.08 lakhs beginning from 01 July 2023.	6.85%
Axis Bank Ltd – ECGLS Term Loan	2,600.00	The Loan is repayable in 48 equal monthly instalments Rs. 54.17 lakhs beginning from 30 June 2023.	6.75%

As at 31 March 2021

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of interest
The Hongkong and Shanghai Banking Corporation Limited (Term Loan I)	937.50	The loan is repayable in 16 equal quarterly instalments of Rs. 312.50 Lakhs beginning from 7 February 2018.	8.50% to 8.54%
The Hongkong and Shanghai Banking Corporation Limited (Term Loan II)	562.50	The loan is repayable in 16 equal quarterly instalments of Rs. 187.50 Lakhs beginning from 29 March 2018.	8.27% to 8.50%
The Hongkong and Shanghai Banking Corporation Limited (Term Loan III)	500.00	The loan is repayable in 16 equal quarterly instalments of Rs. 125 lakhs beginning from 26 June 2018.	7.47% to 8.50%
HDFC Bank Limited (Tranche 1)	2,083.33	The Loan is repayable in 18 equal quarterly instalments Rs. 138.89 lakhs beginning from 2 September 2020.	9.00%
HDFC Bank Ltd (Tranche 2)	2,083.33	The Loan is repayable in 18 equal quarterly instalments Rs. 138.89 lakhs beginning from 17 September 2020.	9.00%
HDFC Bank Ltd (Tranche 3)	2,222.22	The Loan is repayable in 18 equal quarterly instalments Rs.138.89 lakhs beginning from 15th October 2020.	9.00%

(ii) Securities provided for secured loans

HDFC Bank Ltd

Term loan from HDFC Bank is secured by first exclusive charge on all movable fixed assets of some multiplexes financed by the said term loan and extended charge on immovable property situated at Mumbai.

The Hongkong and Shanghai Banking Corporation Limited

Term loans from The Hongkong and Shanghai Banking Corporation Limited were secured by first exclusive charge on all movable fixed assets of multiplexes financed by the said term loans. Term loans have been repaid during the year.

(iii) There is no default on repayment of principal or payment of interest on borrowings.

(iv) See Note 48(h) for additional disclosures/regulatory information in respect of borrowings from banks, as required by Schedule III to the Companies Act, 2013.

Notes to the consolidated financial statements
for the year ended 31 March 2022

21. Lease liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current lease liabilities	2,75,980.98	2,65,925.65
Current lease liabilities	10,178.83	8,109.57
Total	**2,86,159.81**	**2,74,035.22**

Movement in lease liabilities:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Lease liabilities at the beginning of the year	2,74,035.22	2,66,185.55
Additions during the year (net of lease liability reversed amounting to Nil (preceding year Rs. 1,163.11 lakhs))	18,852.90	13,181.42
Interest on lease liabilities	24,751.19	23,387.76
Payment of lease liabilities	(15,117.67)	(5,759.27)
Rent concessions	(16,361.83)	(22,960.24)
Lease liabilities at the end of the year	**2,86,159.81**	**2,74,035.22**

The Group has applied the practical expedient to all COVID-19 related rent concessions that meet the conditions in paragraph 46B of the Ind AS 116: Leases, as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2021 and the Companies (Indian Accounting Standards) Amendment Rules 2020 and elected not to assess whether such rent concession is a lease modification. The Group has recognised rent concessions aggregating to Rs. 14,497.99 lakhs (preceding year Rs. 22,201.40 lakhs) (after adjusting rent expenses of Rs. 1,863.84 lakhs (preceding year Rs. 758.84 lakhs)). In accordance with principles of fair presentation, the amount of rent concessions recognized has been disclosed as a separate line item in the statement of Profit and Loss.

22. Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Security deposits	84.65	641.73
Retention money	23.24	24.93
Total	**107.89**	**666.66**
Current		
Unclaimed dividend (*)	1.44	1.45
Security deposits	740.88	151.85
Creditors for capital expenditure	3,243.05	3,246.49
Retention money	894.54	806.85
Employee dues	460.59	556.41
Expenses and other Payable	48.02	68.74
	5,388.52	**4,831.79**
Total	**5,496.41**	**5,498.45**

(*) Investor Education and Protection Fund will be credited as and when due.

23. Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Employee benefits (see Note 38)		
a) Gratuity	1,179.90	1,285.97
b) Leave benefits	353.24	382.29
Total	**1,533.14**	**1,668.26**
Current		
Employee benefits (see Note 38)		
a) Gratuity	251.92	135.43
b) Leave benefits	154.53	173.48
Other provisions (see below)	1,484.02	1,603.63
Total	**1,890.47**	**1,912.54**

Notes to the consolidated financial statements
for the year ended 31 March 2022

23. Provisions (Contd..)

Other provisions:

(₹ in Lakhs)

Particulars	Service tax	Other indirect taxes	Total
Balance as at 1 April 2020	**1,035.02**	**613.60**	**1,648.62**
Provided during the year	–	48.60	48.60
Reversed during the year	–	(93.59)	(93.59)
Balance as at 31 March 2021	**1,035.02**	**568.61**	**1,603.63**
Provided during the year	–	30.39	30.39
Paid during the year	–	(150.00)	(150.00)
Balance as at 31 March 2022	**1,035.02**	**449.00**	**1,484.02**

(i) Provision for service tax is in respect of service tax payable on renting of immovable property, for the period from 1 June 2007 to 30 September 2011, which was defined as a taxable service by the Finance Act, 2010, with retrospective effect from 1 June 2007. The matter is pending before the Hon'ble Supreme Court of India.

(ii) Provision for other indirect taxes is in respect of demands/notices received under indirect tax laws and the same are contested by the Group at appropriate levels.

24. Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred revenue arising from Government grant	5,648.58	6,135.22
Less: Current portion disclosed under Note 27 "Other current liabilities"	(525.75)	(586.62)
	5,122.83	5,548.60
Revenue received in advance	–	216.73
Total	**5,122.83**	**5,765.33**

Movement in deferred revenue arising from government grant:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance	6,135.22	6,973.54
Less: Transferred to other operating revenue	(486.64)	(646.43)
Less: Reversed during the year(see Note 46)	-	(191.89)
Closing Balance	**5,648.58**	**6,135.22**

25. Current borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Secured Loan		
Current maturities of long-term debt (*)	1,707.65	3,716.55
Unsecured loan		
From ultimate holding company		
Inter-corporate deposit(see Note 41)	-	2058.54
Total	**1,707.65**	**5,775.09**

(*) Includes interest accrued on long-term debts.

Note: Borrowings are subsequently measured at amortised cost and therefore interest accrued on current borrowings are included in the respective amounts.

Notes to the consolidated financial statements

for the year ended 31 March 2022

25. Current borrowings (Contd..)

(i) The terms of repayment of unsecured loans are as under:

As at 31 March 2021:

Particulars	Amount outstanding (Rs. in lakhs)	Terms of repayment	Rate of Interest
Intercorporate Deposit from INOX Leasing and Finance Limited.	2,000.00	Repayable in bullet instalment of Rs. 2,000 Lakhs on 28 October 2021	7.50%

(ii) Securities provided for secured loans:

Overdraft facility was secured by first charge on entire current assets of the Company (except those charged against term loans).

(iii) Unsecured overdraft facility carried interest rate ranging from 7.45 % to 9.00%.

(iv) There is no default on repayment of principal or payment of interest on borrowings.

(v) See Note 48(h) for additional disclosures/regulatory information in respect of borrowings from banks, as required by Schedule III to the Companies Act, 2013.

26. Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Dues of micro enterprises and small enterprises	1,023.41	796.68
Dues of creditors other than micro enterprises and small enterprises	12,568.12	10,804.42
Total	**13,591.53**	**11,601.10**

Ageing for trade payables – outstanding as at 31 March 2022 is as follows:

(₹ in Lakhs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1–2 years	2–3 years	More than 3 years	Total
(i) MSME	–	160.40	860.64	2.37	–	–	1,023.41
(ii) Others	5,599.42	263.87	5,839.38	173.52	95.22	510.13	12,481.54
(iii) Disputed dues – MSME	–	–	–	–	–	–	–
(iv) Disputed dues – Others	–	–	–	–	–	86.58	86.58
Balance at the end of the year	**5,599.42**	**424.27**	**6,700.02**	**175.89**	**95.22**	**596.71**	**13,591.53**

Notes to the consolidated financial statements

for the year ended 31 March 2022

Ageing for trade payables – outstanding as at 31 March 2021 is as follows:

(₹ in Lakhs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	–	87.37	698.30	8.80	2.21	–	796.68
(ii) Others	3,642.18	172.17	5,291.37	732.88	47.67	778.82	10,665.09
(iii) Disputed dues – MSME	–	–	–	–	–	–	–
(iv) Disputed dues – Others	–	–	–	–	–	139.33	139.33
Balance at the end of the year	**3,642.18**	**259.54**	**5,989.67**	**741.68**	**49.88**	**918.15**	**11,601.10**

27. Other current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue received in advance	3,091.88	1,747.94
Advances from customers	832.01	830.89
Deferred revenue arising from Government grant (from Note 24)	525.75	586.62
Statutory dues		
– Taxes payable (other than income taxes)	1,356.51	536.78
– Employee recoveries and employer contributions	96.85	110.47
Other Liabilities	382.19	359.69
Total	**6,285.19**	**4,172.39**

28. Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from contracts with customers:		
Revenue from services	48,515.42	7,098.96
Food and beverages revenue	19,271.92	2,775.60
	67,787.34	**9,874.56**
Other operating revenue	606.47	718.57
Total revenue	**68,393.81**	**10,593.13**

Disaggregated revenue information

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Type of services or goods		
Revenue from box office	41,762.21	5,449.51
Revenue from advertisement services	3,445.64	266.61
Convenience fees	2047.29	1045.96
Virtual print fees	857.87	166.54
Other services	402.41	170.34
	48,515.42	**7,098.96**
Sale of food and beverages	19,271.92	2,775.60
Total revenue from contracts with customers	**67,787.34**	**9,874.56**

Contract balances:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Trade receivables	2,903.38	430.43
Contract assets	–	14.47
Contract liabilities	3,923.89	2,795.56

During the year ended 31 March 2022, the Company has recognized revenue of Rs. 1,475.08 lakhs (preceding year Rs. 1,014.11 lakhs) arising from opening contract liabilities.

Notes to the consolidated financial statements

for the year ended 31 March 2022

28. Revenue from operations (Contd..)

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) are as under:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Within one year	2,701.33	2,022.29
More than one year but less than five years	2,494.00	4,988.28
Total	**5,195.33**	**7,010.57**

The transaction price allocated to contracts for original expected duration of one year or less are not included in amounts disclosed above as permitted under Ind AS 115.

29. Other income

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A) Interest income		
Interest income calculated using the effective interest method:		
On bank fixed deposits	202.00	208.05
On long term investments	1.77	3.47
On security deposits	611.60	563.13
	815.37	**774.65**
Other interest income		
Interest on income tax refunds	21.17	6.56
Others	14.50	59.57
	35.67	**66.13**
Total interest income	**851.04**	**840.78**
B) Other non-operating income		
Liabilities and Provisions no longer required, written back	776.91	599.81
Insurance claim received	63.92	2,489.60
Bad debts recovered	24.72	88.48
Miscellaneous income	51.84	122.26
Total other non-operating income	**917.39**	**3,300.15**
C) Other gains and losses		
Net gain on foreign currency transactions and translation	–	19.70
Gain on investments measured at fair value through profit or loss	415.10	65.75
Total other gain and losses	**415.10**	**85.45**
Total	**2,183.53**	**4,226.38**
Note: Realised gains in respect of mutual funds	218.15	64.68

30. Exhibition cost

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Distributors' share	19,201.13	2,552.53
Other exhibition cost	433.54	86.70
Total	**19,634.67**	**2,639.23**

Notes to the consolidated financial statements

for the year ended 31 March 2022

31. Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and wages	8,298.16	7,731.95
Contribution to provident and other funds	575.85	507.22
Expense on ESOP	194.89	15.76
Gratuity	274.28	336.52
Staff welfare expenses	144.33	75.83
Total	**9,487.51**	**8,667.28**

32. Finance costs

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
a) Interest on financial liabilities carried at amortised cost		
– loan from related parties	69.04	63.29
– other borrowings	763.77	1,424.08
	832.81	**1,487.37**
b) Interest on lease liabilities (see Note 21)	24,751.19	23,387.76
c) Other Interest		
Other Interest expense	187.66	215.23
	187.66	**215.23**
Total interest (a+b+c)	**25,771.66**	**25,090.36**
Other borrowing costs	27.54	19.46
Total	**25,799.20**	**25,109.82**

33. Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment	11,174.18	10,974.43
Depreciation on right-of-use assets	17,879.82	17,008.59
Amortisation of intangible assets	330.25	337.68
Total	**29,384.25**	**28,320.70**

34. Other expenses

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Power and fuel	5,618.25	2,928.26
Common facility charges	7,483.50	4,849.32
Repairs to :		
– Buildings	168.62	89.11
– Plant and equipment	2,024.23	1,171.28
– Others	542.01	390.46
Rates and taxes	824.06	742.35
Expenditure on corporate social responsibility (CSR)	–	264.84
Directors' sitting fees	13.60	10.40
Remuneration to non-executive director (see Note 41)	150.00	–
Allowance for doubtful trade receivables and expected credit losses (net)	3.93	191.34

Notes to the consolidated financial statements

for the year ended 31 March 2022

34. Other expenses (Contd..)

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Allowance for doubtful advances and deposits	87.50	–
Bad debts & remissions – Note (i) below	0.30	1.31
Deposits and advances written off Note (ii) below	31.94	–
Indirect tax expenses	1,879.26	660.33
Net loss on foreign currency transactions and translations	20.58	–
Legal and professional fees and expense	1,270.41	878.73
Advertisement & sales promotion	427.00	121.70
Travelling & Conveyance expenses	201.79	120.95
Housekeeping expenses	2,144.56	1,292.87
Security charges	1,149.34	526.26
Outsourced personnel cost	2,243.72	398.40
Loss on sale/disposal of property, plant and equipment (net)	173.77	35.36
Inventories written off – Note (iii) below	69.06	131.17
Miscellaneous expenses	1,302.16	918.97
Total	**27,829.59**	**15,723.41**

i) Bad debts & remissions are net of provision for doubtful trade receivable adjusted of Rs. 103.25 lakhs (preceding year Rs. Nil).

ii) Deposits and advances written off are net of provision for doubtful deposit and advances adjusted of Rs. 50.00 lakhs (preceding year Rs. Nil).

iii) In view of the ongoing uncertainties due to COVID-19 pandemic, the inventory of perishable food and beverages expiring within short span of time is written off.

iv) Legal and professional fees and expense includes:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
a) Professional fees paid to one of the non-executive directors	–	60.00
b) Legal fees paid to firms/LLPs in which some of the non-executive directors are partners (including amount of Rs. 42.00 lakhs (preceding year Rs. 47.00 lakhs), towards share issue expenses and adjusted in securities premium)	236.17	167.70

Note – All above amounts are exclusive of GST.

35.1 Income tax recognised in profit or loss

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax		
In respect of the current year	–	–
In respect of earlier years	2.26	(150.99)
	2.26	**(150.99)**
Deferred tax		
In respect of the current year	(7,798.93)	(10,689.76)
In respect of earlier years	408.85	(29.06)
	(7,390.08)	**(10,718.82)**
Total income tax expense recognised in the current year	**(7,387.82)**	**(10,869.81)**

Notes to the consolidated financial statements

for the year ended 31 March 2022

35.1 Income tax recognised in profit or loss (Contd..)

The income tax expense for the year can be reconciled as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss before tax	(31,331.12)	(44,635.30)
Income tax expense calculated at 25.168% (preceding year 25.168%)	(7,885.42)	(11,233.81)
Effect of expenses that are not deductible in determining taxable profit	86.58	544.61
Others	(0.09)	(0.56)
	(7,798.93)	**(10,689.76)**
Taxation in respect of earlier years	411.11	(180.05)
Income tax expense recognised in profit or loss	**(7,387.82)**	**(10,869.81)**

The tax rate used in the reconciliations above is the corporate tax rate of 25.168% payable under section 115BAA by corporate entities in India on taxable profits.

35.2 Income tax recognised in other comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	(31.65)	(42.89)
Total income tax recognised in other comprehensive income	**(31.65)**	**(42.89)**

35.3 In respect of taxation matters:

The Group's contention that the amount of entertainment tax exemption availed for some of its multiplexes is a capital receipt has been accepted by Hon'ble Supreme Court in respect of the exemption availed in the state of Maharashtra, West Bengal & Gujarat on the basis of Schemes pertaining to these three States. In respect of all other states, the same has been accepted by various appellate authorities. Provision for income tax, till the year ended 31 March 2015, was made on this basis, to the extent the entertainment tax exemption is held as capital receipt for such multiplexes.

36. Segment Information

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and segment performance focuses on single business segment viz. theatrical exhibition. All activities of the Group are in India and hence there are no geographical segments.

Information about major products and services

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from services		
Revenue from box office	41,762.21	5,449.51
Revenue from advertising income	3,445.64	266.61
Convenience Fees	2,047.29	1,045.96
Virtual Print fee	857.87	166.54
Other services	402.41	170.34
Sub-total	**48,515.42**	**7,098.96**
Food & beverages revenue	19,271.92	2,775.60
Sub-total	**19,271.92**	**2,775.60**

Notes to the consolidated financial statements

for the year ended 31 March 2022

36. Segment Information (Contd..)

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Other operating revenue		
Government Grants – deferred revenue	486.64	646.43
Others	119.83	72.14
Sub-total	**606.47**	**718.57**
Total revenue from operations	**68,393.81**	**10,593.13**

Information about major customers:

There is no single customer contributing more than 10% of the Group's revenue.

37. Details of subsidiaries

Details of the Group's subsidiaries are as follows.

(₹ in Lakhs)

Name of subsidiary	Place of incorporation and operations	Proportion of ownership interest and voting power held by the Group	
		As at 31 March 2022	As at 31 March 2021
Shouri Properties Private Limited (SPPL)	India	100.00%	99.29%
INOX Leisure Limited – Employees Welfare Trust	India	Controlled by INOX Leisure Limited	

a) Shouri Properties Private Limited holds a license to operate a multiplex cinema theatre which is operated by INOX Leisure Limited.

b) INOX Leisure Limited – Employees Welfare Trust manages the ESOP Scheme of INOX Leisure Limited.

The financial year of all the above entities is 1 April to 31 March.

There are no restrictions on the holding or the subsidiaries' ability to access or use the assets and settle the liabilities of the Group.

Change in the Group's ownership interest in the subsidiary

During the year, the Group has acquired the balance 0.71% of shares in SPPL and consequently SPPL has become a wholly owned subsidiary of the Company with effect from 20 January 2022.

Scheme of Amalgamation (Merger by Absorption)

At the meeting of the Board of Directors of the ILL held on 21 January 2022, the Board has approved the draft Scheme of Amalgamation (Merger by Absorption) ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 ("the Act") and relevant applicable sections of the act for amalgamation of SPPL with the ILL subject to approval of the Scheme by the Shareholders, Creditors of the respective Companies (if required), Hon'ble National Company Law Tribunal, Bench at Mumbai (NCLT Mumbai) and subject to approval of any other statutory authorities as may be required. Once sanctioned, the Scheme will be effective from the Appointed Date i.e., 1 February 2022. The first hearing at NCLT Mumbai was held on 12 April 2022 and the directions of NCLT Mumbai are awaited.

Notes to the consolidated financial statements

for the year ended 31 March 2022

38. Employee benefits

A. Defined contribution plan:

The Group contributes to the Government managed provident and pension fund for all qualifying employees. During the year contribution to provident and pension Fund of Rs. 552.66 Lakhs (preceding year Rs. 481.34 Lakhs) is recognized as an expense and included in 'Contribution to Provident & Other Funds' in the Statement of Profit and Loss and Rs.19.21 Lakhs (preceding year Rs. 9.80 Lakhs) is included in pre-operative expenses.

B. Defined benefit plan:

The Group has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the Payment of Gratuity Act, 1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. The Group's defined benefit plan is unfunded.

There are no other post retirement benefits provided by the Group.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2022 by M/s KP Actuaries and Consultants LLP. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

Movement in the present value of the defined benefit obligation are as follows:

(₹ in Lakhs)

Particulars	Gratuity	
	31 March 2022	**31 March 2021**
Opening defined benefit obligation	1,421.40	1,467.96
Current service cost	182.94	244.41
Interest cost	91.34	92.11
Re-measurement (gain) / losses:		
a) arising from changes in financial assumptions	(46.58)	11.67
b) arising from experience adjustments	(79.19)	(182.07)
Benefits paid	(138.09)	(212.68)
Closing defined benefit obligation	**1,431.82**	**1,421.40**

Components of amounts recognised in profit or loss and other comprehensive income are as under:

(₹ in Lakhs)

Particulars	Gratuity	
	31 March 2022	**31 March 2021**
Current service cost	182.94	244.41
Interest expense	91.34	92.11
Amount recognised in profit or loss	274.28	336.52
Actuarial (gain)/loss		
a) arising from changes in financial assumptions	(46.58)	11.67
b) arising from experience adjustments	(79.19)	(182.07)
Amount recognised in other comprehensive income	(125.77)	(170.40)
Total	**148.51**	**166.12**

The principal assumptions used for the purposes of the actuarial valuations of gratuity are as follows.

(₹ in Lakhs)

Particulars	Valuation as at	
	31 March 2022	**31 March 2021**
Discount rate	6.90%	6.43%
Expected rate of salary increase	7.00%	7.00%
Employee attrition rate	10.00%	10.00%
Mortality	IALM (2012-14) ultimate mortality table	

Notes to the consolidated financial statements

for the year ended 31 March 2022

38. Employee benefits (Contd..)

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

This plan typically exposes the Group to actuarial risks such as interest rate risk and salary risk.

a) Interest risk: a decrease in the bond interest rate will increase the plan liability.

b) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, any variation in the expected rate of salary increase of the plan participants will change the plan liability.

Sensitivity Analysis

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Lakhs)

Particulars	Gratuity	
	31 March 2022	31 March 2021
Impact on present value of defined benefit obligation:		
If discount rate is increased by 1%	(90.79)	(92.12)
If discount rate is decreased by 1%	102.37	104.51
If salary escalation rate is increased by 1%	101.26	97.78
If salary escalation rate is decreased by 1%	(91.52)	(87.88)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. Further more, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the defined obligation as at 31 March 2022 is 7 years (preceding year 6.47 years).

Expected outflow in future years (as provided in actuarial report)

Particulars	Rs in Lakhs
Expected outflow in 1st Year	251.82
Expected outflow in 2nd Year	167.59
Expected outflow in 3rd Year	131.46
Expected outflow in 4th Year	132.80
Expected outflow in 5th Year	127.05
Expected outflow in more than 5 years	2,254.98

C. Other long term employment benefits:

Leave benefits

The Liability towards Leave benefits (Annual Privilege leave) for the year ended 31 March 2022 based on actuarial valuation carried out by using Projected accrued benefit method resulted in decrease in liability by Rs. 13.65 lakhs (preceding year Rs. 67.37 lakhs) which is included in the employee benefits in the Statement of Profit and Loss.

Notes to the consolidated financial statements

for the year ended 31 March 2022

38. Employee benefits (Contd..)

The principal assumptions used for the purposes of the actuarial valuations of leave benefits are as follows:

(₹ in Lakhs)

Particulars	Valuation as at 31 March 2022	Valuation as at 31 March 2021
Discount rate (per annum)	6.90%	6.43%
Expected rate of salary increase	7.00%	7.00%
Employee attrition rate	10.00%	10.00%
Mortality	IALM (2012-14) ultimate mortality table	

39. Financial Instruments

(i) Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders through the optimization of the debt and equity balance. The capital structure of the Group consists of net debt and total equity of the Group. The Group is not subject to any externally imposed capital requirements. The Company's Board of Directors (BOD) reviews the capital structure of the entity. As part of this review, BOD considers the cost of capital and risk associated with each class of capital.

Gearing ratio

The gearing ratio at the end of the year was as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Total debt	8,648.23	10,476.78
Cash & bank balances (not subject to lien)	(5,016.68)	(7,366.60)
Net debt	**3,631.55**	**3,110.18**
Total Equity	69,257.34	63,294.85
Net debt to equity ratio (in times)	**0.05**	**0.05**

a) Debt is defined as total borrowings as described in Note 20 and 25, and excludes lease liabilities.

b) Cash & bank balances includes cash and cash equivalents (Note 15), other bank balances (Note 16) not subject to lien.

(ii) Categories of financial instruments

(₹ in Lakhs)

Financial liabilities	As at 31 March 2022	As at 31 March 2021
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured at FVTPL:		
Debt-oriented mutual funds	14,928.98	30.84
Measured at amortised cost		
(a) Cash and bank balances	5,607.62	8,078.39
(b) Other financial assets at amortised cost		
(i) Investments in NSC	2.60	19.98
(ii) Trade receivables	2,903.38	430.43
(iii) Other financial assets	18,769.03	18,844.18
Sub-total	**27,282.63**	**27,372.98**
Total financial assets	**42,211.61**	**27,403.82**

The carrying amount reflected above represents the Group's maximum exposure to credit risk for such financial assets.

Notes to the consolidated financial statements

for the year ended 31 March 2022

39. Financial Instruments (Contd..)

(₹ in Lakhs)

Financial liabilities	As at 31 March 2022	As at 31 March 2021
Measured at amortised cost		
(i) Borrowings	8,648.23	10,476.78
(ii) Lease liabilities	2,86,159.81	2,74,035.22
(iii) Trade payables	13,591.53	11,601.10
(iv) Other financial liabilities	5,496.41	5,498.45
Total financial liabilities	**3,13,895.98**	**3,01,611.55**

(iii) Financial risk management

The Group's principal financial liabilities comprise of borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations including acquiring of PPE and ROU. The Group's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances derived directly from its operations. The Group also holds FVTPL investments.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Senior management provides assurance to the Board of directors that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Group does not enters into any derivative instruments for trading or speculative purposes. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables and loans.

(i) Foreign Currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group's import of materials and PPE are not significant to cause major exposure to foreign currency variations. Exchange rate exposures are managed within approved policy parameters utilising forward foreign currency contracts, as and when necessary.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the year, which are not hedged are as follows:

(USD in Lakhs)

Particulars	Liabilities	
	As at 31 March 2022	As at 31 March 2021
Liabilities		
Capital Creditors	-	1.78
Other payable	0.68	2.32

(in Lakhs)

Particulars	Assets	
	As at 31 March 2022	As at 31 March 2021
Assets - Trade receivable (USD)	0.33	-
Assets - Trade receivable (EURO)	-	0.01

Notes to the consolidated financial statements
for the year ended 31 March 2022

39. Financial Instruments (Contd..)

The carrying amount in INR value of above foreign currency is as under:

(₹ in Lakhs)

Particulars	Liabilities	
	As at 31 March 2022	As at 31 March 2021
Liabilities		
Capital Creditors	–	131.11
Other payable	51.70	170.51

(₹ in Lakhs)

Particulars	Assets	
	As at 31 March 2022	As at 31 March 2021
Assets – Trade receivable	24.34	1.01

The Group is exposed to changes in USD. The below table demonstrates the sensitivity to a 10% increase or decrease in the USD/Euro against INR, on profit or loss and total equity , with all other variable held constant.

The sensitivity analysis is prepared to the net unhedged exposure of the Group.

(₹ in Lakhs)

Particulars	Currency USD impact, net of tax		Currency Euro impact, net of tax	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Increase by 10%	(2.05)	(22.57)	–	0.08
Decrease by 10%	2.05	22.57	–	(0.08)

(ii) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk mainly on account of its borrowing from banks, which have both fixed and floating interest rates. Bank overdrafts are subject to variable rate of interest. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the year was outstanding for the whole year.

(₹ in Lakhs)

Particulars	Impact (net of tax)	
	As at 31 March 2022	As at 31 March 2021
Increase by 50 basis points	(32.21)	(31.31)
Decrease by 50 basis points	32.21	31.31

(iii) Other price risks

The Entity is exposed to equity price risks arising from equity investments. Equity investment in subsidiary is held for strategic rather than trading purposes. The Entity does not actively trade in this investments. The Group's investment in mutual funds are in debt funds. Hence the Group's exposure to equity price risk is minimal.

Notes to the consolidated financial statements

for the year ended 31 March 2022

39. Financial Instruments (Contd..)

(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining security, where appropriate, as a means of mitigating the risk of financial loss from defaults.

For trade receivables, the average credit period generally ranges from 60 to 90 days. Before accepting any new customer, Group uses information available in public domain and industry sources to assess the potential customer's credit quality and defines credit limits for respective customer. Credit Limits attributed to customers are reviewed periodically.

Customers who represents more than 5% of the total balance of trade receivable as at 31 March 2022 is Rs. 1,164.74 lakhs (as at 31 March 2021 of Rs. 149.37 lakhs) are due from 4 customers (preceding year 2 customers).

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix.

The provision matrix at the end of the year is as follows.

(₹ in Lakhs)

Ageing	Expected credit loss (%)
Upto 1 year	2%
Above 1 year	25%
Above 2 years	50%
Above 3 years	100%

Movement in the expected credit loss allowance

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2022
Balance as at beginning of the year	20.48	194.84
Net increase /(decrease) in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	19.51	(174.36)
Balance as at end of the year	**39.99**	**20.48**

(c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities and continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Notes to the consolidated financial statements
for the year ended 31 March 2022

39. Financial Instruments (Contd..)

The table below provides details regarding the contractual maturities of financial liabilities as at 31 March 2022

(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total contracted cash flows
Financial Liabilities				
Trade payables	13,591.53	–	–	13,591.53
Borrowings	1,707.65	6,751.00	189.58	8,648.23
Other financial liabilities	5,388.52	99.82	8.07	5,496.41
Total	**20,687.70**	**6,850.82**	**197.65**	**27,736.17**

The table below provides details regarding the contractual maturities of financial liabilities as at 31 March 2021

(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total contracted cash flows
Financial Liabilities				
Trade payables	11,601.10	–	–	11,601.10
Borrowings	5,775.09	4,701.69	–	10,476.78
Other financial liabilities	4,831.79	639.99	26.67	5,498.45
Total	**22,207.98**	**5,341.68**	**26.67**	**27,576.33**

Particulars of contractual maturities in respect of lease liabilities is as per Note 42

The above liabilities will be met by the Group from internal accruals, realization of current and non-current financial assets (other than strategic investments). Further, the Group also has unutilised credit facilities from bank. Also see Note 2.2.

(iv) Fair value measurement

The following table provides the fair value measurement hierarchy of the Group's financial asset that are measured at fair value

(₹ in Lakhs)

Financial Assets	Fair Value as at		Fair Value hierarchy	Valuation technique (s) and key input (s)
	31 March 2022 (Rs. In Lakhs)	31 March 2021 (Rs. in Lakhs)		
Investments in Mutual Funds (Note 8)	14,928.98	30.84	Level 1	Quoted bid prices in an active market

In the period, there were no transfers between Level 1, 2 and 3.

Financial instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortized cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different than the values that will be eventually received or paid.

Notes to the consolidated financial statements
for the year ended 31 March 2022

40. Share-based payments

Details of the employee share option plan of the INOX Leisure Limited:

The Company has a share option scheme applicable to the employees and Directors of the Company, its subsidiary companies or its holding Company and any successor Company thereof, as determined by the Compensation, Nomination and Remuneration Committee on its own discretion. The Scheme is administered through INOX Leisure Limited – Employees Welfare Trust.

In the year ended 31 March 2006, the Company had issued 500,000 equity shares of Rs. 10 each at a premium of Rs. 5 per share to INOX Leisure Limited – Employees' Welfare Trust ("ESOP Trust") to be transferred to the employees of the Company under the scheme of ESOP framed by the Company in this regard. The Company has provided finance of Rs. 75.00 Lakh to the ESOP Trust for subscription of these shares at the beginning of the plan.

Each share option converts into one equity share of the Company on exercise. The options are granted at an exercise price of Rs.15 per option. The option carry neither rights to dividends nor voting rights. The options granted are required to be exercised within a period of one year from the date of vesting of the respective options.

On 01 June 2021, stock options of 1,47,500 shares has been granted to employees and on 23 June 2017, stock options of 1,67,500 shares had been granted to employees. The vesting period for these equity settled options is between one to four years from the date of the respective grants. The options are exercisable within one year from the date of vesting.

The compensation costs of stock options granted to employees are accounted using the fair value method.

Fair value of share options granted

The fair value has been calculated using the Black Scholes Options Pricing Model. The Black-Scholes model requires the consideration of certain variables such as volatility, risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of fair value of the option. These variables significantly influence the fair value and any change in these variables could significantly affect the fair value of the option. The significant assumptions made in this regard are as under:

(₹ in Lakhs)

Particulars	Options granted	
Date of grant	01 June 2021	23 June 2017
Fair value of share option at grant date	297.75	269.10
No. of share options granted	1,47,500	1,67,500
Grant date share price	310.65	281.50
Exercise price	15	15
Expected volatility	42.13% to 52.07%	33.53% to 39.82%
Option life	1.5 to 4.5 years	1.5 to 4.5 years
Dividend yield	0	0
Risk free interest rate	4.18% to 5.56%	6.25% to 6.53%

Movements in share options during the year

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance at beginning of year	28,750	67,500
Granted during the year	1,47,500	0
Forfeited during the year	0	5,000
Exercised during the year	28,750	33,750
Balance at end of year	1,47,500	28,750
Exercisable as at end of the year	Nil	NIL
Weighted average exercise price of all stock options	Rs. 15	Rs. 15

Method used for accounting of share based payment plan:

The Company has used fair value method to account for the compensation cost of stock options granted to its employees and the employee of holding Company. The compensation cost of Rs. 194.89 Lakhs (preceding year Rs. 17.86 Lakhs) is recognised in the Statement of Profit and Loss.

Notes to the consolidated financial statements
for the year ended 31 March 2022

40. Share-based payments (Contd..)

Range of exercise price and weighted average remaining contractual life of outstanding options

For Options granted on 1 June 2021:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Number of options outstanding	1,47,500	–
Weighted Average Remaining Contractual Life (in years)	4.50	–
Weighted Average Exercise Price (Rs.)	15	–

For Options granted on 23 June 2017:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Number of options outstanding	–	28,750
Weighted Average Remaining Contractual Life (in years)	–	1.23
Weighted Average Exercise Price (Rs.)	–	15

41. Related Party Transactions

(i) Where Control Exists

a. GFL Limited – holding company

b. INOX Leasing & Finance Limited – ultimate holding company (upto 21 September 2021)

(ii) Other related parties with whom there are transactions:

Key Management Personnel (KMP)

a. Mr. Pavan Kumar Jain – Director

b. Mr. Vivek Kumar Jain – Director

c. Mr. Siddharth Jain – Director

d. Mr. Deepak Asher – Director (upto 12 October 2020)

e. Ms. Girija Balakrishnan – Director

f. Mr. Haigreve Khaitan – Director

g. Mr. Vishesh Chander Chandiok – Director

h. Mr. Amit Jatia – Director

i. Mr. Alok Tandon – Chief Executive Officer

Fellow subsidiary upto 21 September 2021 and subsequently reclassified

Gujarat Fluorochemicals Limited

Enterprises over which a KMP, or his relative, having control/significant influence

Gujarat Fluorochemicals Limited (w.e.f. 22 September 2021)

INOX India Private Limited

Details of transactions between the Group and related parties are disclosed below.

The Group has entered into the following trading transactions with related parties:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
1) Transactions during the year		
A. Transactions with ultimate holding company:		
INOX Leasing & Finance Limited		
(a) Inter-corporate deposits taken	–	2,000.00

Notes to the consolidated financial statements
for the year ended 31 March 2022

41. Related Party Transactions (Contd..)

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(b) Interest paid on Inter-corporate deposits	69.04	63.29
(c) Inter-corporate deposits repaid	2,000.00	–
B. Transactions with other related parties:		
Gujarat Fluorochemicals Limited		
(a) Lease rent paid	–	27.21
(b) Reimbursement of expenses paid	–	2.67
INOX India Private Limited		
(a) Sale of movie tickets	3.33	0.08

Note: The above amounts are exclusive of taxes, wherever applicable

The following balances were outstanding at the end of the year :

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
2) Amounts outstanding at the year end		
A) Receivables		
Trade receivables		
INOX India Private Limited	0.98	0.04
B) Payables		
Other payables		
Gujarat Fluorochemicals Limited	30.48	30.48
Inter-corporate deposit payable		
INOX Leasing & Finance Limited	–	2,058.54

a. Sales of movie tickets and service transactions are made at the arms length price.

b. The amounts outstanding are unsecured and will be settled in cash. No expense has been recognised in the current or preceding year for bad or doubtful receivables in respect of the amounts owed by related parties.

c. The Group had been provided with Inter corporate deposit at rate comparable to the average commercial rate of interest. This loan was unsecured. The same has been repaid during the year.

Compensation of Key management personnel

The remuneration of directors and other members of key management personnel during the year was as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Remuneration paid to Mr. Alok Tandon	155.90	100.70
Remuneration to non executive director - Mr. Siddharth Jain	75.00	–
Remuneration to non executive director - Mr. Pavan Kumar Jain	75.00	–
Sitting fees paid to directors	13.60	10.40
Professional fees paid to Mr. Deepak Asher	–	60.00
Total	**319.50**	**171.10**

Notes to the consolidated financial statements

for the year ended 31 March 2022

41. Related Party Transactions (Contd..)

The remuneration of directors and key executives is determined by the Remuneration Committee having regard to the performance of individuals and market trends. As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Company as a whole, the amount pertaining to KMP are not included above.

The amount of remuneration reported above includes:

A. Contribution to Provident Fund (defined contribution plan) is Rs. 7.66 Lakhs (preceding year Rs. 4.66 lakhs).

B. Share options exercised under ESOP of Rs. 14.81 Lakhs (preceding year Rs 10.77 Lakhs)

42 Leases

42.1 As a Lessee

The Group is operating most of its multiplexes under operating lease. These arrangements generally are for an initial period of 9–29 years with a minimum lock-in period of 5–15 years, after which the lessor does not have a right to terminate the arrangement. The agreements provide for escalation after pre-determined periods. Some of the agreements are fully or partially on revenue share basis. The Group does not have an option to purchase the leased premises at the expiry of lease period.

A) Contractual maturities of lease liabilities as at reporting date on an undiscounted basis:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	32,867.71	30,838.96
One to five years	1,40,000.93	1,37,779.66
More than five years	3,69,823.27	3,47,725.09
Total	**5,42,691.91**	**5,16,343.71**

B) Amount recognized in statement of profit and loss

(₹ in Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
A) Interest on lease liabilities	24,751.19	23,387.76
B) Included in rent expenses (see note below)		
a) Variable lease payments not included in the measurement of lease liabilities	1,863.64	727.98
b) Expense relating to short-term leases	0.20	30.86
	1,863.84	**758.84**

As explained in Note 21: Lease Liabilities, the Group has recognised rent concessions aggregating to Rs. 16,361.83 lakhs (preceding year Rs. 22,960.24 lakhs) and after adjusting the rent expenses of Rs. 1,863.84 lakhs (preceding year Rs. 758.84 lakhs) as above, the net amount of Rs. 14,497.99 lakhs (preceding year Rs. 22,201.40 lakhs) has been disclosed as a separate line item in the statement of Profit and Loss.

Notes to the consolidated financial statements

for the year ended 31 March 2022

42. Leases (Contd..)

42.2 As lessor

A Operating lease

The Group has entered into operating leases for part of the multiplex premises. These leases have terms of between 1 to 9 years. The total rent recognised as income during the year is Rs. 171.80 lakhs (preceding year Rs. 125.89 lakhs). Future minimum rentals receivable under non-cancellable operating leases as at 31 March are, as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	316.88	154.01
One to five years	843.52	1,056.54
More than five years	67.58	25.42
Total	**1,227.98**	**1,235.97**

43. Commitments

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	6,315.77	2,313.20
(b) Other commitments		
Commitments for the operating multiplexes for minimum period of operations in terms of respective State Government policies equivalent to the exemption availed from commencement till reporting date.	3,171.02	4,605.35

44. Contingent liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
In respect of INOX Leisure Limited (ILL)		
a. Claims against the Company not acknowledged as debt :	116.36	116.36
In the arbitration proceedings in respect of termination notice of MOU for a proposed multiplex, the arbitrator has awarded the matter against the Company and directed the Company to pay Rs. 116.36 Lakh towards rent for the lock in period. Further, the arbitrator has also directed the Company to pay the amount of difference between the rent payable by the Company as per the MOU and the amount of actual rent received by the other party from their new tenant. The differential amount is presently not determinable. The Company has challenged the arbitration award before the Hon'ble High Court of judicature at Delhi and the same is pending.		
b. Entertainment Tax matters: This includes	2,923.65	4,674.01
i Demands in respect of some multiplexes pertaining to exemption period and the same is contested by way of appeal before appropriate authorities.	2,821.33	4,571.69
ii Other demands are mainly in respect of levy of entertainment tax on service charges and convenience fee collected.	102.32	102.32
The Company has paid Rs. 7.70 lakhs (preceding year Rs 578.43 lakhs) to the respective authorities under protest (which is included in 'Other non current assets')		
c. Service Tax matters	6,313.22	20,540.19

Notes to the consolidated financial statements

for the year ended 31 March 2022

44. Contingent liabilities (Contd..)

(₹ in Lakhs)

	Particulars	As at 31 March 2022	As at 31 March 2021
	This includes		
	i In respect of levy of service tax on film distributor's' share paid by the Company. During the year, the matter is decided in favour of the Company by CESTAT and Hon'ble Supreme Court.	–	14,226.97
	ii In respect of levy of service tax on sale of food and beverages in multiplex premises and the matter is being contested by way of appeal before the appropriate authorities.	6,313.22	6,313.22
	The Company has paid Rs. 397.55 lakhs (preceding year Rs. 976.55 lakhs) to the respective authorities under protest (which is included in 'Other non current assets')		
d.	Stamp duty matter		
	Authority has raised the demand for non-payment of stamp duty on Leave & License Agreement in respect of one of the multiplexes, holding the same as lease transaction. Stay has been granted and the matter is pending before Board of Revenue.	263.81	263.81
e.	Custom duty matter in respect of import of projector	4.36	4.36
	In addition to above, the Company had also received a show cause cum demand notice from customs on import of cinematographic films, the amount of duty is yet to be quantified.		
f.	TDS matters, disputed in appeal by the Company:	43.64	21.79
	The Company has paid Rs. 4.30 lakhs (preceding year Rs. Nil) to the respective authorities under protest (which is included in 'Other non current assets')		
g.	The Company may be required to charge additional cost towards electricity from 1 June 2007 to 31 March 2010 pursuant to the increase in the tariff in case the appeal made with Maharashtra Electricity Regulatory Commission 'MERC' by the Company through the Multiplex Association of India is rejected and the case filed in the Supreme Court by one of the electricity supplier against the order of the Appellate Tribunal for Electricity, dated 19 January 2009, for change in category, is passed in favour of the electricity supplier. The Company has paid the whole amount to the respective authorities under protest (which is included in 'Other non current financial assets')	389.83	389.83

In respect of above matters, no additional provision is considered necessary as the Company expects favourable outcome. Further, it is not possible for the Company to estimate the timing and amount of the further cash outflow, if any, in respect of these matters.

45. The Code on Social Security 2020 has been notified in the Official Gazette on 29 September 2020, which could impact the contributions by the Group towards certain employment benefits. However, the date from which the Code will come into effect has not been notified. The Group will assess and give appropriate impact in the financial statements in the period in which the Code comes into effect.

46. Exceptional items

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Entertainment tax subsidy recoverable in respect of one of the multiplexes, written off	–	600.00
Less: Corresponding balance in the deferred revenue account	–	(191.89)
Total	**–**	**408.11**

Notes to the consolidated financial statements

for the year ended 31 March 2022

47. Qualified Institutions Placement (QIP)

(i) During the year ended 31 March 2022, INOX Leisure Limited has completed the Qualified Institutions Placement ('QIP') under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), pursuant to which 96,77,419 equity shares having a face value of Rs 10 each were issued and allotted, at an issue price of Rs. 310 per equity share (including a securities premium of Rs. 300 per equity share), aggregating to Rs. 30,000 lakhs.

The proceeds of Qualified Institutions Placement amounts to Rs. 28,645.56 lakhs (net of issue related expenses which has been adjusted against securities premium). As per the placement document, QIP proceeds can be utilised for (i) to meet capital expenditure requirements for ongoing and future projects; (ii) to sustain growth in the business; (iii) for business expansion and to improve the financial leveraging strength of the Group; (iv) towards working capital requirements; (v) towards debt repayments including repayment of any existing or future debt incurred for any purpose including for paying off any liability; (vi) for investments including amongst others, in subsidiary companies; (vii) to meet the current operational expenses; and (viii) for general corporate purposes including but not limited to pursuing new business opportunities, acquisitions, alliances etc. As at 31 March 2022, Rs. 10,000 lakhs of QIP proceeds are unutilised and have been temporarily invested in liquid schemes of mutual funds and fixed deposits with scheduled commercial banks.

(ii) During the year ended 31 March 2021, the INOX Lesiure Limited had completed the Qualified Institutions Placement ('QIP') under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), pursuant to which 98,03,921 equity shares having a face value of Rs 10 each were issued and allotted, at an issue price of Rs. 255 per equity share (including a securities premium of Rs. 245 per equity share), aggregating to Rs. 25,000 lakhs.

The proceeds of Qualified Institutions Placement amounts to Rs. 24,655.56 lakhs (net of issue related expenses which has been adjusted against securities premium). As per the placement document, QIP proceeds can be utilised for (i) to meet capital expenditure requirements for ongoing and future projects, (ii) to sustain growth in the business, (iii) for business expansion and to improve the financial leveraging strength of the Group, (iv) towards working capital requirements, (v) towards debt repayments including repayment of any existing or future debt incurred for any purpose including for paying off any liability, (vi) for investments including amongst others, in subsidiary companies, and (vii) for general corporate purposes including but not limited to pursuing new business opportunities, acquisitions, alliances etc. As at 31 March 2022, entire QIP proceeds have been utilised.

48. Additional disclosures/regulatory information as required by Schedule III to the Companies Act, 2013

a) Details of benami property held

No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.

b) Compliance with number of layers of companies

The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

c) Compliance with approved Scheme(s) of Arrangements

There is no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

d) Loans and advances granted to related party

The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties.

e) Undisclosed income

There is no income surrendered or disclosed as income during the current or preceding year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), that has not been recorded in the books of account.

Notes to the consolidated financial statements
for the year ended 31 March 2022

48. Additional disclosures/regulatory information as required by Schedule III to the Companies Act, 2013 (Contd..)

f) Details of Crypto Currency or Virtual Currency

The Group has not traded or invested in crypto currency or virtual currency during the financial year.

g) Utilisation of Borrowed funds and share premium

The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Group has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

h) In case of borrowings from banks

i) Utilisation of borrowed funds

At the balance sheet date, the Group has used the borrowings from banks for the specific purpose for which it was taken.

ii) Security of current assets against borrowings

The Group does not have any borrowings from banks on the basis of security of current assets.

iii) Wilful defaulter

The Group is not declared wilful defaulter by any bank or financial institution or other lender.

iv) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction of charges that are yet to be registered with Registrar of Companies beyond the statutory period.

i) Relationship with Struck off Companies

Sr. No.	Name of Struck Off Company	Nature of transactions with struck off Company	Balance as at 31.03.2022 (Rs. in Lakhs)	Balance as at 31.03.2021 (Rs. in Lakhs)	Relationship with the Struck off company
1	Jaiswal Food Factory Private Limited	Amount Payable	0.24	0.24	None

Notes to the consolidated financial statements

for the year ended 31 March 2022

49. Disclosure of additional information as required by the Schedule III:

(a) As at and for the year ended 31 March 2022

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs. in lakhs)	As % of consolidated profit or loss	Amount (Rs. in lakhs)	As % of consolidated other comprehensive income	Amount (Rs. in lakhs)	As % of consolidated total comprehensive income	Amount (Rs. in lakhs)
Parent								
INOX Leisure Limited	100.01%	69,263.61	99.96%	(23,933.68)	100.00%	94.12	99.96%	(23,839.56)
Subsidiaries (Group's share)								
Indian								
Shouri Properties Private Limited	0.12%	84.89	*	(0.06)	–	–	*	(0.06)
INOX Leisure Limited Employees welfare trust	0.01%	7.99	0.04%	(9.56)	–	–	0.04%	(9.56)
Non-controlling Interest in subsidiaries	–	–	*	–	–	–	*	*
Consolidation eliminations / adjustments	(0.14%)	(99.15)	–	–	–	–	–	–
Total	**100.00%**	**69,257.34**	**100.00%**	**(23,943.30)**	**100.00%**	**94.12**	**100.00%**	**(23,849.18)**

(b) As at and for the year ended 31 March 2021

(₹ in Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs. in lakhs)	As % of consolidated profit or loss	Amount (Rs. in lakhs)	As % of consolidated other comprehensive income	Amount (Rs. in lakhs)	As % of consolidated total comprehensive income	Amount (Rs. in lakhs)
Parent								
INOX Leisure Limited	99.99%	63,290.50	100.00%	(33,765.68)	100.00%	127.51	100.00%	(33,638.17)
Subsidiaries (Group's share)								
Indian								
Shouri Properties Private Limited	0.13%	84.95	*	(0.94)	–	–	*	(0.94)
INOX Leisure Limited Employees welfare trust	0.03%	17.54	*	1.03	–	–	*	1.03
Non-controlling Interest in subsidiaries	0.001%	0.61	*	(0.001)	–	–	*	(0.01)
Consolidation eliminations / adjustments	(0.15%)	(98.75)	*	0.11	–	–	*	0.11
Total	**100.00%**	**63,294.85**	**100.00%**	**(33,765.49)**	**100.00%**	**127.51**	**100.00%**	**(33,637.98)**

(*) % is less than 0.01% / amount less than 0.01 lakhs.

Notes to the consolidated financial statements

for the year ended 31 March 2022

50. Earnings/(Loss) per share

Basic earnings/(loss) per share:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss for the year attributable to owners of the Company (Rs. in lakhs)	(23,943.30)	(33,765.49)
Weighted average number of equity shares for the purposes of basic earnings/(loss) per shares (nos.)	12,02,74,927	10,48,08,742
Nominal value of each share (Rs.)	10.00	10.00
Basic earnings/(loss) per share (Rs.)	(19.91)	(32.22)

Diluted earnings/(loss) per share:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss for the year attributable to owners of the Company (Rs. in Lakhs)	(23,943.30)	(33,765.49)
Weighted average number of equity shares for the purpose of diluted earnings/(loss) per shares (nos.)	12,03,56,665	10,48,49,151
Nominal value of each share (Rs.)	10.00	10.00
Diluted earnings/(loss) per share (Rs.)(*)	(19.91)	(32.22)

* The anti-dilutive effect is ignored

The following is a reconciliation of the equity shares used in the computation of basic and dilutive earnings:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Weighted average number of equity shares used in calculation of basic earnings/(loss) per shares (nos.)	12,02,74,927	10,48,08,742
Add: Effect of dilutive equivalent equity shares- share options outstanding	81,738	40,409
Weighted average number of equity shares used in calculation of diluted earnings/(loss) per shares (nos.)	12,03,56,665	10,48,49,151

As per our report of even date attached

For **Kulkarni and Company**
Chartered Accountants
Firm's Reg. No: 140959W

A.D.Talavlikar
Partner
Membership No: 130432

Place: Pune
Date: 2 May 2022

For and on behalf of the Board of Directors

Pavan Kumar Jain
Chairman
DIN: 00030098

Siddharth Jain
Director
DIN: 00030202

Alok Tandon
Chief Executive Officer

Kailash B Gupta
Chief Financial Officer

Parthasarathy Iyengar
Company Secretary

Place: Mumbai
Date: 2 May 2022

Notes

Notes

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