



**VISION CINEMAS LIMITED**

**CIN: L33129KA1992PLC013262**

**#14, 1st Floor, 6th Cross, Jayamahall Extension, Bangalore KA 560046 IN**

**Email : visiontechindia@yahoo.com Phone: +91 80 2333 8227 +91 80 2333 1074**

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**Date: 27<sup>th</sup> May, 2023**

To,  
The General Manager  
**BSE Limited**  
P.J. Towers, Dalal Street,  
Mumbai - 400 001

**Dear Sir / Madam,**

**Sub.:** Outcome of Board Meeting & Quarterly/Yearly Financial Results for  
quarter/year ended on 31<sup>st</sup> March, 2023

**Ref.:** Scrip Code - 526441

In reference to our communication dated 18<sup>th</sup> May, 2023, we enclose, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following, as approved by the Board of Directors of the Company at the meeting held on i.e. 27<sup>th</sup> May, 2023 and at the registered office of the same has been discussed.

1. Audited Financial Results of the Company, both Standalone and Consolidated, for the quarter/year ended 31<sup>st</sup> March, 2023.

On 27<sup>th</sup> May, 2023 the Meeting commenced at 05.30 P.M and ended at 10.20 PM.

Do acknowledge the receipt of same and disseminate the above announcement on BSE's Website.

**Thanking You,**

**Bindiganavale Ranganasanth**  
**Managing Director (DIN: 01763289)**



## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

### **INDEPENDENT AUDITOR'S REPORT** **To the Members of M/s VISION CINEMAS LIMITED** **Report on the Financial Statements**

We have audited the accompanying standalone financial statements of M/s. VISION CINEMAS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss, the Cash Flow Statement, and a Summary of the significant accounting policies and other explanatory information for the year then ended.

### **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 Companies Act, 2013 ("the Act") with respect to preparation of standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounting) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.





## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA's) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 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 audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except the matter given in the "Emphasis of Matter" section, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its profit/loss, its cash flows and changes in equity for the year ended on that date.



## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

### **Emphasis of Matter**

- The balances reported as Trade Payable are subject to confirmation of balances from the Vendors.
- The aggregate of advance to subsidiary as on 31st March, 2022 was Rs. 668.90 Lakhs which has increased to Rs. 672.94 Lakhs as on 31st March, 2023. However, in the opinion of the management, these are good and recoverability are not doubtful. We obtained explanation from the Management regarding their judgement on the recoverability of these funds and found these judgment to be appropriate.
- Of Rs.977.96 lakhs of aggregate Trade Receivable as on 31<sup>st</sup> March, 2023, Rs. 938.03 Lakhs receivable from M/s. SI Media LLP, which accumulated during earlier periods. However, the net receivable from SI Media has reduced from Rs. 953.04 Lakhs on 31.03.2022 to Rs. 938.03 Lakhs as on 31<sup>st</sup> March, 2023. Also, the management is confident of its recoverability and we find the explanation provided by the management on the same appropriate.

Auditor's opinion is not modified in respect of the matter emphasized.

### **Report On Other Legal And Regulatory Requirements**

1. As required by section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance sheet, the statement of Profit and Loss, the Cash Flow statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the financial statements does not 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 31st March, 2023 taken on record by the Board of Directors none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and





## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

operating effectiveness of the Company's internal financial control over financial reporting.

- (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, as amended, we report that no remuneration was paid to any of the Directors during the year.
- (h) With respect to the other matters to be included in the Auditors' 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 below pending litigations which may have impact on its standalone financial statements:
    - A matter has been filed by SEBI against promoters of the company for preferential allotment of shares in their name. The Hon. Mumbai High Court has passed a Stay order favouring the promoters against SEBI regarding this matter.
    - Penalties imposed by the Bombay Stock Exchange on the Company on various grounds. The Company has made a representation contesting the grounds for imposition of these penalties and the relevant documentation/supporting are presented and are under consideration of the Stock Exchange for waiver of the same.
  - ii. The Company does not have any long-term contracts including derivative contracts for which there are any foreseeable losses.
  - iii. There were no amounts which are required to be transferred to Investor Education and Protection Fund by the Company.
  - iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person(s) or entity(ies), 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;
  - v. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding



## PRADEEP KUMAR DEVARAJ & ASSOCIATES Chartered Accountants

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

- vi. Based on audit procedures which we 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) contain any material mis-statement.
  - vii. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Pradeep Kumar Devaraj & Associates  
Chartered Accountants  
Firm Registration No.:023317S

Pradeep Kumar Devaraj  
Proprietor

Membership No. 242223

UDIN: 23242223B6YIQX8587

Place: Bangalore

Date: 27<sup>th</sup> May, 2023





## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

### **Annexure A to Independent Auditor's Report**

(Refer to para 1(f) under the 'Report On Other Legal And Regulatory Requirements' of our report on even date)

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

We have audited the internal financial controls over financial reporting of Vision Cinemas Limited ("the Company") as of March, 2023 in conjunction with our audit of the Standalone financial statements of the Company on the even 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 the internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, the safeguard of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, timely preparation of reliable financial information as required under the act.

### **Auditor's Responsibility**

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

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



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

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects an adequate internal financial controls system





## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Pradeep Kumar Devaraj & Associates  
Chartered Accountants  
Firm Registration No.:023317S

Pradeep Kumar Devaraj  
Proprietor  
Membership No. 242223  
UDIN: 23242223B6YIQX8587

Place: Bangalore  
Date: 27th May, 2023



## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

### **Annexure “B” to Independent Auditors' Report**

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date).

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and location of property, plant and equipment.
  - b) The Company has a regular programme of physical verification of property, plant and equipment by which all property, plant and equipment are verified every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, all the property, plant and equipment were physically verified during the year. No major discrepancies were noticed on such verification.
  - c) We are unable to form an opinion on whether the title deeds of immovable property are held in the name of company since the management has not provided necessary documentary evidences, in order to certify whether, the title deeds of immovable properties are held in the name of the Company.
  - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and tangible assets during the year.
  - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
- (ii) (a) The Company is a service company. The Company earns its revenue from production of advertisement films. Accordingly, it does not hold any physical inventory. Thus, reporting under paragraph 3(ii) of the Order is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) (a) The Company has provided loans, during the year as under: Aggregate amount granted/provided during the year – Rs. 4.04 Lakhs





## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

Balance Outstanding as at the Balance Sheet Date in respect of above cases – Rs.672.94 Lakhs.

The Company has not provided any advances in the nature of loans, guarantee and security to any other entity during the year.

(b) In our opinion, the investments is made in subsidiary company for which no terms and conditions for granting of loans are specified. However, as per information and explanation given by the company, the loan granted are prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the loan is solely granted to it's subsidiary company which is interest free loan, so schedule of repayment of principal has not been stipulated. In absence of repayment schedule, we could not comment whether the loan is overdue or not. Also, we cannot comment as to whether the loan granted by the company has been renewed or extended or fresh loans has been granted to settle the overdues of existing loans given to the same party.

(iv) The In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73,74,75 and 76 of the Act and the Rules framed thereunder to the extent notified.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act. Thus, reporting under clause 3(vi) of the Order is not applicable to the Company.

(vii) According to the information and explanations given to us, in respect of statutory due:

(a) The company has not been regularly depositing undisputed statutory dues, including Income-tax and Service Tax Statutory Dues applicable to it with the appropriate authorities. Details of Dues are as under

<b>Nature of Dues</b>	<b>Amount unpaid as on 31/03/2023 (in Rs.)</b>	<b>Period of default</b>
Tax deducted at source	8,06,220	Various Dates
Service Tax	3,12,304	Various Dates



## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

- (b) There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Customs Duty, cess and other material statutory dues in arrears except, Service Tax under Finance Act, 1994 as at March 31, 2023 for a period of more than six months from the date they became payable.

Name of the statute	Nature of Dues	Amount unpaid as on 30/03/2023 (in Rs.)
Service Tax	3,12,304	Various Dates

- (viii) There were 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 (43 of 1961).
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long- term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.





## **PRADEEP KUMAR DEVARAJ & ASSOCIATES**

### **Chartered Accountants**

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) Based on our audit procedures performed and according to the information and explanations given to us, no whistle blower complaints have been received during the year by the Company and hence reporting under clause 3 (xi) (c) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it, the provisions of 3(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) The Company has not appointed internal auditor as per Section 138 of Companies Act, 2013. Hence, internal audit reports are not available for verification.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.



## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

- (xvii) The Company made a profit during the financial year covered by our audit while has incurred cash losses during the immediately preceding financial year. The details are as follows:

<b>Particulars</b>	<b>2022-23 (Rs. In Lakhs)</b>	<b>2021-22 (Rs. In Lakhs)</b>
<b>Profit/ (Loss) before Tax</b>	9.73	(14.21)
<b>Adjustments for Non – Cash items</b>	3.65	3.65
Add : Depreciation		
<b>Cash loss incurred during the year</b>	13.38	(10.56)

- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the 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 indicating that Company is not capable 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 up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling 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) Since the provisions of Section 135 of the Companies Act, 2013 with regard to corporate social responsibility are not applicable to the company hence clause 3(xx) of the Order is not applicable.

For Pradeep Kumar Devaraj & Associates  
Chartered Accountants  
Firm Registration No.:023317S

Pradeep Kumar Devaraj  
Proprietor  
Membership No. 242223  
UDIN: 23242223B6YIQX8587

Place: Bangalore  
Date: 27<sup>th</sup> May, 2023





## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

### **INDEPENDENT AUDITOR'S REPORT**

To the Members of M/s VISION CINEMAS LIMITED

#### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of M/s. VISION CINEMAS LIMITED ("the Company"), which comprise the Consolidated Balance Sheet as at 31st March, 2023, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement, and a Summary of the significant accounting policies and other explanatory information for the year then ended.

#### **Responsibilities of Management and Those charged with Governance for the Consolidated Financial Statements**

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

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 respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and





## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company and its subsidiaries has in place adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors and Directors of its Subsidiary, as well as evaluating the overall presentation of the financial statements.

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

### **Basis for Opinion**

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SA's) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 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 audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except the matter given in the "Emphasis of Matter" section, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of





## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

affairs of the Group as at 31st March, 2023, and its profit/loss, its cash flows and changes in equity for the year ended on that date.

### **Emphasis of Matter**

- The balances reported as Trade Payable are subject to confirmation of balances from the Vendors.
- Of Rs.977.96 lakhs of aggregate Trade Receivable as on 31<sup>st</sup> March, 2023, Rs. 938.03 Lakhs receivable from M/s. SI Media LLP, which accumulated during earlier periods. However, the net receivable from SI Media has reduced from Rs. 953.04 Lakhs on 31.03.2022 to Rs. 938.03 Lakhs as on 31<sup>st</sup> March, 2023. Also, the management is confident of its recoverability and we find the explanation provided by the management on the same appropriate.

Auditor's opinion is not modified in respect of the matter emphasized.

### **Report On Other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company and its subsidiary so far as it appears from our examination of those books.
  - (c) The Consolidated Balance sheet, the Consolidated statement of Profit and Loss, the Consolidated Cash Flow statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with those books of accounts.
  - (d) In our opinion, the financial statements does not 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 31st March, 2023 taken on record by the Board of Directors none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies.



## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

- (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, as amended, we report that no remuneration was paid to any of the Directors during the year.
- (h) With respect to the other matters to be included in the Auditors' 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 Parent Company has below pending litigations which may have impact on its standalone financial statements:
    - A matter has been filed by SEBI against promoters of the company for preferential allotment of shares in their name. The Hon. Mumbai High Court has passed a Stay order favouring the promoters against SEBI regarding this matter.
    - Penalties imposed by the Bombay Stock Exchange on the Parent Company on various grounds. The Parent Company has made a representation contesting the grounds for imposition of these penalties and the relevant documentation/ supporting are presented and are under consideration of the Stock Exchange for waiver of the same.
  - ii. The Group does not have any long-term contracts including derivative contracts for which there are any foreseeable losses.
  - iii. There were no amounts which are required to be transferred to Investor Education and Protection Fund by the Company and its Subsidiary.
  - iv. The respective managements of the Company and its Subsidiary has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, 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 and its subsidiary 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - v. The respective managements of the Company and its subsidiary have represented, that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company and its subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall,





## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

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

- vi. Based on audit procedures which we 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 (v) and (vi) contain any material mis-statement.
  - vii. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "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 reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Pradeep Kumar Devaraj & Associates  
Chartered Accountants  
Firm Registration No.:023317S

Pradeep Kumar Devaraj  
Proprietor  
Membership No. 242223  
UDIN: 23242223BGYIQY1406

Place: Bangalore  
Date: 27<sup>th</sup> May, 2023



## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

### **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

#### **Report on the Internal Financial Controls Over Financial Reporting 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 the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of Vision Cinemas Limited (hereinafter referred to as “the Company”) and its subsidiary company, which is a company incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Company and its subsidiary company, which is 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Companies Act, 2013.

#### **Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The Procedure selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary company which is a company incorporated in India.





## **PRADEEP KUMAR DEVARAJ & ASSOCIATES** **Chartered Accountants**

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 over Financial Reporting**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary Company which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for Internal financial Control over financial reporting 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 issued by the Institute of Chartered Accountants of India.

For Pradeep Kumar Devaraj & Associates  
Chartered Accountants  
Firm Registration No.:023317S

Pradeep Kumar Devaraj  
Proprietor

Membership No. 242223

UDIN: 23242223B6YI QY1406

Place: Bangalore  
Date: 27<sup>th</sup> May, 2023

**VISION CINEMAS LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2023**

(Rs. In Lakhs)

Particulars	Note No.	31.03.2023 Rs.	31.03.2022 Rs.
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
Property, plant, equipment and Intangible Assets	3	69.45	73.09
Financial Assets	4	4.99	4.99
Investment in subsidiary	5	672.94	668.90
Loans and Advances	6	8.70	8.70
Other non-current assets			
<b>Total Non Current Assets</b>		<b>756.07</b>	<b>755.68</b>
<b>Current Assets</b>			
Financial Assets			
Trade Receivables	7	977.96	953.04
Cash and Cash Equivalent	8	3.87	2.01
Other Current Assets	9	9.83	34.66
<b>Total Current Assets</b>		<b>991.65</b>	<b>989.72</b>
<b>TOTAL ASSETS</b>		<b>1,747.72</b>	<b>1,745.39</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	10	789.21	789.21
Other Equity	11	743.48	725.67
<b>Total Equity</b>		<b>1,532.69</b>	<b>1,514.88</b>
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	12	0.30	0.30
Deferred tax liabilities (net)	13	8.60	16.67
<b>Total Non Current Liabilities</b>		<b>8.90</b>	<b>16.97</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Trade Payable	14	108.64	121.40
Other Current Liabilities	15	97.49	92.15
<b>Total Current Liabilities</b>		<b>206.13</b>	<b>213.55</b>
<b>Total Liabilities</b>		<b>215.03</b>	<b>230.52</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,747.72</b>	<b>1,745.39</b>

Significant accounting policies and Notes to accounts are an integral part of financial statements

For and on behalf of the Board of  
Vision Cinemas Limited

Sd/-

*Ranga Vasanth*

Ranga Vasanth  
(Director)

Sd/-

*Anitha Vasanth*

Anitha Vasanth  
(Director)



As per my report on even date  
For Pradeep Kumar Devaraj & Associates  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 0233175

*Pradeep Kumar Devaraj*

Pradeep Kumar Devaraj (Proprietor)  
Membership No. 242223

Place: Bangalore  
Date: 27/05/2023

UDIN : 23242223B6YIQX 8587



**VISION CINEMAS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

(Rs. In Lakhs)

Particulars	Note No.	31.03.2023 Rs.	31.03.2022 Rs.
<b>Income</b>			
Revenue from operations	16	40.00	-
<b>Total Income</b>		40.00	-
<b>Expenses</b>			
Employee benefits expense	17	6.18	-
Depreciation and amortisation expense	3	3.65	3.65
Other Expenses	18	20.44	10.56
<b>Total Expenses</b>		30.27	14.21
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		9.73	-14.21
Exceptional items			-
<b>Profit/(Loss) before extraordinary items and tax</b>		9.73	-14.21
Extraordinary items			-
<b>Profit/(Loss) before Tax</b>		9.73	-14.21
Tax expense:			
(1) Current tax			
(2) Deferred tax		-8.08	-0.66
<b>Profit/(Loss) for the year</b>		17.81	-13.55
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss in subsequent period:			
Remeasurement of post employment benefit obligations			-
Income tax relating to these items			-
<b>Other comprehensive income for the year, net of tax Total</b>		-	-
<b>Comprehensive Income for the year</b>		17.81	-13.55
<b>Earnings per share:</b>			
Basic/Diluted	19	0.03	-0.02

Significant accounting policies and Notes to accounts are an integral part of financial statements.

For and on behalf of the Board of  
Vision Cinemas Limited

Sd/-

*Ranga Vasanth*

Ranga Vasanth  
(Director)

Sd/-

*Anitha Vasanth*

Anitha Vasanth  
(Director)

As per my report on even date  
For Pradeep Kumar Devaraj & Associates  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 023317s

*Pradeep Kumar Devaraj*

Pradeep Kumar Devaraj (Proprietor)  
Membership No. 242223



Place: Bangalore  
Date: 27/05/2023

UDIN : 23242223BGYIRx8587

**VISION CINEMAS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDING MARCH 31, 2023**

(Rs. In Lakhs)

	Particulars	31.03.2023 Rs.	31.03.2022 Rs.
A.	<b>Cash Flow from Operating Activities</b>		
	Profit before Taxation and extraordinary items	9.73	-14.21
	Adjustments for Depreciation	3.65	3.65
	<b>Operating Profit before working capital changes</b>	13.38	-10.56
	<b>Changes in Working Capital:</b>		
	Increase/(Decrease) in Trade Payables	-12.76	0.75
	Increase/(Decrease) in Short Term Provisions		-
	Increase/(Decrease) in Other Liabilities		1.31
	(Increase)/Decrease in Other Non Current liabilities	5.34	-
	(Increase)/Decrease in Trade Receivables	-24.92	13.90
	(Increase)/Decrease in Other Current assets	24.83	-4.66
	<b>Cash generated from Operations</b>	5.88	0.74
	Taxes paid (Net of refunds)	-	-
	<b>Net cash generated from operations before extraordinary items</b>	5.88	0.74
	<b>Net cash generated from operating activities</b>	5.88	0.74
B.	<b>Cash Flow from Investing Activities</b>		
	Interest received	-	-
	<b>Net Cash from Investing Activities</b>	-	-
C.	<b>Cash flow from Financing Activities</b>		
	(Increase)/Decrease in Loans & Advances	-4.04	-0.50
	<b>Net cash raised in Financing activities</b>	-4.04	-0.50
	<b>Net increase in cash and cash equivalents</b>	1.85	0.24
	Cash and Cash equivalents at the beginning of the year	2.01	1.77
	Cash and Cash equivalents at the end of the year	3.86	2.01

Notes:

1. There was no significant reconciliation items between cash flow prepared under IGAAP and those prepared under Ind AS

For and on behalf of the Board of  
Vision Cinemas Limited

Sd/-

Ranga Vasanth  
(Director)

Sd/-

Anitha Vasanth  
(Director)

As per my report on even date  
For Pradeep Kumar Devaraj & Associates  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 023317s

Pradeep Kumar Devaraj (Proprietor)  
Membership No. 242223



Place: Bangalore  
Date: 27/05/2023

UDIN : 23242223 BG YIQ x 8587



3. PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS (Method : Straight Line basis)

(Rs. In Lakhs)

Sl No.	Particulars	Gross Block				Accumulated Depreciation			Net Block	
		Balance as at 1st April 2022	Additions/ (Disposals)	Revaluations/ (Impairments)	Balance as at 31st March 2023	Balance as at 1st April 2022	Transfer to General reserve	Depreciation for the Year	Balance as at 31st March 2023	Balance as at 31st March 2022
	<b>Tangible Assets</b>									
1	Building	109.34			109.34	57.47		3.65	48.22	51.87
2	Plant & Machinery	260.06			260.06	247.05			13.01	13.00
3	Furniture & Fixtures	25.26			25.26	24.01			1.25	1.25
4	Office Equipment	12.53			12.53	11.90			0.63	0.63
5	Vehicles	17.78			17.78	16.89			0.89	0.89
6	Computers	108.99			108.99	103.54			5.45	5.45
	<b>Total</b>	<b>533.95</b>	<b>-</b>	<b>-</b>	<b>533.95</b>	<b>460.86</b>	<b>-</b>	<b>3.65</b>	<b>69.45</b>	<b>73.09</b>
	<b>Previous Year</b>	<b>533.95</b>	<b>-</b>	<b>-</b>	<b>533.95</b>	<b>457.21</b>	<b>-</b>	<b>3.65</b>	<b>73.09</b>	<b>76.74</b>



NOTES ON ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS THE FINANCIAL YEAR 2022-23

<b>4 INVESTMENT IN SUBSIDIARY</b>		<b>(Rs. In Lakhs)</b>	
Particulars	As at 31.03.2023	As at 31.03.2022	
<b>Investment in Wholly Owned Subsidiary</b>			
49,900 Equity shares of Rs 10/- each, fully paid up (Pyramid Entertainment (India) Private Limited)	4.99	4.99	
<b>TOTAL</b>	<b>4.99</b>	<b>4.99</b>	
<b>5 LOANS AND ADVANCES</b>		<b>(Rs. In Lakhs)</b>	
Particulars	As at 31.03.2023	As at 31.03.2022	
Pyramid Entertainment (India) Private Limited	672.94	668.90	
<b>TOTAL</b>	<b>672.94</b>	<b>668.90</b>	
<b>6 OTHER NON-CURRENT ASSETS</b>		<b>(Rs. In Lakhs)</b>	
Particulars	As at 31.03.2023	As at 31.03.2022	
Bangalore Stock Exchange	3.00	3.00	
KEB Deposit	2.52	2.52	
Rental Deposit VV Puram	3.07	3.07	
Telephone Deposit	0.09	0.09	
Water Deposit	0.02	0.02	
<b>TOTAL</b>	<b>8.70</b>	<b>8.70</b>	
<b>7 TRADE RECEIVABLES</b>		<b>(Rs. In Lakhs)</b>	
Particulars	As at 31.03.2023	As at 31.03.2022	
Outstanding for a period exceeding six months from the date they are due for payment			
- from related Parties	977.96	953.04	
Others	-	-	
<b>TOTAL</b>	<b>977.96</b>	<b>953.04</b>	
<b>8 CASH AND CASH EQUIVALENTS</b>		<b>(Rs. In Lakhs)</b>	
Particulars	As at 31.03.2023	As at 31.03.2022	
Cash on hand	3.62	1.42	
Balances with Banks in Current Account	0.25	0.59	
<b>TOTAL</b>	<b>3.87</b>	<b>2.01</b>	
<b>9 OTHER CURRENT ASSETS</b>		<b>(Rs. In Lakhs)</b>	
Particulars	As at 31.03.2023	As at 31.03.2022	
<b>Unsecured, considered good</b>			
Advance to Vendors	9.03	32.50	
GST Input receivable	-	1.86	
TDS Receivable	0.80	0.30	
<b>TOTAL</b>	<b>9.83</b>	<b>34.66</b>	





VISION CINEMAS LIMITED  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

10. EQUITY SHARE CAPITAL

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Authorised</b>		
15,00,00,000 (Previous Year 15,00,00,000) Equity Shares of Rs. 1/- each	1,500.00	1,500.00
<b>(A) Issued and Subscribed and fully Paid-up</b>	708.25	708.25
7,08,24,705 (Previous Year 7,08,24,705) Equity Shares of Rs. 1/- each fully paid up		
<b>(B) Forfeiture of Shares</b>		
(arising out of reduction in capital as per court order)		
Opening balance	80.96	80.96
Add : Transfer During the year	-	-
Balance as at the end of the year	80.96	80.96
<b>TOTAL</b>	<b>789.21</b>	<b>789.21</b>

The Company has only one class of shares referred to as equity shares having a par value of Re.1/-. Each holder of equity shares is entitled to one vote per share held.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

Dividend, if approved, is payable to the shareholders in proportion to their shareholding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of number of Shares	As at 31.03.2023		As at 31.03.2022	
	Number of Shares	Amount (in Lakhs)	Number of Shares	Amount (in Lakhs)
<b>Equity Shares:</b>				
Balance as at the beginning of the previous year	7,08,24,705	708.25	7,08,24,705	708.25
	7,08,24,705	708.25	7,08,24,705	708.25
Add: Shares issued during the year				
Balance as at the end of the year	7,08,24,705	708.25	7,08,24,705	708.25

Details of Shares held by shareholders, holding more than 5% of the aggregate shares in the Company.

Particulars	No. of shares	Percentage	No. of shares	Percentage
S.I. Media LLP	1,00,00,000	14.12%	1,00,00,000	14.12%
Anita Vasanth	69,50,170	9.81%	69,50,170	9.81%
Vasanth Color Labs	50,00,000	7.06%	50,00,000	7.06%

Details of Shares held by Promoters of the Company

Promoter Name	No. of shares	Percentage	No. of shares	Percentage
S.I. Media LLP	1,00,00,000	14.12%	1,00,00,000	14.12%
Anita Vasanth	69,50,170	9.81%	69,50,170	9.81%
Vasanth Color Labs	50,00,000	7.06%	50,00,000	7.06%
Bindiganavale Ranga Vasanth Kumar	27,26,263.00	3.85%	27,26,263.00	3.85%
Vishnu Vasanth	21,06,450.00	2.97%	21,06,450.00	2.97%
Vinitha Vasanth	7,11,963.00	1.01%	7,11,963.00	1.01%
<b>Total</b>	<b>2,74,94,846.00</b>	<b>38.82%</b>	<b>2,74,94,846.00</b>	<b>38.82%</b>



# 11. OTHER EQUITY

Particulars	As at 31.03.2023		As at 31.03.2022	
<b>(a) Capital Reserve</b>				
Opening balance	0.55		0.55	
Add : Transfer During the year	<u>0</u>		<u>0</u>	
Balance as at the end of the year		0.55		0.55
<b>(b) Securities Premium Account</b>				
Opening balance	791.61		791.61	
Add : Transfer During the year	<u>0</u>		<u>0</u>	
Balance as at the end of the year		791.61		791.61
<b>(c) Profit and Loss Account</b>				
Opening balance	-66.49		-52.94	
Add : Transfer from Statement of Profit and Loss	<u>17.81</u>		<u>-13.55</u>	
Balance as at the end of the year		-48.68		-66.49
<b>(d) Other Comprehensive Income</b>				
Opening balance	0		-	
Additions during the year	<u>0</u>		<u>-</u>	
Balance as at the end of the year		-		-
TOTAL		<u>743.48</u>		<u>725.67</u>





12	<b>Borrowings</b>	<b>(Rs. In Lakhs)</b>	
	<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
	Kiran Power	0.30	0.3
	<b>TOTAL</b>	<b>0.3</b>	<b>0.3</b>
13	<b>DEFERRED TAX LIABILITIES</b>	<b>(Rs. In Lakhs)</b>	
	<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
	On account fiscal allowance of depreciation	14.06	16.67
	On account unabsorbed Depreciaton	-0.55	-
	On account of brought forward losses	-4.92	-
	<b>TOTAL</b>	<b>8.60</b>	<b>16.67</b>
14	<b>TRADE PAYABLES</b>	<b>(Rs. In Lakhs)</b>	
	<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
	Trades payables		
	- Due to micro, small and medium enterprises	-	1.50
	-Others	108.64	119.90
	<b>TOTAL</b>	<b>108.64</b>	<b>121.40</b>
15	<b>OTHER CURRENT LIABILITIES</b>	<b>(Rs. In Lakhs)</b>	
	<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
	<b>Due to Key managerial personnel</b>		
	Ranga Vasanth	12.09	12.09
	Anitha Vasanth	62.00	62
	Vasanth Colour Labs	5.25	5.25
	Outstanding Expenses	1.48	1.62
	Statutory Dues(Including Providend Fund,Withholding Taxes Payable)	14.26	8.85
	Audit Fees Payabale	2.41	2.34
	<b>TOTAL</b>	<b>97.49</b>	<b>92.15</b>
	There are no amounts due for payment to the Investor Education and Protection Fund under Section 125(2)(e) of the Companies Act, 2013		
16	<b>Revenue from Operations</b>	<b>(Rs. In Lakhs)</b>	
	<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
	Ad Film Production Income	40.00	-
	<b>TOTAL</b>	<b>40.00</b>	<b>-</b>
17	<b>Employee Benefit Costs</b>	<b>(Rs. In Lakhs)</b>	
	<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
	Salaries & Wages	6.18	-
	<b>TOTAL</b>	<b>6.18</b>	<b>-</b>



## 18 OTHER EXPENSES

(Rs. In Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Audit fees - Statutory	1.50	1.50
Advertising & Print Media Exp.	0.08	0.14
Annual Issuer Fees	0.88	0.23
Annual Listing Fee	3.00	3.00
Bank Charges	0.01	0.02
General Expenses	0.28	0.94
Interest/ Penalty/ Late Fees	0.09	4.25
NSDL Annual Custody Fee	0.31	0.30
Telephone Expnese	0.05	0.04
ROC Charges	-	0.14
Editing Charges	0.45	-
Lighting Expenses	0.96	-
Other Production Expenses	1.80	-
Post Production Expenses	3.20	-
Production Property Expenses	1.15	-
Production Team Salary	3.50	-
Legal Charges A/c.	0.40	-
Professional Charges	2.47	-
Voice Over Expenses	0.32	-
<b>TOTAL</b>	<b>20.44</b>	<b>10.56</b>





19 EARNINGS PER SHARE

Particulars	After extraordinary items	Before extraordinary items	After extraordinary items	Before extraordinary items
<b>Basic/Diluted</b>				
Profit/(Loss) after tax	17.81	17.81	-13.55	-13.55
Weighted average number of shares outstanding	7,08,24,705	7,08,24,705	7,08,24,705	7,08,24,705
Basic EPS	0.03	0.03	-0.02	-0.02
Face value per share	1	1	1	1



**VISION CINEMAS LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023**


(Rs. In Lakhs)

Particulars	Note No.	31.03.2023 Rs.	31.03.2022 Rs.
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
Property, plant, equipment and Intangible Assets	3	127.11	147.76
Deferred Tax Asset	10	27.24	-3.87
Other non-current assets	4	10.56	10.57
<b>Total Non Current Assets</b>		<b>164.91</b>	<b>154.46</b>
<b>Current Assets</b>			
<b>Financial Assets</b>			
Trade Receivables	5	977.96	953.04
Cash and Cash Equivalent	6	4.59	2.70
Other Current Assets	7	9.97	35.03
<b>Total Current Assets</b>		<b>992.53</b>	<b>990.78</b>
<b>TOTAL ASSETS</b>		<b>1,157.43</b>	<b>1,145.22</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	8	789.21	789.21
Other Equity		72.64	28.01
<b>Total Equity</b>		<b>861.85</b>	<b>817.22</b>
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	9	66.90	65.61
<b>Total Non Current Liabilities</b>		<b>66.90</b>	<b>65.61</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Trade Payable	11	128.63	144.25
Other Current Liabilities	12	100.05	118.16
<b>Total Current Liabilities</b>		<b>228.68</b>	<b>262.41</b>
<b>Total Liabilities</b>		<b>295.57</b>	<b>328.02</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,157.42</b>	<b>1,145.22</b>

Significant accounting policies and Notes to accounts are an integral part of financial statements

For and on behalf of the Board of  
Vision Cinemas Limited


Sd/-

  
Ranga Vasanth  
(Director)

Sd/-

  
Anitha Vasanth  
(Director)

As per my report on even date  
For Pradeep Kumar Devaraj & Associates  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 023317s

  
Pradeep Kumar Devaraj (Proprietor)  
Membership No. 242223

Place: Bangalore  
Date: 27/05/2023

UDIN : 23242223 BG YI QY 1406





**VISION CINEMAS LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

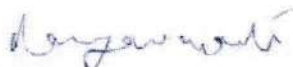
(Rs. In Lakhs)

Particulars	Note No.	31.03.2023 Rs.	31.03.2022 Rs.
<b>Income</b>			
Revenue from operations	13	40.00	-
Other Income	14	24.05	0.05
<b>Total Income</b>		<b>64.05</b>	<b>0.05</b>
<b>Expenses</b>			
Employee benefits expense	15	6.18	0.92
Depreciation and amortisation expense	3	20.65	20.65
Other Expenses	16	23.72	9.91
<b>Total Expenses</b>		<b>50.55</b>	<b>31.47</b>
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		<b>13.50</b>	<b>-31.42</b>
Exceptional items			-
<b>Profit/(Loss) before extraordinary items and tax</b>		<b>13.50</b>	<b>-31.42</b>
Extraordinary Items			-
<b>Profit/(Loss) before Tax</b>		<b>13.50</b>	<b>-31.42</b>
Tax expense:			
(1) Current tax			
(2) Deferred tax		-31.13	0.61
<b>Profit/(Loss) for the year</b>		<b>44.63</b>	<b>-32.03</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss in subsequent period:			
Remeasurement of post employment benefit obligations			-
Income tax relating to these items			-
<b>Other comprehensive income for the year, net of tax Total</b>		<b>-</b>	<b>-</b>
<b>Comprehensive Income for the year</b>		<b>44.63</b>	<b>-32.03</b>
<b>Earnings per share:</b>			
Basic/Diluted	17	-	-

Significant accounting policies and Notes to accounts are an integral part of financial statements.

For and on behalf of the Board of  
Vision Cinemas Limited

Sd/-



Ranga Vasanth  
(Director)

Sd/-



Anitha Vasanth  
(Director)

As per my report on even date  
For Pradeep Kumar Devaraj & Associates  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 023317s



Pradeep Kumar Devaraj (Proprietor)  
Membership No. 242223

Place: Bangalore  
Date: 27/05/2023

UDIN: 23242223B6YIQY1406

**VISION CINEMAS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDING MARCH 31, 2023**

(Rs. In Lakhs)

	Particulars	YEAR ENDED 31.03.2023	YEAR ENDED 31.03.2022
A.	<b>Cash Flow from Operating Activities</b>		
	Profit before Taxation and extraordinary items	13.50	-31.42
	Adjustments for Depreciation	20.65	20.65
	<b>Operating Profit before working capital changes</b>	34.15	-10.78
	<b>Changes in Working Capital:</b>		
	Increase/(Decrease) in Trade Payables	-15.63	0.50
	Increase/(Decrease) in Short Term Provisions		
	Increase/(Decrease) in Other Liabilities	-18.11	1.31
	(Increase)/Decrease in Other Non Current liabilities		
	(Increase)/Decrease in Trade Receivables	-24.92	13.90
	(Increase)/Decrease in Other Current assets	25.05	-4.66
	<b>Cash generated from Operations</b>	0.56	0.27
	Taxes paid (Net of refunds)	-	-
	<b>Net cash generated from operations before extraordinary items</b>	0.56	0.27
	<b>Net cash generated from operating activities</b>	0.56	0.27
B.	<b>Cash Flow from Investing Activities</b>		
	Interest received	-	-
	<b>Net Cash from Investing Activities</b>	-	-
C.	<b>Cash flow from Financing Activities</b>		
	(Increase)/Decrease in Loans & Advances	1.29	
	<b>Net cash raised in Financing activities</b>	1.29	-
	<b>Net increase in cash and cash equivalents</b>	1.89	0.27
	Cash and Cash equivalents at the beginning of the year	2.70	2.43
	Cash and Cash equivalents at the end of the year	4.59	2.70

Notes:

1. There was no significant reconciliation items between cash flow prepared under IGAAP and those prepared under Ind AS

For and on behalf of the Board of  
Vision Cinemas Limited

Sd/-



Ranga Vasanth  
(Director)

Sd/-



Anitha Vasanth  
(Director)

as per my report on even date  
For Pradeep Kumar Devaraj & Associates  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 023317s



Pradeep Kumar Devaraj (Proprietor)  
Membership No. 242223

Place: Bangalore  
Date: 27/05/2023

UDIN: 23242223BG7IQY1406



**3. PROPERTY, PLANT AND EQUIPMENT (Method: Straight Line basis)**

SI No	Particulars	Gross Block				Accumulated Depreciation			Net Block	
		Balance as at 1st April	Additions/ (Disposals)	Revaluations/ (Impairments)	Balance as at 31st March 2023	Balance as at 1st April 2022	Transfer to General reserve	Depreciation for the Year	Balance as at 31st March 2023	Balance as at 31st March 2022
	<b>Tangible Assets</b>									
1	Building	825.71	-	-	825.71	773.84	-	3.65	777.49	48.22
2	Plant & Machinery	895.93	-	-	895.93	810.66	-	15.97	826.63	69.30
3	Furniture & Fixtures	70.07	-	-	70.07	68.82	-	-	68.82	1.25
4	Office Equipment	15.13	-	-	15.13	14.48	-	0.00	14.48	0.64
5	Vehicles	55.78	-	-	55.78	52.63	-	1.03	53.66	3.16
6	Computers	111.58	-	-	111.58	106.00	-	-	106.00	5.58
1	<b>Intangible Assets</b>									
	Multiplex Software	1.80	-	-	1.80	1.80	-	-	1.80	-
	<b>Total</b>	<b>1,975.99</b>	<b>-</b>	<b>-</b>	<b>1,975.99</b>	<b>1,828.24</b>	<b>-</b>	<b>20.65</b>	<b>1,848.89</b>	<b>147.76</b>
	<b>Previous Year</b>	<b>1,975.99</b>	<b>-</b>	<b>-</b>	<b>1,975.99</b>	<b>1,807.59</b>	<b>-</b>	<b>20.65</b>	<b>1,828.24</b>	<b>168.41</b>

## 4 OTHER NON-CURRENT ASSETS

Particulars	As at 31.03.2023	As at 31.03.2022
Bangalore Stock Exchange	3.00	3.00
KEB Deposit	2.52	2.52
Rental Deposit VV Puram	3.07	3.07
Telephone Deposit	0.09	0.09
Water Deposit	0.02	0.02
Security Deposit - Others	1.87	1.87
<b>TOTAL</b>	<b>10.56</b>	<b>10.57</b>

## 5 TRADE RECEIVABLES

Particulars	As at 31.03.2023	As at 31.03.2022
Outstanding for a period exceeding six months from the date they are due for payment	-	-
- from related Parties	977.96	953.04
Others	-	-
<b>TOTAL</b>	<b>977.96</b>	<b>953.04</b>

## 6 CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2023	As at 31.03.2022
Cash on hand	4.27	2.07
Balances with Banks in Current Account	0.32	0.62
<b>TOTAL</b>	<b>4.59</b>	<b>2.70</b>

## 7 OTHER CURRENT ASSETS

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Unsecured, considered good</b>		
Advance to Vendors	9.03	32.72
GST Input receivable	-	1.86
TDS Receivable	0.95	0.45
<b>TOTAL</b>	<b>9.97</b>	<b>35.03</b>



VISION CINEMAS LIMITED  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

8. EQUITY SHARE CAPITAL

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Authorised</b>		
15,00,00,000 (Previous Year 15,00,00,000) Equity Shares of Rs. 1/- each	1,500.00	1,500.00
<b>(A) Issued and Subscribed and fully Paid-up</b>	708.25	708.25
7,08,24,705 (Previous Year 7,08,24,705) Equity Shares of Rs. 1/- each fully paid up		
<b>(B) Forfeiture of Shares</b>		
(arising out of reduction in capital as per court order)		
Opening balance	80.96	80.96
Add : Transfer During the year	-	-
Balance as at the end of the year	80.96	80.96
<b>TOTAL</b>	<b>789.21</b>	<b>789.21</b>

The Company has only one class of shares referred to as equity shares having a par value of Re.1/-. Each holder of equity shares is entitled to one vote per share held.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

Dividend, if approved, is payable to the shareholders in proportion to their shareholding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of number of Shares	As at 31.03.2023		As at 31.03.2022	
	Number of Shares	Amount (in Lakhs)	Number of Shares	Amount (in Lakhs)
<b>Equity Shares:</b>				
Balance as at the beginning of the previous year	7,08,24,705	708.25	7,08,24,705	708.25
	7,08,24,705	708.25	7,08,24,705	708.25
Add: Shares issued during the year				
Balance as at the end of the year	7,08,24,705	708.25	7,08,24,705	708.25

Details of Shares held by shareholders, holding more than 5% of the aggregate shares in the Company.

Particulars	No. of shares	Percentage	No. of shares	Percentage
S.I.Media LLP	1,00,00,000	14.12%	1,00,00,000	14.12%
Anita Vasanth	69,50,170	9.81%	69,50,170	9.81%
Vasanth Color Labs	50,00,000	7.06%	50,00,000	7.06%

Details of Shares held by Promoters of the Company

Promoter Name	No. of shares	Percentage	No. of shares	Percentage
S.I.Media LLP	1,00,00,000	14.12%	1,00,00,000	14.12%
Anita Vasanth	69,50,170	9.81%	69,50,170	9.81%
Vasanth Color Labs	50,00,000	7.06%	50,00,000	7.06%
Bindiganavale Ranga Vasanth Kumar	27,26,263.00	3.85%	27,26,263.00	3.85%
Vishnu Vasanth	21,06,450.00	2.97%	21,06,450.00	2.97%
Vinitha Vasanth	7,11,963.00	1.01%	7,11,963.00	1.01%
<b>Total</b>	<b>2,74,94,846.00</b>	<b>38.82%</b>	<b>2,74,94,846.00</b>	<b>38.82%</b>

# NON - CURRENT LIABILITIES

## Financial Liabilities

Adjustment

9	Borrowings	(Rs. In Lakhs)	
		As at 31.03.2023	As at 31.03.2022
	Particulars		
	Kiran Power	0.30	0.30
	Ranga Vasanth(Director)	24.01	22.71
	Vasanth Colour Labs Limited (Company having common directors)	42.45	42.45
	S I Media LLP	0.14	0.14
	<b>TOTAL</b>	<b>66.90241</b>	<b>65.60823</b>

## 10 DEFERRED TAX LIABILITIES

Particulars	As at 31.03.2023	As at 31.03.2022
On account fiscal allowance of depreciation	26.44	3.87
On account unabsorbed Depreciaton	-20.50	-
On account of brought forward losses	-33.19	-
<b>TOTAL</b>	<b>-27.24</b>	<b>3.87</b>

## 11 TRADE PAYABLES

Particulars	As at 31.03.2023	As at 31.03.2022
Trades payables		
-Related Parties	12.08	-
- Due to micro, small and medium enterprises	-	1.75
-Others	116.54	142.50
<b>TOTAL</b>	<b>128.63</b>	<b>144.25</b>

## 12 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Due to Key managerial personnel</b>		
Ranga Vasanth	12.09	33.69
Anitha Vasanth	62.00	62.00
Vasanth Colour Labs	5.25	5.25
Outstanding Expenses	1.60	1.74
Statutory Dues(Including Providend Fund,Withholding Taxes Payable)	16.45	13.13
Audit Fees Payabale	2.66	2.34
<b>TOTAL</b>	<b>100.05</b>	<b>118.16</b>

There are no amounts due for payment to the Investor Education and Protection Fund under Section 125(2)(e) of the Companies Act, 2013

## 13 Revenue from Operations

Particulars	As at 31.03.2023	As at 31.03.2022
Ad Film Production Income	40.00	-
<b>TOTAL</b>	<b>40.00</b>	<b>-</b>

## 14 OTHER INCOME

Particulars	As at 31.03.2023	As at 31.03.2022
Dividend Income	0.05	0.05
Write Off	24.00	-
<b>TOTAL</b>	<b>24.05</b>	<b>0.05</b>

## 15 Employee Benefit Costs

Particulars	As at 31.03.2023	As at 31.03.2022
Salaries & Wages	6.18	0.92
<b>TOTAL</b>	<b>6.18</b>	<b>0.92</b>



## 16 OTHER EXPENSES

Particulars	As at 31.03.2023	As at 31.03.2022
Audit fees - Statutory	1.50	1.50
Advertising & Print Media Exp.	0.08	0.14
Annual Issuer Fees	0.88	0.23
Annual Listing Fee	3.00	3.00
Bank Charges	0.03	0.04
General Expenses	0.53	0.27
Interest/ Penalty/ Late Fees	0.09	4.25
NSDL Annual Custody Fee	0.31	0.30
Telephone Expnese	0.05	0.04
ROC Charges	-	0.14
Editing Charges	0.45	-
Lighting Expenses	0.96	-
Other Production Expenses	1.80	-
Post Production Expenses	3.20	-
Production Property Expenses	1.15	-
Production Team Salary	3.50	-
Legal Charges A/c.	3.41	-
Professional Charges	2.47	-
Voice Over Expenses	0.32	-
<b>TOTAL</b>	<b>23.72</b>	<b>9.91</b>

17 EARNINGS PER SHARE

Particulars	Current Year		Previous Year	
	After extraordinary items	Before extraordinary items	After extraordinary items	Before extraordinary items
<b>Basic/Diluted</b>				
Profit /(Loss) after tax	44.63	44.63	-13.55	-13.55
Weighted average number of shares outstanding	7,08,24,705	7,08,24,705	7,08,24,705	7,08,24,705
Basic EPS	0.06	0.06	-0.02	-0.02
Face value per share	1	1	1	1



Notes forming part of Financial Statements

## **1. CORPORATE INFORMATION**

Vision Cinemas Limited is a public limited company incorporated in India and the Company has its primary listing on Bombay Stock Exchange.

The Company is engaged in the business of movie exhibition and commenced production of Advertisement Films during the year. The company primarily earned revenue from Advertisement Film Production.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

### **BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENTS**

#### **(a) Statement of Compliance**

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

#### **(b) Basis of measurement**

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial instruments which are measured at fair value at end of each reporting period, as explained in the accounting policies below.

#### **(c) Use of judgement, estimates and assumptions**

The preparation of the financial statements requires the management to make judgements, estimates and assumptions considered in the reported amounts of assets and liabilities and disclosure relating to contingent liabilities as at the date of financial statement and the reported amounts of income and expenditure during the reported year. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

#### **i) Income taxes**

The Company's major tax jurisdictions is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

## **ii) Impairment testing**

Investments in subsidiaries, goodwill and intangible assets are tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

## **iii) Depreciation and amortisation**

Depreciation and amortization is based on management estimates of the future useful lives of certain class of 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 amortization charges.

## **iv) Other estimates**

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

Fair valuation of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **(a) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

### **(b) Investment In Subsidiary:**

Investment in subsidiary company is carried at cost less accumulated impairment losses, 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 subsidiary companies, associate and joint venture companies, the difference between net disposal of proceeds and the carrying amounts are recognised in the statement of Profit and Loss.



### **(c) Property, plant and equipment**

Property, plant and equipment are measured at historical cost or its deemed cost less accumulated depreciation and impairment losses, if any. Historical Cost includes expenditures directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 recognized in the Statement of Profit and Loss.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

Subsequent expenditure on additions and betterment of operational properties are capitalized, only if, it is probable that the future economic benefits associated with the expenditure will flow to the Company and expenditures for maintenance and repairs are charged to statement of Profit & Loss as incurred.

### **(d) Depreciation/ Amortisation**

Depreciable amount for assets is the cost of asset less its estimated residual value.

Depreciation has been provided on assets on the straight-line method, as per the useful life prescribed in Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The Company assesses at each Balance Sheet date whether there is objective evidence that a asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

All the assets except building are at residual value as on 1st April, 2020 and hence depreciation is provided only on building value amount.

The residual values are not more than 5% of the original cost of assets.

### **(e) Leases**

From April 1, 2019, Ind AS 116 'Leases' is applicable to all the listed companies. Ind AS 116 has certain exemptions from the application of Ind AS – 116:

As per explanation and books of accounts provided to us, there are no lease payments done by the company and as per the explanation provided to us, no lease agreements are entered into by the company.

#### **(f) Financial Instruments**

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

#### **Non-derivative financial assets**

##### **i. Financial assets at amortised cost**

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective 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 (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

##### **ii. Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)**

For assets, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the company has exercised the option to classify the equity investment as at FVTOCI, all fair value changes on the investment are recognised in OCI. The



accumulated gains or losses on such investments are not recycled to the Statement of Profit and Loss even on sale of such investment.

**iii. Financial assets at Fair Value through Profit and loss (FVTPL)**

Financial assets which is not classified in any of the above category is measured at FVTPL. These include surplus funds invested in mutual funds etc.

Financial assets included within the FVTPL category are measured at fair values with all changes recorded in the statement of profit and loss.

**Non-derivative financial liabilities Financial liabilities at amortised cost**

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method. For trade and other payable maturing within one year from the Balance Sheet date, the carrying value approximates fair value due to short maturity.

**Financial liabilities at Fair Value through Profit and loss (FVTPL)**

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognized in the statement of profit and loss.

**Derivative financial instruments and hedging activities**

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company enters into derivative contracts to hedge the risks asserted with currency fluctuations relating to firm commitments and highly probable transactions. The Company does not use derivative instruments for speculative purposes.

The Company documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The ineffective portion of changes in the fair value of the derivative is recognised in the Statement of Profit and Loss.

Amounts accumulated in hedging reserve are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects the Statement of Profit and Loss.

The full fair value of a hedging derivative is classified as a current/ non- current, asset or liability based on the remaining maturity of the hedged item.

When a hedging instrument expires, swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in Statement of Changes in Equity is recognised in the Statement of Profit and Loss.

#### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

#### **Fair value measurement**

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the Balance Sheet date.
- ii) Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.
- iii) Level 3 - The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

#### **(f) Employee Benefits**

Salaries and wages paid to employees is recognized as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

The Company does not have any policy for deduction of professional Tax, Provident Fund, ESIC and/or any other employee benefit plans.

#### **(g) Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized 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.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

**(h) Income Taxes**

Income tax comprises current and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

- a) Current income tax - Current income tax liability/ (asset) for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the year. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the year. The Company off sets 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 liability simultaneously.
- b) Deferred tax - Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

**(i) Cash flow Statement:**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of anon-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cashflows. The cash flow from operating, investing and financing activities of the Company are segregated.

**(j) Revenue Recognition**

The Company derives revenue primarily from production of Advertisement Motion Films. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company, and the revenue can be reliably measured regardless of when the payment is being made. Revenue excludes goods and service tax, sales tax and entertainment tax which are collected by the Company on behalf of the Government and deposited to the credit of respective Governments.



(k) Dividend and dividend distribution tax Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The Company declares and pays dividends in Indian rupees and are subject to applicable distribution taxes. The applicable distribution taxes are treated as an appropriation of profits.

(l) Foreign Currency transactions and translations Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

(m) Finance Income and expense Finance income consists of interest income on funds invested, dividend income and fair value gains on the FVTPL financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Dividend income is recognized in the statement of profit and loss on the date that the Company's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method.

#### **(n) Earnings per share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

#### **(o) Contingent Liabilities**

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

The company has defaulted in timely submission of SEBI statutory statements and has been late in filing statements. The basic fine payable is of Rs. 1,03,32,472 pursuant to SEBI SOP Circular for the period from March 2014 to March, 2023 as per information given by the management.

The company has not made provision for above referred contingent liabilities in its financial statements. In view of the Management, the company is not liable to pay the penalty and has made representations to the Stock Exchange in this regards.

**(p) Contingent Assets**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognize a contingent asset.

**(q) Events after the reporting period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

**(r) Borrowing Costs**

Borrowing costs include interest and amortization of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction /development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

During the year company has not incurred any borrowing expenses.

**(s) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

**(t) Goods & Service Tax:**

GST credit on materials purchased for production / service availed for production/ input service are taken into account at the time of purchase and GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

The GST credits so taken are utilized for payment of excise duty/GST on sales. The unutilized GST credit is carried forward in the books. The GST credits so taken are utilized for payment of tax on goods sold. The unutilized GST credit, if any, is carried forward in the books.

**18. Segment reporting:**

The company is engaged in the business of providing Screening and distribution Services. The company is therefore having one business segment, only.

**19. Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.**

Total creditors as on 31.03.2023 is Rs. 1,08,64380. Details of classification of creditors into MSME and non MSME is not available. As per our knowledge there is one creditor as on March 31, 2023 with credit balance of Rs. 1,50,000, which qualifies under dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. In the absence of additional information, we are not able to comment on the actual outstanding balance as on March 31, 2023 payable to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

20. In the opinion of Management, any of the assets other than items of property, plant and equipment, intangible assets and Non-Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.

21. On periodical basis and as and when required, the Company reviews the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss have been provided in the Financial Year 2021-22 (Previous Year Rs. Nil)

**22. Financial Instruments and Risk Management**

**Risk Management Framework** The Company's risk management is governed by policies and approved by the board of directors. Company's identifies, evaluates and hedges financial risks in close co- operation with the Company's operating units. The company has policies for overall risk management, as well as policies covering specific areas, such as - exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**a. Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company maintains its cash and cash equivalents and bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their creditworthiness on an on-going basis. The maximum exposure to credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of the adoption of Ind AS 109, the company uses ECL model to assess the impairment loss or gain. The company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the company's experience for customers.



The Company reviews trade receivables on periodic basis and charges to profit and loss account when management feels the amount will not be receivable in future. The Company also calculates the expected credit loss (ECL) for non- collection of receivables.

**b. Liquid Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and liabilities including debt financing plans and maintenance of balance sheet liquidity ratios are considered while reviewing the liquidity position.

**Exposure to Liquid Risk:**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

**c. Market Risk**

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors. Market risk comprises two types of risks:

**a) Currency Risk**

The functional currency of the Company is Indian Rupee. The Company is exposed to currency risk on account of receivables in foreign currency. Company is exposed to currency risk on account of receivables in foreign currency. The company does not have any unhedged foreign currency exposure as on 31/03/2023.

**b) Price Risk**

As of 31st March 2023, the company has nil exposure on security price risks.

**d. Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The carrying amount of cash and cash equivalents, trade receivables, trade payables considered to be the same as their values due to their short term nature.

**23. Ageing of Trade Receivable : Current outstanding as at March 31,2023****(Rs. In Lakhs)**

Particulars	Outstanding for the following periods from the due date of payment					
	Less than 6 months	6 months- 1 years	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade Receivables considered Good	28.25	-	-	97.5	852.21	977.96
ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables- credit impaired						

**Ageing of Trade Receivable : Current outstanding as at March 31,2022****(Rs. In Lakhs)**

Particulars	Outstanding for the following periods from the due date of payment					
	Less than 6 months	6 months- 1 years	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade Receivables considered Good	-	-	-	75.25	877.79	953.04
ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-

**24. Ageing of Trade Payables: Current outstanding as at March 31,2023****(Rs. In Lakhs)**

Particular	Outstanding for the following periods from the due date of payment					
	Less than 6 months	6 months- 1 years	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	2.14	1.66	2.67	2.61	99.56	108.64
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues- Other	-	-	-	-	-	-

**Ageing of Trade Payables: Current outstanding as at March 31,2022****(Rs. In Lakhs)**

Particular	Outstanding for the following periods from the due date of payment					
	Less than 6 months	6 months- 1 years	1-2 years	2-3 years	More than 3 years	Total
MSME	1.50	-	-	-	-	1.50
Others	0.90	0.15	7.71	0.63	110.81	120.20
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues- Other	-	-	-	-	-	-

**25. Related Party Transactions**

Following are the name and relationship of related parties with which company have transactions/balances:

**Associate/Subsidiary/Related Company/Enterprise/Firms:**

- M/s Pyramid Entertainment India Pvt Ltd
- M/s Vasanth Color Laboratories India Ltd
- M/s SI Media LLP
- M/s Visual Communication Services
- Kavita Communications

Key Management Personnel along with their relatives having significant influence:

**a. Key Management Personnel**

- Ranga Vasanth
- Anita Vasanth

Disclosures in respect of significant transactions with related parties during the year:

Transactions	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Sale of Services</b>		
Kavita Communications	25,00,000	=
Visual Communication Services	15,00,000	=
<b>Purchase of Services</b>		
Kavita Communications	22,690	14,619



<b>Investment in Subsidiary Shares</b>		
Pyramid Entertainment India Pvt Ltd	4,99,000	4,99,000
<b>Loan given to</b>		
Pyramid Entertainment India Pvt Ltd	4,03,6000	50,000
SI Media LLP		-
<b>Repayment of Loan from</b>		
SI Media LLP		13,90,005
<b>Receipt of Loan</b>		
Vasanth Color Laboratories India Ltd		25,500
Ranga Vasanth		20,000
Anitha Vasanth	22,690	1,00,000
Kavita Communications		-
Visual Communication Services	4,500	-
SI Media LLP	15,01,000	
<b>Repayment of Loan</b>		
Ranga Vasanth		20,000
<b>Disclosure of closing balances:</b>		
<b>Amount Due to</b>		
Vasanth Color Laboratories India Ltd		5,24,500
Ranga Vasanth	3,78,660	12,09,317
Anita Vasanth	62,00,000	62,00,000
Kavita Communications	3,37,850	7,24,460
<b>Amount Due From</b>		
SI Media LLP		9,53,04,454
Pyramid Entertainment India Pvt Ltd	6,72,93,564	6,68,89,964
<b>Advances to Trade Creditors</b>		
Visual Communication Services	29,07,100	11,71,600

## 26. Disclosure of Ratio

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance (in%)
Current Ratio (in times)	Current Assets	Current Liabilities	4.83	4.63	0.19
Debt-Equity Ratio (in times)	Long term debts	Shareholders Fund	0.01	0.01	-0.01
Debt Service Coverage Ratio (in times)	EBITDA	Interest+Principal	-	-	-
Return on Equity Ratio (in %)	Profit After Tax	Shareholders Fund	0.01	-0.01	0.02
Trade Receivables Turnover Ratio (in times)	Revenue From Operation	Average Trade Receivables	0.04	-	0.04
Trade Payables Turnover Ratio (in times)	Cost of Materials Consumed+Other Expense	Average Trade Payable	-	-	-
Net Capital Turnover Ratio (in times)	Revenue From Operation	Average working capital(CA-CL)	0.05	-	0.05
Net Profit Ratio (in %)	Profit After Tax	Revenue From Operation	0.45	-	0.45
Return on Capital employed (in %)	Profit before tax and finance cost	Capital Employed = Networth + Non Current Borrowings	0.01	-0.01	0.02
Return on Investment (in %)	Income generated from investments	Time weighted average investments	-	-	-

27. Previous year's figures have been regrouped and rearranged wherever necessary, to make them comparable with those of current year.

For and on behalf of the Board of Directors of  
M/s. Vision Cinemas Limited

Ranga Vasanth  
(Director)  
DIN: 01763289

Anitha Vasanth  
(Director)  
DIN: 01763255

Place: Bangalore  
Date: 27/05/2023

As per our report of even date  
For, M/s. Pradeep Kumar Devaraj  
Chartered Accountants  
FRN: 023317s

Pradeep Kumar Devaraj  
(Proprietor)  
M No. 242223



## **Notes forming part of Consolidated Financial Statements**

### **1. CORPORATE INFORMATION**

The Consolidated financial statements of Vision Cinemas Limited is made up of the Vision Cinemas Limited together with its subsidiaries Pyramid Entertainment India Pvt Ltd. (collectively referred to as the "Group").

The Company is engaged in the business of movie exhibition. The company earns revenue from screening income and distribution income.

The Vision Cinemas Limited is a public limited company incorporated in India and the Company has its primary listing on Bombay Stock Exchange.

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENTS**

##### **(a) Statement of Compliance**

These consolidated financial statements have not been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

##### **(b) Basis of measurement**

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial instruments which are measured at fair value at end of the each reporting period, as explained in the accounting policies below.

##### **(c) Use of judgement, estimates and assumptions**

The preparation of the financial statements requires the management to make judgements, estimates and assumptions considered in the reported amounts of assets and liabilities and disclosure relating to contingent liabilities as at the date of consolidated financial statement and the reported amounts of income and expenditure during the reported year. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

##### **i) Income taxes**

The Group's major tax jurisdictions is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible



differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

#### ii) Impairment testing

Investments in goodwill and intangible assets are tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

#### iii) Depreciation and amortisation

Depreciation and amortisation is based on management estimates of the future useful lives of certain class of 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.

#### iv) Other estimates

The preparation of Consolidated financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of consolidated financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

Fair valuation of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

#### Basis of Consolidation

Name of the Company	Country of Incorporation	Proportion of Ownership as on March 31, 2023	Proportion of Ownership as on March 31, 2022
Pyramid Entertainment India Pvt Ltd.	India	99.8%	99.8%

#### Principles of Consolidation and equity accounting

- **Subsidiary companies**

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is obtained by the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Consolidated Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Consolidated Balance Sheet respectively.

- **Equity Method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in postacquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from subsidiary Company are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its subsidiary Company are eliminated to the extent of the Group interest in these entities.

Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in (ix) below.

- **Change in ownership interest**

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the Consolidated Statement of Profit and Loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture Company or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in

Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss where appropriate.

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **(a) Functional and presentation currency**

Items included in the Consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the “functional currency”). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company. The functional currency of its subsidiary is also Indian Rupee.

### **(b) Property, plant and equipment**

Property, plant and equipment are measured at historical cost or its deemed cost less accumulated depreciation and impairment losses, if any. Historical Cost includes expenditures directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 recognized in the Statement of Profit and Loss.

### **(c) Depreciation/ Amortisation**

Depreciable amount for assets is the cost of asset less its estimated residual value.

Depreciation has been provided on all assets on the straight line method, as per the useful life prescribed in Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The Company assesses at each Balance Sheet date whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

All the assets of Parent Company except building are at residual value as on 1<sup>st</sup> April, 2021 and hence depreciation is provided only on building value amount. Depreciation on all the assets of subsidiary company are provided according to the applicable rates.

The residual values are not more than 5% of the original cost of assets.



#### **(d) Leases**

From April 1, 2019, Ind AS 116 'Leases' is applicable to all the listed companies. Ind AS 116 has certain exemptions from the application of Ind AS – 116:

As per explanation and books of accounts provided to us, there are no lease payments done by the company and as per the explanation provided to us, no lease agreements are entered into by the company.

#### **(e) Financial Instruments**

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

##### **Non-derivative financial assets**

###### **i. Financial assets at amortised cost**

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective 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 (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

#### ii. Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

For assets, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the company has exercised the option to classify the equity investment as at FVTOCI, all fair value changes on the investment are recognised in OCI. The accumulated gains or losses on such investments are not recycled to the Statement of Profit and Loss even on sale of such investment.

#### iii. Financial assets at Fair Value through Profit and loss (FVTPL)

Financial assets which is not classified in any of the above category is measured at FVTPL. These include surplus funds invested in mutual funds etc.

Financial assets included within the FVTPL category are measured at fair values with all changes recorded in the statement of profit and loss.

### **Non-derivative financial liabilities**

#### Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method. For trade and other payable maturing within one year from the Balance Sheet date, the carrying value approximates fair value due to short maturity.

#### Financial liabilities at Fair Value through Profit and loss (FVTPL)

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognized in the statement of profit and loss.

#### Derivative financial instruments and hedging activities

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group enters into derivative contracts to hedge the risks asserted with currency fluctuations relating to firm commitments and highly probable transactions. The Company does not use derivative instruments for speculative purposes.

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income. The ineffective portion of changes in the fair value of the derivative is recognised in the Consolidated Statement of Profit and Loss.

Amounts accumulated in hedging reserve are reclassified to the Consolidated Statement of Profit and Loss in the periods when the hedged item affects the Consolidated Statement of Profit and Loss.

The full fair value of a hedging derivative is classified as a current/ non- current, asset or liability based on the remaining maturity of the hedged item.

When a hedging instrument expires, swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in Consolidated Statement of Changes in Equity is recognised in the Consolidated Statement of Profit and Loss.

### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Consolidated Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

### Fair value measurement

The Group classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

i) Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the Balance Sheet date.

ii) Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.

iii) Level 3 - The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

### (f) Employee Benefits

Salaries and wages paid to employees is recognized as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

The Company does not have any policy for deduction of professional Tax, Provident Fund, ESIC and/or any other employee benefit plans.

### (g) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized 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.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

#### (h) Income Taxes

Income tax comprises current and deferred tax. Income tax expense is recognized in the Consolidated Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

- a) **Current income tax** - Current income tax liability/ (asset) for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the year. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the year. 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 liability simultaneously.
- b) **Deferred tax** - Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

#### (i) Cash flow Statement:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cash-flows. The cash flow from operating, investing and financing activities of the Group are segregated.

**(j) Revenue Recognition**

The Group derives revenue primarily from screening and distribution income. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group, and the revenue can be reliably measured regardless of when the payment is being made. Revenue excludes goods and service tax, sales tax and entertainment tax which are collected by the Group on behalf of the Government and deposited to the credit of respective Governments.

**(k) Dividend and dividend distribution tax**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The Company declares and pays dividends in Indian rupees and are subject to applicable distribution taxes. The applicable distribution taxes are treated as an appropriation of profits.

**(l) Foreign Currency transactions and translations**

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated Statement of Profit and Loss and reported within foreign exchange gains/(losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

**(m) Finance Income and expense**

Finance income consists of interest income on funds invested, dividend income and fair value gains on the FVTPL financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Dividend income is recognized in the Consolidated statement of profit and loss on the date that the Group's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the Consolidated Statement of Profit and Loss using the effective interest method.

**(n) Earnings per share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**(o) Contingent Liabilities**

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

The group has defaulted in timely submission of SEBI statutory statements and has been late in filing statements. The basic fine payable is of Rs. 1,03,32,472 pursuant to SEBI SOP Circular for the period from March – 2014 to March-2021. The group has not made provision for above referred contingent liabilities in its financial statements.

**(p) Contingent Assets**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Group does not recognize a contingent asset.

**(q) Events after the reporting period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

**(r) Borrowing Costs**

Borrowing costs include interest and amortization of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. During the year company has not incurred any borrowing expenses.

**(s) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

**(t) Goods & Service Tax:**

GST credit on materials purchased for production / service availed for production/ input service are taken into account at the time of purchase and GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

The GST credits so taken are utilized for payment of excise duty/GST on sales. The unutilized GST credit is carried forward in the books. The GST credits so taken are utilized for payment of tax on goods sold. The unutilized GST credit, if any, is carried forward in the books.

**16. Segment reporting:**

The company is engaged in the business of providing Screening and distribution Services. The company is therefore having one business segment, only.

**17. Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.**

Total creditors of group as on 31.03.2023 is Rs. 1,28,62,818 and as on 31.03.2022 is Rs.1,44,25,456. Details of classification of creditors into MSME and non MSME is not available.

18. In the opinion of Management, any of the assets other than items of property, plant and equipment, intangible assets and Non-Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.

19. On periodical basis and as and when required, the Company reviews the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss have been provided in the Financial Year 2021-22 (Previous Year Rs. Nil)

**20. Financial Instruments and Risk Management**

**Risk Management Framework**

The Company's risk management is governed by policies and approved by the board of directors. Company's identifies, evaluates and hedges financial risks in close co- operation with the Company's operating units. The company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**a. Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company maintains its cash and cash equivalents and bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis. The maximum exposure to credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of the adoption of Ind AS 109, the company uses ECL model to assess the impairment loss or gain. The company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the company's experience for customers.

The Company reviews trade receivables on periodic basis and charges to profit and loss account when management feels the amount will not be receivable in future. The Company also calculates the expected credit loss (ECL) for non- collection of receivables.



#### b. Liquid Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and liabilities including debt financing plans and maintenance of balance sheet liquidity ratios are considered while reviewing the liquidity position.

#### Exposure to Liquid Risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

#### c. Market Risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors. Market risk comprises two types of risks:

##### a) Currency Risk

The functional currency of the Company is Indian Rupee. The Company is exposed to currency risk on account of receivables in foreign currency.

Company is exposed to currency risk on account of receivables in foreign currency.

##### b) Price Risk

As of 31st March 2023, the company has nil exposure on security price risks.

#### d. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

(a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

(c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants

The carrying amount of cash and cash equivalents, trade receivables, trade payables considered to be the same as their values due to their short-term nature.

**21. Ageing of Trade Receivable : Current outstanding as at March 31, 2023 (Rs. In Lakhs)**

Particulars	Outstanding for the following periods from the due date of payment					
	Less than 6 months	6 months- 1 years	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade Receivables considered Good	28.25	-	-	97.5	852.21	977.96
ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables-credit impaired						

**Ageing of Trade Receivable : Current outstanding as at March 31, 2022 (Rs. In Lakhs)**

Particulars	Outstanding for the following periods from the due date of payment					
	Less than 6 months	6 months- 1 years	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade Receivables considered Good	-	-	-	75.25	877.79	953.04
ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
v) Disputed Trade Receivables which have	-	-	-	-	-	-

significant increase in credit risk						
vi) Disputed Trade Receivables- credit impaired						

**22. Ageing of Trade Payables : Current outstanding as at March 31,2023(Rs. in Lakhs)**

Particular	Outstanding for the following periods from the due date of payment					
	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	0	0.72	2.00	2.57	123.34	128.63
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues- Other	-	-	-	-	-	-

**Ageing of Trade Payables : Current outstanding as at March 31,2022(Rs. in Lakhs)**

Particular	Outstanding for the following periods from the due date of payment					
	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	Total
MSME	1.75	-	-	-	-	1.75
Others	0.90	0.15	19.42	0.63	121.15	142.25
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues- Other	-	-	-	-	-	-

**23. Related Party Transactions**

Following are the name and relationship of related parties with which company have transactions/balances:

Associate/Subsidiary/Related Company/Enterprise/Firms:

- M/s Pyramid Entertainment India Pvt Ltd
- M/s Vasanth Color Laboratories India Ltd
- M/s SI Media LLP
- M/s Visual Communication Services
- Kavita Communications

Key Management Personnel along with their relatives having significant influence:

a. Key Management Personnel

- Ranga Vasanth
- Anita Vasanth

Disclosures in respect of significant transactions with related parties during the year:

Transactions	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>Sale of Services</b>		
Visual Communication Services	15,00,000	-
Kavita Communications	25,00,000	-
<b>Purchase of Services</b>		
Kavita Communications	-	14,619
<b>Loan given to</b>		
SI Media LLP	-	35,000
<b>Repayment of Loan from</b>		
SI Media LLP	-	13,90,005
<b>Receipt of Loan from</b>		
Vasanth Color Laboratories India Ltd	-	25,500
Ranga Vasanth	-	20,000
Anitha Vasanth	-	1,00,000
Kavita Communications	22,690	-
Visual Communication Services	-	-
SI Media LLP	15,01,000	
<b>Repayment of Loan</b>		
Ranga Vasanth	-	20,000
<b>Disclosure of closing balances:</b>		
<b>Amount Due to</b>		
Vasanth Color Laboratories India Ltd	48,84,408	48,84,408
Ranga Vasanth	34,80,732	34,80,732
Anita Vasanth	62,00,000	62,00,000
Kavita Communications	7,47,150	7,24,460
<b>Amount Due From</b>		
Visual Communication Services	18,13,162	10,93,938
SI Media LLP	9,37,89,454	
Visual Communication Services		
<b>Advances to Trade Creditors</b>		
Visual Communication Services		11,71,600



**24. Disclosure of Ratio**

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance (in%)
Current Ratio (in times)	Current Assets	Current Liabilities	4.34	3.78	0.56
Debt-Equity Ratio (in times)	Long term debts	Shareholders Fund	0.08	0.08	-0.00
Debt Service Coverage Ratio (in times)	EBITDA	Interest+Principal	-	-	-
Return on Equity Ratio (in %)	Profit After Tax	Shareholders Fund	0.05	-0.04	0.09
Trade Receivables Turnover Ratio (in times)	Revenue From Operation	Average Trade Receivables	-0.01	-	-0.01
Trade Payables Turnover Ratio (in times)	Cost of Materials Consumed+Other Expense	Average Trade Payable	0.37	-	0.37
Net Capital Turnover Ratio (in times)	Revenue From Operation	Average working capital(CA-CL)	0.05	-	0.05
Net Profit Ratio (in %)	Profit After Tax	Revenue From Operation	1.12	-	1.12
Return on Capital employed (in %)	Profit before tax and finance cost	Capital Employed = Networth + Non Current Borrowings	0.01	-0.04	0.05
Return on Investment (in %)	Income generated from investments	Time weighted average investments	-	-	-

25. Previous year's figures have been regrouped and rearranged wherever necessary, to make them comparable with those of current year.

For and on behalf of the Board of Directors of  
M/s. Vision Cinemas Limited

Ranga Vasanth  
(Director)  
DIN: 01763289

Anitha Vasanth  
(Director)  
DIN: 01763255

Place: Bangalore  
Date: 27/05/2023

As per our report of even date  
For, M/s. Pradeep Kumar Devaraj  
Chartered Accountants

FRN: 023317s

Pradeep Kumar Devaraj  
(Proprietor)  
M No. 242223



UDIN<sup>o</sup> 23242223BG4IQ41406