UGAR THEATRE PRIVATE LIMITED

43rd Annual Report 2019 - 20

Board of Directors

1	Raghunath Pandurang Tagare	……….. Chairman
2	Prafulla Vinayak Shirgaokar	……….. Director
3	Rajendra Vinayak Shirgaokar	……….. Director

Registered Office:
CIN:- U33205KA1977PTC003250
Chaitanya Chitramandir,
Ugarkhurd- 591316
Email- usw.secretrialdept@ugarsugar.com
Phone- (08339) 272230

Auditors'
M/s. P.G. Bhagwat,
Chartered Accountants,
Ashirwad's Landmark, Block No. 104,
Roy Road, Tilakwadi,
Belagavi – 590006, Karnataka.

UGAR THEATRE PRIVATE LIMITED

Regd. Off: Chitanya Chitramandir, Ugar Khurd- 591316
Phone / Mobile No.- 08339-272230 Email id- usw.secretrialdept@ugarsugar.com
CIN No. U33205KA1977PTC003250

NOTICE

Notice is hereby given that the Forty Third Annual General Meeting of **UGAR THEATRE PRIVATE LIMITED,** will be held on Monday day, the 21st September, 2020 at 04.00 p.m the Registered Office of the company at Ugar Khurd to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements as at 31st March, 2020 alongwith the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Rajendra V. Shirgaokar, Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

3. To consider ratification of appointment of the Auditors of the Company, M/s. P. G. Bhagwat, Chartered Accountants (FRN – 101118W) to hold the office from the conclusion of this Annual General Meeting till the conclusion of 47th Annual General Meeting and to authorise the Board to fix their remuneration.

On behalf of the Board of Directors,

For Ugar Theatre Private Limited.

Place: Ugar khurd

Date: 25-06-2020

Regd Office:
Chaitanya Chitramandir, Ugar Khurd- 591316

Raghunath P. Tagare
Chairman
DIN: 00645812

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY, IN ORDER TO BE EFFECTIVE MUST BE DULY FILLED, STAMPED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXY SUBMITTED ON BEHALF OF CORPORATE ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION / AUTHORITY AS APPLICABLE, ISSUED ON BEHALF OF THE APPOINTING ORGANISATION.**
2. Members / Proxies are requested to bring duly filled attendance slips to be deposited with the Company officials at the venue of the meeting.
3. The members are requested to bring their copies of Annual Report along with them to the Annual General Meeting. Members are requested to notify promptly any change in their addresses to the Company.

4. Majority of the Shareholders, reside in Ugar Khurd and nearby areas and outside the containment zone and where Lockdown is lifted. Hence it is convenient to hold physical meeting, keeping all the important norms of safety in tact.

Directors' Report

Section 134 (3) read with Rule 8 of Companies (Accounts) Rules, 2014

Dear Shareholders,

Your Directors present their 43rd Annual Report with the Audited Accounts of the Company for the year ended 31st March, 2020.

a) The extract of the annual return as provided under sub-section (*3*) of section 92:

Form No. MGT-9
EXTRACT OF ANNUAL RETURN OF

UGAR THEATRE PRIVATE LIMITED
(CIN: U33205KA1977PTC003250)
as on the financial year ended on 31-03-2020
[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

Extract of the Annual Return is annexed as "Annexure - A"

b) The state of the Company's affairs:

General:
The Company has continued its warehousing activities. The Company's site is located at Ugarkhurd.

Financial Summary / Highlights:

Brief financial results of the Company for the financial year are as under:

Particulars	Amount in Lakh	*Amount in Lakh*
	31-03-2020	*31-03-2019*
Total Income	**3.75**	*3.81*
Total Expenditure (including Depreciation)	**3.07**	*2.67*
Profit before Tax	**0.67**	*1.14*
Tax Expenses	**0.14**	*0.22*
Profit After Tax	**0.52**	*0.91*

c) Number of meetings of the Board:
6 (Six) Board Meetings were held during the year.

d) Directors Responsibility Statement:

Pursuant to the requirement under clause (c) of sub-section (3) of section 134 of the Companies Act, 2013 with respects to Directors responsibility Statement, it is stated that:

(*a*) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(*b*) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(*c*) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(*d*) the directors had prepared the annual accounts on a going concern basis; and

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;

(*f*) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

e) Statement on declaration given by independent directors under sub-section (*6*) of section 149:

Company does not fall within the criteria given under Section 149(6) and the Companies(Appointment of Directors) Rules, 2014, hence this provision is not applicable.

f) In case of a company covered under sub-section (*1*) of section 178, company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (*3*) of section 178;-

Company does not fall within the criteria given under Section 178(1) read with Companies (Meetings of Board and its Powers), Rules 2014 and the Companies(Appointment of Directors) Rules, 2014, hence this provision is not applicable.

g) Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made- by the Auditors:

(i) By the auditors in his report, and

There are no Qualifications/ Observations given in the Auditor's Report.

(ii) By the Company Secretary in practice in his secretarial audit report

Secretarial Audit is not applicable to the Company as the company is a Non-material subsidiary.

h) Particulars of loans, guarantees or investments under section 186:

There are not items falling within the purview of Section 186 during the year.

i) <u>Particulars of contracts or arrangements with Related Parties referred to in sub-section (*1*) of section 188:</u>

Contracts or arrangements with the related parties should be stated here in Form AOC-2 (i.e. Rule 8 of Companies (Accounts) Rules, 2014)

Form No. AOC-2

(Pursuant to *clause (h) of sub-section (3)of section 134 of the Act and* Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party	The Ugar Sugar Works Ltd Ugar Pipe Industries Pvt Ltd
	nature of relationship	Investee Company Related Party
(b)	Nature of contracts /arrangements / transactions	Warehousing Charges
(c)	Duration of the contracts / arrangements / transactions	5 years w.e.f. 23-09-2015 – Ugar Sugar 5 years w.e.f. 24-09-2018 – Ugar Pipe
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The Contract is made for using the premises for warehousing purposes. Warehousing Charges payable / Purchases / availment of services Maximum upto Rs. 10 Lakh Warehousing Charges receivable / Sales / providing services Maximum upto Rs. 10 Lakh
(e)	date(s) of approval by the Board / AGM	21-06-2019
(f)	Amount paid as advances, if any:	NIL
	Actual Value of transaction	The Ugar Sugar Works Ltd Sales Rs. 2.49 lakh Ugar Pipe Industries Pvt Ltd Rs 1.22 Lakh

During the year Company has become Wholly owned subsidiary of The Ugar Sugar Works Ltd. Hence the exemptions given under Section 188 are applicable to the Company.

(ii) The change in the nature of business, if any; - Not Applicable

(iii) <u>The details of directors ~~or key managerial personnel~~ who were appointed or have resigned during the year; including Independent Director;</u>

To appoint a Director in place of Mr. Rajendra V. Shirgaokar, Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment. Being fit & proper person, you are requested to consider and approve his re-appointment.

(iv) The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year; -

During the year under review Company has become 100% Subsidiary Company of The Ugar Sugar Works Limited, its Holding Company. Entire shareholding is held by Holding Company, details given as under:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	The Ugar Sugar Works Limited Mahaveernagar, Sangli	L15421PN1939PLC006738	Holding Co	100%	2 (46)

During the year company has acquired 100% shareholding of Ugar Theatres Private Limited, Ugar Khurd from various Shareholders. Total 2274 shares of Rs. 100/- each ,

The holding Company "The Ugar Sugar Works Ltd " having 1096 shares before acquiring and the holding company again acquired 1178 shared of Rs.100/- each with premium of Rs 3700/- each the total value of Rs 3800/-per share amounting to Rs. 44,76,400/- as on 30.September 2019 were purchased way of investment.

Separate Annexure of AOC-1 is given inrelation to the information of Associate / Subsidiary Companies for the Current Financial Year.

(v) The details relating to deposits, covered under Chapter V of the Act,-
Your Company has not accepted any deposits during the current financial year nor any deposits were accepted by the Company during any previous years and no balance is lying with the company relating to Fixed Deposits.

(vii) the details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future; - Not Applicable

(viii) The internal financials controls of the company are adequate based on the size of the Company.

(ix) Company has complied with the applicable secretarial standards.

(x) There are no amounts outstanding payable to Micro and Small Enterprises for the current financial year.

j) Amounts if any which it proposes to carry it to reserves:
The Company has not transferred any amount to the reserves during the current financial year.

k) Dividend:
Your directors have not recommended any Dividend for the FY 2019-20.

l) Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report: - Not Applicable

m) Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo in such manner as may be prescribed:
No measures were taken by the Company during the year under this head and there are no Foreign Exchange Earnings & Outgo during the year.

n) Corporate Social Responsibility Initiatives:
Company does not fall within the criteria prescribed under section 135 of the Act, hence disclosure is not applicable.

o) Such other matters as may be prescribed:

i) **Auditors:**
You are requested to make appointment of auditors M/s P. G. Bhagwat, Chartered Accountants, vide FRN: 101118W, are eligible and intend to be appointed as Auditors of the Company and to authorize the board to fix their remuneration.

ii) Cost Audit:
Maintenance of Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is not applicable to the Company.

iii) Prevention, prohibition & redressal of sexual harassment of women at work place:
There are no employees on the roll of the company.

iv) Managerial Remuneration:

A) Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 – Pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there is no employee drawing remuneration which requires disclosure.

v) Risk Management Policy:

Company has framed a Risk Management Policy and has identified the risks associated with the business and related framework.

p) **Secretarial Audit Report:** - Being a Non-material subsidiary Company of the Listed entity The Ugar Sugar Works Limited, Secretarial Audit is not applicable to the Company.

q) **Acknowledgement:**
Your Directors thank the Government, Authorities, Bankers, Shareholders, Consultants and staff for their co-operation.

On behalf of the Board of Directors,

For Ugar Theatre Private Limited.

Raghunath P. Tagare
Chairman
DIN: 00645812

Place: Ugar khurd

Date: 25-06-2020

Regd Office:
Chaitanya Chitramandir, Ugar Khurd- 591316

UGAR THEATRE PRIVATE LIMITED
CIN: U33205KA1977PTC003250
Regd. Office: Chitanya Chitramandir, Ugar Khurd- 591316
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ATTENDANCE SLIP FOR 43rd ANNUAL GENERAL MEETING

Held on .... day, the .... September, 2020 at the Registered Office of the company at ...... a.m./ p.m.

Ledger Folio No: ____

Full Name of the Shareholder/Proxy:____
(in block letters)

I, certify that, I am a registered Shareholder/ Proxy for the registered Shareholder of the Company.

I, hereby record my presence at the 43rd Annual General Meeting of the Company to be held on ....day, the .... September, 2020 at the Registered Office of the company at .... a.m. / p.m. and at any adjournment thereof.

Shareholder/ Proxy's Signature:________________________

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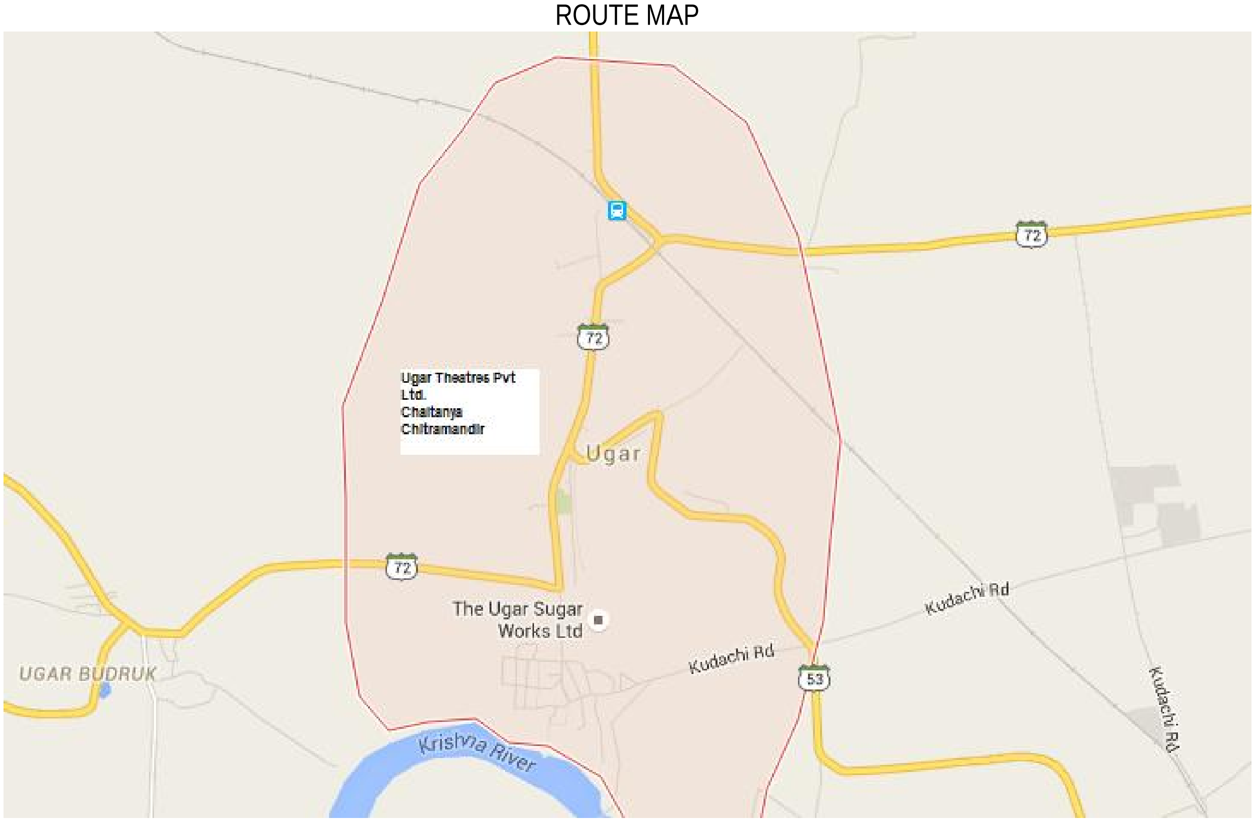
ROUTE MAP



Form No. MGT-11 - Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U33205KA1977PTC003250

Name of the company: UGAR THEATRE PRIVATE LIMITED
Regd. Office: Chitanya Chitramandir, Ugar Khurd- 591316

Name of the member (s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID:

I/We, being the member (s) of ……………………. shares of the above named company, hereby appoint

1. Name :...
Address:...
E.mail ID:……………………………..Signature:..……....... or failing him

2. Name :...
Address:...
E.mail ID:……………………………..Signature:.. or failing him

3. Name :...
Address:...
E.mail ID:……………………………..Signature:.. as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 43rd Annual general meeting / ~~Extraordinary general meeting~~ of the company, to be held on .... day, the ..... September, 2020 at the Registered Office of the company at 11.00 a.m at Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

Item No. of Notice	Summary of Business to be transacted at an Annual General Meeting
	Ordinary Business
1	To receive, consider and adopt Financial Statements of the Company for the year ended March 31, 2020, and the reports of the Board of Directors and Auditors thereon
2	To consider re-appointment of the Director retire by rotation
3	To ratify the appointment & remuneration of Auditors

Signed this…… day of……………………………… 20….

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Annexure-A

Form No. MGT-9
EXTRACT OF ANNUAL RETURN OF

UGAR THEATRE PRIVATE LIMITED
(CIN: U33205KA1977PTC003250)
as on the financial year ended on 31-03-2020

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	CIN	U33205KA1977PTC003250
ii.	Registration Date	29/11/1977
iii.	Name of the Company	Ugar Theatre Private Limited
iv.	Category Sub-Category of the Company	Company limited by shares Indian Non Government Company
v.	Address of the Registered office and contact details	Ugar Khurd, Belgaum 591316
vi.	Whether listed company Yes / No	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S1 No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Warehousing	63	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

During the year under Company has become the Subsidiary of The Ugar Sugar Works Limited.

Sl. No.	**Name and Address of the Company**	**CIN/GLN**	**Holding/ Subsidiary/ Associate**	**% of shares held**	**Applicable Section**
1	The Ugar Sugar Works Limited Mahaveernagar, Sangli	L15421PN1939PLC006738	Holding Co	100%	2 (46)

IV. SHARE HOLDING PATTERN
(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a)Individual/HUF	-	152	152	6.68%	-	6	6	0.26	-6.42
b) Central Govt	-	-		-	-	-	-	-	-
c) State Govt (s)	-	-		-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	152	152	6.68	-	6	6	0.26	-6.42
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-			-
b) Other – Individuals	-	-	-	-	-	-			-
c) Bodies Corp.	-	-	-	-	-	-			-
d) Banks / FI	-	-	-	-	-	-			-
e) Any Other….	-	-	-	-	-	-			-
Sub-total (A) (2):-	-	-	-	-	-	-			-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**-**	**152**	**152**	**6.68**	**-**	**6**	**6**	**0.26**	**-6.42**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FII	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

f) Insurance Companies	-	-	-	-	-	-			-
g) FIIs	-	-	-	-	-	-			-
h) Foreign Venture Capital Funds	-	-	-	-	-	-			-
i) Others (specify)	-	-	-	-	-	-			-
Sub-total (B)(1):-	-	-	-	-	-	-			-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	1,096	1,096	48.20	-	2,268	2,268	99.74	51.54
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	1,026	1,026	45.12	-	-	-	-	-45.12
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	2,122	2,122	93.32	-	2,268	2,268	99.74	6.42
Total Public Shareholding (B)=(B)(1)+(B)(2)	**-**	**2,121**	**2,121**	**93.28**	**-**	**2,268**	**2,268**	**99.74**	**6.42**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**2,274**	**2,274**	**100%**	**-**	**2,274**	**2,274**	**100%**	-

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Shirgaokar Prafulla Vinayak	1	0.04%	-	0	0.00%	-	-0.04%
2	Tagare Raghunath Pandurang	1	0.04%	-	0	0.00%	-	-0.04%
3	Rajendra Vinayak Shirgaokar	150	6.60%	-	0	0.00%	-	-6.60%
	Total	**152**	**6.68%**	**-**	**0**	**0.00%**	**-**	**-6.68%**

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

Sr No	Name	Date	Increase	Decrease	Reason
	At the End of the year (or on the date of separation, if separated during the year)				
1	Shirgaokar Prafulla Vinayak	30.09.2019		1	Transfer
2	Jadhav Nivrutti Dnyandeo	30.09.2019		1	Transfer
3	Tagare Raghunath Pandurang	30.09.2019		1	Transfer
4	Rajendra Vinayak Shirgaokar &	30.09.2019		50	Transfer
	Meena Rajendra Shirgaokar				
5	Akkiwate Bhujabali Narasappa &	30.09.2019		50	Transfer
	Dharmanna Narsappa Akiwate				
6	Akkiwate Dharmanna Narasappa			50	Transfer
	&Bhujbali Narsappa Akiwate				
7	Khot Satyappa Babaji &	30.09.2019		50	Transfer
	Suresh Satyppa Khot				
8	Shaha Deepchand Bhalchandra & Aruna Deepchand Shah	30.09.2019		250	Transfer
9	Chaphalkar Arvind Damodar	30.09.2019		50	Transfer
10	Chaphalkar Dnyanadas Damodar	30.09.2019		50	Transfer

11	Nidgundi Rayappa Lagamanna	30.09.2019		50	Transfer
	Nidgundi Rayappa Lagamanna				
12	Chougule Appasaheb Mallappa	30.09.2019		100	Transfer
	Sumati Appasaheb Chougule				
13	Kusnale Dharmarao Prakash	30.09.2019		50	Transfer
	Vijaya Prakash Kusnale				
14	Mallappa Rachappa Desai	30.09.2019		50	Transfer
15	Mallappa Rachappa Desai	30.09.2019		50	Transfer
	Rekha Mallappa Desai				
16	Desai Basavraj Rachappa	30.09.2019		50	Transfer
	jayshree Basavraj Desai				
17	Sarnaik Chinnadevi Rajatkumar	30.09.2019		50	Transfer
18	Shirgaokar Rajendra Vinayak	30.09.2019		100	Transfer
	Meena Rajendra Shirgaokar				
19	Mate Anant Nilkhanth	30.09.2019		75	Transfer
	Shalaka Anant Mate				
20	Mate Damodar Vyankatesh	30.09.2019		50	Transfer
	Mate Pallavi Damodar				
21	The Ugar Sugar Works Ltd.	30.09.2019	1178		Transfer

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of The Company
	At the beginning of the year				
1	The Ugar Sugar Works Ltd.	1,096	48.20%	1,096	48.20%
2	Shaha Deepchand Bhalchandra & Aruna Deepchand Shah	250	10.99%	250	10.99%
3	Chougule Appasaheb Mallappa	100	4.40%	100	4.40%
4	Mate Anant Nilkhanth	75	3.30%	75	3.30%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): NA				
	Name	Date	Increase	Decrease	Reason
	At the End of the year (or on the date of separation, if separated during the year)				

1	The Ugar Sugar Works Ltd.	-	-	2,268	99.74

Change in the Shareholding is shown in the above table.

(v) Shareholding of Directors ~~and Key Managerial Personnel~~:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	Shirgaokar Prafulla Vinayak	1	0.04%	1	0.04%
2	Tagare Raghunath Pandurang	1	0.04%	1	0.04%
3	Rajendra V Shirgaokar	150	6.60%	150	6.60%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): There is a change in the shareholding of Directors during the year due to transfer of shares to The Ugar Sugar Works Ltd.				
	At the End of the year				
1	Shirgaokar Prafulla Vinayak	-	-	0	0
2	Tagare Raghunath Pandurang	-	-	0	0
3	Rajendra V Shirgaokar			0	0

Change in the Shareholding is shown in the above table.

V. INDEBTEDNESS

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

Company has not availed any loan whether secured or unsecured including interest, hence, this disclosure is not applicable.

VI. REMUNERATION OF DIRECTORS ~~AND KEY MANAGERIAL PERSONNEL:~~

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

B. Remuneration to other directors:
Company has not paid remuneration to its directors except travelling expenses which are shown above, hence this disclosure is not applicable.

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD
This clause is not applicable to the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:
There were no instances of penalties / punishments / compounding of offences during the year.

On behalf of the Board of Directors,

For Ugar Theatre Private Limited.

Raghunath P. Tagare
Chairman
DIN: 00645812

Place: Ugar khurd

Date: 25-06-2020

Regd Office:
Chaitanya Chitramandir, Ugar Khurd- 591316

M/s P.G.BHAGWAT
Chartered Accountants

Ashirwad's Landmark,
Block No.104,Roy Road,Tilakwadi,
BELAGAVI-590006
Phone & Fax No. 0831-2429306 & 4203662
Email : uday_shevade@pgbhagwatca.com &
Shrinivas_deshpande@pgbhagwatca.com
Web: www.pgbhagwatca.com

INDEPENDENT AUDITORS' REPORT

To the Members of Ugar Theatres Private Limited

Report on the Audit of the Indian Accounting Standard (Ind AS) Financial Statements

Opinion

We have audited the Ind AS Financial Statements of Ugar Theatres Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Ind AS Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit including Other Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the board/director's report but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

M/s. P. G. BHAGWAT BELGAVI CHARTERED ACCOUNTANTS

In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as

M/s. P. G. BHAGWAT BELAGAVI CHARTERED ACCOUNTANTS

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016, issued by the Department of Company Affairs in terms of section 143(11) of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the company.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   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.

M/s. P. G. BHAGWAT BELGAVI CHARTERED ACCOUNTANTS

c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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".

g) As per the information and explanation provided to us, there is no remuneration paid by the company to its directors during the year. Accordingly, in our opinion, the managerial remuneration for the year ended March 31, 2020 is deemed to be in accordance with the provisions of section 197 read with Schedule V to the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 21 to the Ind AS Financial Statements,

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2020.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **M/s P G Bhagwat**
Chartered Accountants
Firm Registration Number: 101118W

Shrinivas G. Deshpande
Partner
Membership Number: 234875
UDIN: 20234875AAAABY8916
Place: Belagavi
Date: June 25, 2020

M/s P. G. BHAGWAT BELAGAVI CHARTERED ACCOUNTANTS

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF UGAR THEATRES PRIVATE LIMTED

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

We have audited the internal financial controls over financial reporting of Ugar Theatres Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

M/s. P. G. BHAGWAT
BELAGAM
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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020 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 **M/s P G Bhagwat**
Chartered Accountants
Firm Registration Number: 101118W

Shrinivas G. Deshpande
Partner
Membership Number: 234875
UDIN: 20234875AAAABY8916
Place: Belagavi
Date: June 25, 2020

M/s P. G. BHAGWAT BELAGAVI CHARTERED ACCOUNTANTS

Ugar Theatres Private Limited
Balance Sheet as at 31 March 2020

Rs in Hundreds

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	1	170,954.84	798.41
(b) Capital work-in-progress		-	-
(c) Investment property		-	-
(d) Other Intangible assets		-	-
(e) Intangible assets under development		-	-
(f) Financial assets		-	-
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Loans	2	106.60	106.60
(iv) Other financial assets		-	-
(g) Deferred tax assets (net)		-	-
(h) Other non-current assets	3	100.70	31.60
Total Non-current assets		171,162.14	936.61
II.Current assets			
(a) Inventories		-	-
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	4	4,275.25	4,152.85
(iii) Cash and cash equivalents	5a	6,963.49	3,914.94
(iv) Bank balance other than (iii) above	5b	-	267.35
(v) Loans		-	-
(vi) Other financial assets		-	-
(c) Assets held for sale		-	-
(d) Current tax assets (net)		-	-
(e) Other current assets	6	25.00	220.00
Total Current assets		11,263.74	8,555.14
Total Assets		182,425.88	9,491.75
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	7	2,274.00	2,274.00
(b) Other equity			
General reserves	8	800.00	800.00
Retained earnings	8	6,389.24	5,378.98
Asset revaluation reserve	8	164,310.33	-
Total Equity attributable to equity share holders of the Company		173,773.57	8,452.98
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Trade Payables		-	-
(iii) Other financial liabilities		-	-
(b) Long-term provisions		-	-
(c) Deferred tax liabilities (net)	9	5,962.85	108.77
(d) Other non-current liabilities		-	-
Total non-current liabilities		5,962.85	108.77
II.Current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Trade and other payables		-	-
(iii) Other financial liabilities	10	2,689.46	930.00
(b) Other current liabilities		-	-
(c) Short-term provisions		-	-
Total current liabilities		2,689.46	930.00
Total liabilities		8,652.31	1,038.77
Total Equity and Liabilities		182,425.88	9,491.75
Corporate Information	19		
Significant accounting policies	20		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
M/s P. G. Bhagwat,
Chartered Accountants
FRN:103118W

Shrinivas G. Deshpande
Partner
Membership No. 234875
Date: June 25, 2020
Place: Belagavi
UDIN:

M/s P. G. BHAGWAT · CHARTERED ACCOUNTANTS · BELAGAVI

For and on behalf of the board of directors of
Ugar Theatres Private Limited

R. P. Tagare
Director
DIN: 00645812
Date: June 25, 2020
Place: Sangli

P. V. Shirgaokar
Director
DIN: 00153114
Date: June 25, 2020
Place: Ugar

UDIN
20234875AAAABY8916

Ugar Theatres Private Limited
Statement of Profit and Loss for the year ended 31 March 2020

Rs in Hundreds

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	11	3,744.00	3,744.00
Other income	12	1.20	75.10
Total Income		3,745.20	3,819.10
Expenses			
Employee benefits expense	13	1,360.00	1,225.00
Finance costs	14	23.60	23.60
Depreciation and amortisation expense	15	498.88	8.97
Other Expenses	16	1,194.46	1,419.34
Total expenses		3,076.94	2,676.86
Profit/ (loss) before exceptional items and tax		668.26	1,142.24
Exceptional items [Income / (Expense)]		-	-
Profit before tax		668.26	1,142.24
Tax expense			
Current tax	17	294.20	218.00
MAT credit utilised		(145.30)	-
(Excess)/ short provision related to earlier years		-	
Deferred tax (credit)/charge	17	(0.94)	11.01
Total Tax expense		147.96	229.01
Profit for the year		520.30	913.23
Other Comprehensive Income			
Items not to be reclassified to Profit or Loss (net of tax) in subsequent periods :			
Revaluation of land and buildings	18	170,655.31	-
Income tax effect	17	(5,855.02)	
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		164,800.29	-
Total other comprehensive income for the year, net of tax		164,800.29	-
Total comprehensive income for the year, net of tax		165,320.59	913.23
Earning per equity share [nominal value per share Rs.100/- (March 31, 2018: Rs.100/-)]			
Basic		22.88	40.16
Diluted		22.88	40.16
Significant accounting policies	20		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
M/s P. G. Bhagwat,
Chartered Accountants
FRN:101118W

Shrinivas G. Deshpande
Partner
Membership No. 234875
Date: June 25, 2020
Place: Belagavi
UDIN:

M/s. P. G. BHAGWAT, BELAGAVI, CHARTERED ACCOUNTANTS

UDIN
20234875AAAABY8916

For and on behalf of the board of directors of
Ugar Theatres Private Limited

R. P. Jagare
Director
DIN: 00648812
Date: June 25, 2020
Place: Sangli

P. V. Shirgaokar
Director
DIN: 00151114
Date: June 25, 2020
Place: Ugar

Ugar Theatres Private Limited

Cash flow statement for the year ended 31 March 2020

Rs in Hundreds

	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
A	**Cash flows from operating activities**		
	Net profit / (Loss) before taxes	668.26	1,142.24
	Adjustments for :-		
	Depreciation	498.88	8.92
	Interest income	(1.20)	(35.10)
	Provision no longer required written back	-	40.00
	Operating profits before working capital changes	1,165.94	1,156.06
	Adjustments for :-		
	(Increase)/ decrease in trade receivables	(122.40)	(3,170.06)
	(Increase)/ decrease in other current assets	195.00	(130.00)
	Increase/ (decrease) in Other financial liabilities	1759.46	(2,431.00)
	Cash generated from operations	2998.00	(3,575.00)
	Income tax paid	218.00	(495.20)
	Net cash from operating activities	2780.00	(3,079.80)
B	**Cash flows from investing activities**		
	Increase/ (decrease) in other bank balance	267.35	169.98
	Interest received	1.20	35.10
	Net cash from investing activities	268.55	205.08
C	**Cash flows from financing activities**		
	Interest paid	-	-
	Dividend and Tax Paid thereon	-	-
	Net cash used in financing activities	-	-
	Net increase in cash and cash equivalents	3048.55	(2,874.72)
	Cash and cash equivalents at beginning of period (refer note 5a)	3914.94	6789.656
	Cash and cash equivalents at the end of period (refer note 5a)	6963.49	3914.94

Notes to Cash Flow Statement

1. Cash Flow Statement has been prepared under Indirect method set out in Ind AS -7 Statement of Cash Flows.
2. For Company's Policy on Cash & Cash Equivalents refer note 18.7 of Significant Accounting Policies.

As per our report of even date

M/s P. G. Bhagwat,

Chartered Accountants

FRN:101118W

Shrinivas G. Deshpande

Partner

Membership No. 234875

Date: June 25, 2020

Place: Belagavi

UDIN:

M/s. P. G. BHAGWAT • CHARTERED ACCOUNTANTS • BELAGAVI

For and on behalf of the board of directors of

Ugar Theatres Private Limited

R. R. Tagare

Director

DIN: 00648812

Date: June 25, 2020

Place: Sangli

P. V. Shirgaokar

Director

DIN: 00151114

Date: June 25, 2020

Place: Ugar

UDIN

20234875AAAABY[illegible]

UDIN

20234875AAAABY8916

Ugar Theatres Private Limited
Statement of changes in Equity for the year ended March 31, 2020

A. Equity Share Capital (Note 7)

Rs in Hundreds

Equity Shares subscribed and fully paid	No. of Shares	Amount
At March 31, 2018	2,500	2,500.00
Issue/Reduction, if any during the year	-	-
At March 31, 2019	2,500	2,500.00
Issue/Reduction, if any during the year	-	-
At March 31, 2020	2,500	2,500.00

B. Other Equity (Note 8)

Rs in Hundreds

Particulars	Reserves and Surplus		Items of OCI	Total equity
	General Reserve	Retained Earnings	Asset revaluation reserve	
As at March 31, 2018	800.00	4,465.75	-	5,265.75
As at April 1, 2018	800.00	4,465.75	-	5,265.75
Profit for the year	-	913.23	-	913.23
Other comprehensive income for the year, net of tax	-	-	-	-
Total Comprehensive income for the year	-	913.23	-	913.23
At March 31, 2019	800.00	5,378.98	-	6,178.98
Profit for the year	-	520.30	-	520.30
Other comprehensive income for the year, net of tax	-	-	164,800.29	164,800.29
Recoupment from revaluation reserve	-	489.96	(489.96)	-
Total Comprehensive income for the year	-	1,010.26	164,310.33	165,320.59
At March 31, 2020	800.00	6,389.24	164,310.33	171,499.57

As per our report of even date
M/s P. G. Bhagwat,
Chartered Accountants
FRN: [illegible]

Shrinivas G. Deshpande
Partner
Membership No. 234875
Date: June 25, 2020
Place: Belagavi

M/s. P. G. BHAGWAT • BELAGAVI • CHARTERED ACCOUNTANTS

UDIN
20234875AAAABY8916

For and on behalf of the board of directors of
Ugar Theatres Private Limited

R. P. Tigare
Director
DIN: 00645812
Date: June 25, 2020
Place: Sangli

P. V. Shirgaokar
Director
DIN: 00151114
Date: June 25, 2020
Place: Ugar

Ugar Theatres Private Limited
Notes to the Financial Statements for the year ended March 31, 2020

Note 1: Property, Plant and Equipment

Rs in Hundreds

Particulars	Tangible Assets		Grand Total
	Land	Building	
Gross Block			
As at 31 March 2018	53.97	10,073.21	10,127.18
Additions	-	-	-
Disposals	-	-	-
As at 31 March 2019	53.97	10,073.21	10,127.18
Additions	-	-	-
Disposals	-	-	-
Revaluation recognised in OCI	1,47,646.03	23,009.28	1,70,655.31
Transfer*	-	(9,332.49)	(9,332.49)
As at 31 March 2020	1,47,700.00	23,750.00	1,71,450.00
Depreciation/ Amortisation			
As at 31 March 2018	-	9,319.85	9,319.85
Charge for the year	-	8.92	8.92
Depreciation on disposal	-	-	-
As at 31 March 2019	-	9,328.77	9,328.77
Charge for the year	-	498.88	498.88
Depreciation on disposal	-	-	-
Transfer*	-	(9,332.49)	(9,332.49)
As at 31 March 2020	-	495.16	495.16
Net block			
At 31 March 2020	1,47,700.00	23,254.84	1,70,954.84
At 31 March 2019	53.97	744.44	798.41

*This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued asset.

Notes:

1) Contractual obligations -Refer note no 22 for estimated amount of contract remaining to be executed on capital account

2) For Depreciation and amortisation refer accounting policy (Refer Note 20.90).

3) No Provision for Impairment loss is made during the year.

4) Revaluation of land and buildings

The revalued land and buildings consist of premises and land in India. The management determined that these constitute class of asset under Ind AS 113, based on the nature, characteristics and risks of the property.

Fair value of the premises and land was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property. As at the date of revaluation September 04, 2019, the properties' fair values are based on valuations performed by Deshmuk and Associates., an accredited independent valuer who has relevant valuation experience for similar premises and land in India for the last five years.

Fair value hierarchy disclosures for revalued land and buildings have been provided in Note 25b.

Significant unobservable valuation input:	In Rs.
Price per square feet	
Land	Rs. 360
Buildings	Rs. 275

Significant increases/ (decreases) in estimated price per square metre in isolation would result in a significantly higher/ (lower) fair value.

Information of revaluation model

Rs in Hundreds

Particulars	Land	Buildings
Opening balance as at April 01, 2018	53.97	744.44
Re-measurement recognised in reserves	-	-
Purchases	-	-
Balance as at March 31, 2019	53.97	744.44
Level 3 re-measurement recognised in asset revaluation reserves (31 August 2017) (Refer note 25)	1,47,646.03	23,009.28
Purchases	-	-
Depreciation	-	(498.88)
Closing balance as at March 31, 2020	1,47,700.00	23,254.84

If land and building were measured using the cost model. The carrying amounts would be as follows:

Net book value

Rs in Hundreds

	Land	Buildings
Cost	53.97	10,073.21
Accumulated depreciation and impairment	-	(9,337.69)
Net carrying amount as at March 31, 2020	53.97	735.52

M/s. P. G. BHAGWAT BELGAUM CHARTERED ACCOUNTANTS

Note 2 : Loans (Non current)

Rs in Hundreds

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good		
Security Deposits	106.60	106.60
Break-up for security details:		
Loans considered good - secured	-	-
Loans considered good - unsecured	106.60	106.60
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	106.60	106.60
Impairment Allowance (allowance for bad and doubtful debts)	-	-
Total	106.60	106.60

Deposits are measured at amortised cost.

Note 3 : Other non-current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Tax paid in advance (net of provision)	100.70	31.60
Total	100.70	31.60

Note 4 : Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good		
From Related Parties (Refer note 28)	3,027.25	2,280.85
From Others	1,248.00	1,872.00
Total	4,275.25	4,152.85
Break-up for security details:		
Trade receivable considered good- secured	-	-
Trade receivable considered good- unsecured	4,275.25	4,152.85
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	-	-
Total	4,275.25	4,152.85
Impairment Allowance (allowance for bad and doubtful debts)	-	-
Total	4,275.25	4,152.85

1. Trade receivables are measured at amortised cost.
2. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.
3. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

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Ugar Theatres Private Limited
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Note 5a : Cash and cash equivalents

Rs in Hundreds

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	-	-
Balance with Bank		
Current accounts	6,963.49	3,914.94
Total	6,963.49	3,914.94

Note 5b : Other bank balances

Particulars	As at March 31, 2020	As at March 31, 2019
Unpaid Dividend Accounts	-	267.35
Total	-	267.35

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	-	-
Balance with Bank		
Current accounts	6,963.49	3,914.94
Total cash and cash equivalents	6,963.49	3,914.94

Note 6 : Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good		
Advances to Staff	25.00	220.00
Total	25.00	220.00

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Notes to the Financial Statements for the year ended March 31, 2020

Note 7 : Share capital

Antharised share capital

Particulars	No. of shares	Rs in Hundreds
As at 31 March 2018	2,500	2,500.00
Increase/ (decrease) during the year	-	-
As at 31 March 2019	2,500	2,500.00
Increase/ (decrease) during the year	-	-
As at 31 March 2020	2,500	2,500

Issued share capital

Particulars	No. of shares	Rs in Hundreds
As at 31 March 2018	2,500	2,500.00
Increase/ (decrease) during the year	-	-
As at 31 March 2019	2,500	2,500.00
Increase/ (decrease) during the year	-	-
As at 31 March 2020	2,500	2,500

Subscribed and fully paid up

Particulars	No. of shares	Rs in Hundreds
As at 31 March 2018	2,274	2,274.00
Increase/ (decrease) during the year	-	-
As at 31 March 2019	2,274	2,274.00
Increase/ (decrease) during the year	-	-
As at 31 March 2020	2,274	2,274.00

1. Terms/Rights attached to the equity shares
a. The Company has only one class of equity shares of face value of Rs. 100/-. Each holder of equity share is entitled to one vote per share.

b. For the year 2019-20, Directors have not recommended any dividend. [For Previous Year, company had not declared any Dividend.

2. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all other liabilities. The distribution will be in the proportion of number of equity shares held by the shareholders.

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7. Number of Shares held by each shareholder holding more than 5% Shares in the Company

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% of shareholding	No. of shares	% of shareholding
The Ugar Sugar Works Ltd	2,274	100.00	1,096	48.20
Shah Deepchand Bhalachandra	-	-	250	10.99
R. V. Shirgaokar	-	-	150	6.60

As per records of the company, including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

8. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

(a) The Company has not issued any shares without payment being received in cash.

(b) The Company has notissued any bonus shares.

(c)The Company has not undertaken any buyback of shares.

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Note 8: Other Equity

Rs in Hundreds

Particulars	As at March 31, 2020	As at March 31, 2019
General Reserve		
Opening Balance	800.00	800.00
Add : Transfer from PL account	-	-
Total General Reserve	800.00	800.00
Asset revaluation reserve		
Opening Balance	-	-
Other comprehensive income (net of taxes)	164,800.29	-
Less: Recoupement from revaluation reserve towards depreciation on building	(489.96)	-
Total Asset revaluation reserve	164,310.33	-
Retained earnings		
Opening Balance	5,378.98	4,465.75
Add : Profit for the year	520.30	913.23
Add : Other Comprehensive income / [Loss] (net of taxes)	-	-
Add: Recoupement from revaluation reserve towards depreciation on building	489.96	
Total Retained Earnings	6,389.24	5,378.98
Total other equity	171,499.57	6,178.98

1. Dividend distribution made and proposed

Particulars	Amount
Cash Dividends on Equity Shares declared and paid	
Final dividend for the year ended March 31, 2020 (Previous year March 31, 2019)	Nil
Dividend distribution tax on final dividend	Nil
Proposed dividends on Equity shares	
Final cash dividend proposed for the year ended March 31, 2020 (Previous year March 31, 2019)	Nil
Dividend distribution tax on final dividend	Nil

Proposed dividend on equity shares are subject to approval of the shareholders of the Company at the annual general meeting and are not recognised as a liability (including taxes thereon).

2. Nature and purpose of other reserves

A. General reserve:

General reserve is created by setting aside amount from the Retained Earnings of the Company for general purposes which is freely available for distribution.

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Note 9: Deferred tax liability (net)

Rs in Hundreds

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liability		
PPE: impact of difference between tax depreciation and depreciation /amortisation for the financial reporting	5,962.85	108.77
Gross Deferred tax liability	5,962.85	108.77
Deferred Tax Assets	-	-
Deferred Tax Liability (net)	5,962.85	108.77

1. Reconciliation of deferred tax assets / (liabilities), net

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance as of April 1	108.77	97.76
Tax (income)/expense during the period recognised in profit or loss	(0.94)	11.01
Tax (income)/expense during the periodrecognised in OCI	5,855.02	-
Closing balance as at March 31	5,962.85	108.77

2. The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

3. Applicable tax rate for current year is 26.00 % (compared to the previous year 31 March 2019: 26%)

Note 10: Other financial liabilities (Current)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Employee Benefits Payable	-	-
(ii) Other payables	850.00	930.00
(iii) Amount payable towards reimbursement (refer note 28)	1,839.46	-
Total	2,689.46	930.00

1. Other financial liabilities are measured at amortised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Rs in Hundreds

Particulars	On Demand	Less than 3 months	3 to 12 months	Total
As at March 31, 2020				
Other financial liabilities	-	-	2,689.46	2,689.46
	-	-	2,689.46	2,689.46

Particulars	On Demand	Less than 3 months	3 to 12 months	Total
As at March 31, 2019				
Other financial liabilities			930.00	930.00
	-	-	930.00	930.00

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Note 11 : Revenue from operations

Rs in Hundreds

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Warehousing Charges	3,744.00	3,744.00
Total	3,744.00	3,744.00

Note 12 : Other income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on IT Refund	1.20	35.10
Provision no longer required written back	-	40.00
Total	1.20	75.10

Note 13: Employee benefits expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, bonus etc.	1,360.00	1,225.00
Total	1,360.00	1,225.00

Note 14: Finance cost

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Bank Charges	23.60	23.60
Total	23.60	23.60

Note 15: Depreciation and amortization expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation Expense	498.88	8.92
Amortization Expense		-
Total	498.88	8.92

Note 16: Other expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Repairs and maintenance	-	54.27
Legal and Consultancy Charges	759.17	1,106.64
Auditor's remuneration (Refer Note 23)	250.00	250.00
Miscellaneous expenses	185.29	8.43
Total	1,194.46	1,419.34

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Note 17: Income tax

The note below details the major components of income tax expenses for the year ended 31 March 2020 and 31 March 2019. The note further describes the significant estimates made in relation to company's income tax position, and also explains how the income tax expense is impacted by non-assessable and non-deductible items.

Rs in Hundreds

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
Current income tax	294.20	218.00
MAT Credit utilised	(145.30)	-
(Excess)/short provision related to earlier years		-
Deferred tax		
Relating to origination and reversal or temporary difference	(0.94)	11.01
Income tax expense reported in the statement of profit and loss	147.96	229.01

Other Comprehensive Income (OCI)

Rs in Hundreds

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Deferred tax related to items recognised in OCI during the year		
Revaluation of land and building	5,855.02	-
Net loss/(gain) on actuarial gains and losses	-	-
Deferred tax charged to OCI	5,855.02	-

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate as notified under Income Tax Act, 1961 enacted in India for the years ended March 31, 2020 and March 31, 2019

Current tax

Rs in Hundreds

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Accounting profit before income tax expense	668.26	1,142.24
Tax @ 26% (March 31, 2019: 26%)	173.75	296.98
Taxes of Earlier years	-	-
Other Disallowances/(allowances)	(25.79)	(67.97)
Tax effect of adjustments in calculating taxable income:	(25.79)	(67.97)
Current Tax Expense	147.96	229.01

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Notes to the Financial Statements for the year ended March 31, 2020

Note 18: Components of Other comprehensive income (OCI)

During the year ended 31 March 2020

Rs in Hundreds

	Asset revaluation reserve	Total
Revaluation of land and building	170,655.31	170,655.31
Income tax effect	(5,855.02)	(5,855.02)
	164,800.29	164,800.29

During the year ended 31 March 2019

Rs in Hundreds

	Asset revaluation reserve	Total
Revaluation of land and building	-	-
Income tax effect	-	-
	-	-

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19. Corporate information

Ugar Theatres Private limited ("the company") is a private limited company incorporated in India, having its registered office at Ugarkhurd. The company is engaged in using its premises for warehousing purpose.

20. Significant accounting policies

20.1 Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 ("the Rules").

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Land and building classified as property, plant and equipment

The financial statements are presented in INR and all values are indicated in hundred except when otherwise indicated.

20.2 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Accounting judgements, estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value of land and building of subsidiary

The Company has measured land and buildings classified as property, plant and equipment at fair values as w.e.f. September 2019. The Company engaged an independent valuation specialist to assess fair value as of September 04, 2019 for land and buildings. Land and buildings were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property. As at the date of revaluation, the land and building's fair values are based on valuations performed by an accredited independent valuer who has relevant valuation experience for similar properties in India.

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Deferred tax assets

- Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences, and the carry forward of unused MAT credits and unused tax losses can be utilised.

20.3 Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

20.4 Foreign currencies

The Company's financial statements are presented in INR which is the Company's presentation currency and functional currency of the company.

Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair

M/s. P. G. BHAGWAT · BELAGAVI · CHARTERED ACCOUNTANTS value is treated in line with the recognition of the gain or loss on the change in fair value of the item.(i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

20.5 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates, and assumptions (note 20.2)
- Quantitative disclosures of fair value measurement hierarchy (note 25a, 25b)
- Financial instruments (including those carried at amortised cost) (note 2, 4, 5a, 5b, 10)
- Property, plant and equipment under revaluation model (note 1)

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20.6 Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans. trade receivables and other financial assets. For more information on receivables, refer note 2, 4 and 25.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

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Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g. deposits, loans, trade receivables, bank balance and other financial assets.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115;
- Loan commitments which are not measured as at FVTPL.

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The Company follows 'simplified approach' for recognition of impairment loss allowance on

- Trade receivables
  The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

  For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-month ECL.

  Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date.

  ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

  ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the statement of profit and loss.

- ECL on financial assets measured at amortised cost is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

  For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss; loans and borrowings; payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

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Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (effective interest rate) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

20.7 Revenue recognition

Company recognises revenue when it transfers control over a good or service to a customer i.e. when it has fulfilled all 5 steps as given by Ind AS 115.

Revenue is measured at transaction price i.e. consideration to which a company expects to be entitled in exchange for transferring promised goods or services to a customer excluding amounts collected on behalf of third parties and after considering effect of variable consideration, significant financial component.

For contracts with multiple performance obligations, transaction price is allocated to different obligations based on their standalone selling price. In such case, revenue recognition criteria are applied for each separately to different performance obligations; in order to reflect the substance of the transaction and revenue is recognised separately for each obligation as and when the recognition criteria for the component is fulfilled.

Income from services

Revenue from services is recognised as and when services are rendered.

Other income

Other income comprises of interest income.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the

M/s. P. G. BHAGWAT • BELGAVI • CHARTERED ACCOUNTANTS expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

20.8 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred 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 tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

20.9 Property, plant and equipment

Change in accounting policy

The company has land and building as categories of property, plant and equipment. Till previous year, the company was carrying the value of land and building at historical cost. During the current financial year, w.e.f. September 2019, company decided to carry the value of land and building at revalued amounts. Accordingly, land and buildings are recognised at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increase in carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholder's equity. To the extent that the increase reverses a decrease previously recognised in profit and loss, the increase is first recognised in profit and loss. Decrease that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of remaining surplus attributable to the asset; all other decreases are charged to profit and loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit and loss and depreciation based on asset's original cost, net of tax, is classified from the revaluation reserve to retained earnings. (refer note 1 on details of revaluation)

Property plant and equipment

Property, plant and equipment; and capital work in progress, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation on fixed assets is calculated on a straight-line basis based on the useful lives estimated by the management.

Description of asset Group	Useful lives as per management estimates
Buildings	60 years

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The Company believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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.

20.10 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment properties are measured initially at cost including transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses if any.

Subsequent expenditure is capitalised to asse's carrying amount only when it is probable that future economic benefits associated with investment property flow to the entity and cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is de-recognised.

20.11 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised, and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

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20.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

20.13 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

At the inception of the contract, company assess whether contract contains, a lease. If a contract contains a lease, at the commencement date, a Company recognises

- a right-of-use asset measure at cost, and
- a lease liability measured at the present value of the lease payments that are not paid at that date, discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses its incremental borrowing rate.

Subsequent measurement

Subsequently, the right-of-use asset is measured by applying a cost model or revaluation model if the underlying asset belongs to the class of assets to which the company applied revaluation model as per Ind AS 16 Property, Plant and Equipment.

Subsequent measurement- Cost model

Company measure the right-of-use asset at cost less accumulated depreciation and any accumulated impairment losses. Company adjust the carrying amount of the right-of-use asset for remeasurement of the lease liability, unless the carrying amount has already been reduced to Zero.

Subsequent measurement of lease liability

After initial recognition, the lease liability is measured at amortised cost using the effective interest method and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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20.14 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

20.15 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the

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reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

20.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the financial statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

20.17 Finance cost

Finance cost comprises of interest expense on borrowings, bank charges and foreign currency loss on financial assets and liabilities. Interest expenditure is recognised as it accrues in the statement of profit and loss, using effective interest method.

20.18 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period as reduced by number of shares bought back, if any. The weighted average number of shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

20.19 Standards issued but not effective

Exposure draft on amendments to following standards have been issued by the Institute of Chartered Accountants of India:

1. Ind AS 40, "Investment Property"

2. Ind AS 1 "Presentation of Financial Statements" and Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"

3. Ind AS 103, "Business Combinations"

4. Ind AS 109, "Financial Instruments" and Ind AS 107, "Financial Instruments: Disclosure"

However, such exposure drafts have not been notified by the Ministry of Corporate Affairs ('MCA') to be applicable from 1 April 2020 as at the date of approval of these financial statements.

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Ugar Theatres Private Limited
Notes to the Financial Statements for the year ended March 31, 2020

Rs in Hundreds

Note 21: Contingent liabilities	31 March 2020	31 March 2019
(a) Claims against the company not acknowledged as debt	-	-
(b) Other money for which the company is contingently liable	-	-
	-	-

Rs in Hundreds

Note 22: Commitments	31 March 2020	31 March 2019
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	-	-

Rs in Hundreds

Note 23: Remuneration to Auditors	31 March 2020	31 March 2019
Statutory Auditors :		
a) Audit Fees	250.00	250.00
b) Other services (Certification)	-	-
c) Expenses reimbursed	-	-
Total	250.00	250.00

Rs in Hundreds

Note 24: Earning per share	31 March 2020	31 March 2019
a) Profit for the year before tax	668.26	1,142.24
Less : Attributable Tax thereto	147.96	229.01
Profit after Tax	520.30	913.23
b) Weighted average number of equity shares used as denominator	2,274	2,274
c) Basic and diluted earning per share of nominal value of Rs 100/- each in Rs.	22.88	40.16

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Notes to the Financial Statements for the year ended March 31, 2020

Note 25a: Fair Value of financial assets and liabilities

Set out below, is the fair value of the company's financial instruments that are recognized in the financial statements

Rs in Hundreds

Sr.No	Particulars	Fair value	
		31 March 2020	31 March 2019
	Financial Assets		
a)	**Carried at amortized cost**		
	Deposits	106.60	106.60
	Trade receivable	4275.25	4152.85
	Cash and cash equivalent	6963.49	3914.94
	Other bank balances	-	267.35
		11345.34	8441.74
	Financial Liabilities		
a)	**Carried at amortized cost**		
	Non Current Borrowings (Incl Current maturities)	-	-
	Other current financial liabilities (Non-Current)	-	-
	Trade payable	-	-
	Other current financial liabilities	2,689.46	930.00
		2,689.46	930.00

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

The carrying amounts of financial assets and liabilities measured at amortised cost are a reasonable approximation of their fair values.

Note 25b: Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2020:

Rs in Hundreds

	Fair value measurement using				
	Date of valuation	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Revalued property, plant and equipment (Refer Note 1)					
Land	September 04, 2019	1,47,700.00			1,47,700
Buidlings	September 04, 2019	23,750.00			23,750

The fair value of the assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Note 25c: Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders and borrowings. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments for compliance with the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.
In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no borrowings in the current period.

Note 25d: Financial risk management objectives and policies

The Company's principal financial liabilities comprise other financial liabilities. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.
As determined by the management, company is not exposed to any of the market risk, credit risk and liquidity risk, since the company has lesser operations and it the closely monitored by holding company. Accordingly, the company has not performed any sensitivity analyses.

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Ugar Theatres Private Limited
Notes to the Financial Statements for the year ended March 31, 2020

Note 26: Micro Small, Medium enterprises

Based on available information, presently, there are no amounts payable to parties mentioned in the Micro, Small and Medium Enterprises Development Act, 2006.

Note 27: Segment Reporting

Company operates in single segment as business of renting of warehous and hence segment reporting is not applicable.

Note 28: Disclosure of Related Party Transaction

i) Related parties
- The Ugar Sugar Works Limited
- Shri. Prafulla V. Shirgaokar
- Shri Rajendra Vinayak Shirgaokar
- Shri Raghunath Pandurang Tagare

a) Shri. Prafulla V. Shirgaokar who is a director in The Ugar Sugar Works Ltd. is a Director of this Company.

b) The Ugar Sugar Works Ltd., holds 100% in the equity capital of the Company.

ii) Transactions with related parties

Rs in Hundreds

Sr. No	Particulars	31 March 2020	31 March 2019
1	<u>The Ugar Sugar Works Ltd. - Holding company</u>		
	Warehousing Charges Received	2,196.00	2,496.00
	Balance Payable	1,839.46	
	Balance Receivable	3,027.25	2,280.85

As per our report of even date
M/s P. G. Bhagwat,
Chartered Accountants
FRN:101118W

Shrinivas G. Deshpande
Partner
Membership No. 234875
Date: June 25, 2020
Place: Belagavi
UDIN:

M/s P.G. BHAGWAT
BELAGAVI
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UDIN
20234875AAAABY8916

For and on behalf of the board of directors of
Ugar Theatres Private Limited

R. P. Tagare
Director
DIN: 00645812
Date: June 25, 2020
Place: Sangli

P. V. Shirgaokar
Director
DIN: 00151114
Date: June 25, 2020
Place: Ugar