ADLABS Entertainment Limited

ANNUAL REPORT 2017-18

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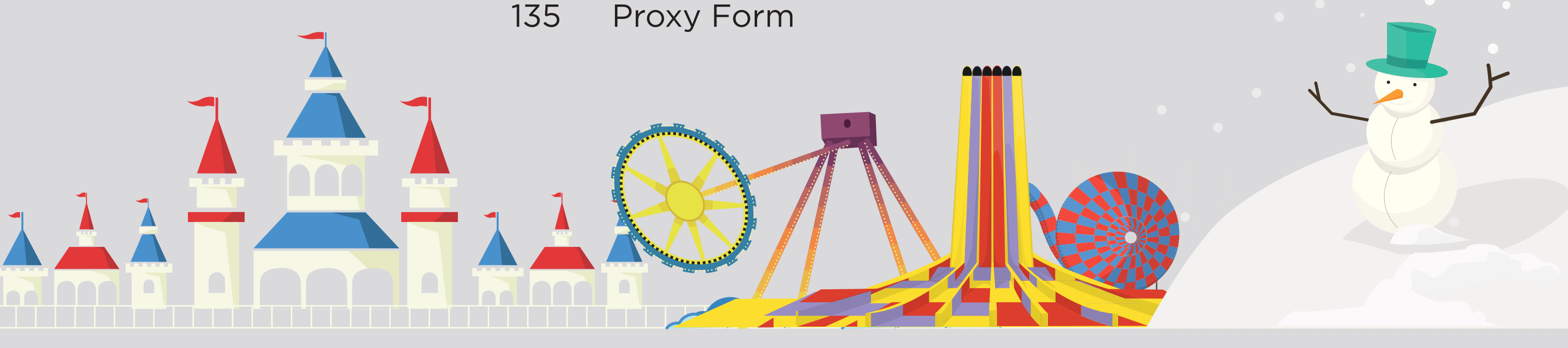
HIGHEST ANNUAL FOOTFALL - 1.7MN

>6.5MN VISITORS IN 5 YEARS

Water Park ranked 21st Water Park in Asia by TEA & AECOM



COMPANY INFORMATION

BOARD OF DIRECTORS
Mr. Manmohan Shetty - Chairman
Mr. Kapil Bagla - Non-Executive Director
Mr. Ashutosh Kale - Executive Director
Ms. Pooja Deora - Non-Executive Director
Mr. Ghulam Mohammed - Independent Director
Ms. Anjali Seth - Independent Director
Mr. Steven A. Pinto - Independent Director
Ms. Meghna Ghai Puri - Independent Director

CHIEF FINANCIAL OFFICER
Mr. Mayuresh Kore

COMPANY SECRETARY & COMPLIANCE OFFICER
Ms. Madhulika Rawat

AUDITORS
M/s. A.T. Jain & Co., Chartered Accountants
(Firm Registration No. 103886W)

REGISTERED OFFICE
30/31, Sangdewadi, Khopoli-Pali Road,
Taluka Khalapur,
District Raigad 410 203
T: +91-2192 669 900 F: +91-22 4068 0088
CIN : L92490MH2010PLC199925

BANKERS AND FINANCIAL INSTITUTIONS

Union Bank of India
Indian Overseas Bank
Bank of Baroda
Corporation Bank
Jammu and Kashmir Bank
Bank of India
Central Bank of India
Syndicate Bank
Punjab and Sind Bank
Vijaya Bank
Dena Bank
Life Insurance Corporation of India
Tourism Finance Corporation of India Limited

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited
C - 101, 247 Park, L.B.S. Marg,
Vikhroli West, Mumbai - 400 083
Tel: (022) 4918 6000 Fax: (022) 4918 6060
Website: www.linkintime.co.in

EMAIL : compliance@adlabsentertainment.com **WEBSITE :** www.adlabsimagica.com

Our Mission

"We deliver best in Class entertainment for Delightful Memories, in a Clean, Safe and Happy Environment."

CHAIRMAN'S MESSAGE

It is my pleasure to inform you that since the launch in April 2013, over 6.5 million people have visited our parks. The Company achieved its highest ever annual footfall of 17 lakhs in FY 2017-18 vs. 15 lakhs in FY 2016-17, a growth of 12%. The visitor numbers continue to show the appreciation of the product among patrons across the country.

In FY 2017-18, with the implementation of GST, the theme and amusement park industry was unfortunately brought under the highest tax bracket of 28%. However, due to our and IAAPI's continuous efforts, the government brought down GST rate to 18% in January 2018. We are also diligently working towards getting the refund mechanism set-up for the SGST share of 9% in lieu of Entertainment tax waiver which the Company had received for its mega tourism status from Government of Maharashtra.

This year, the focus of the management has been to significantly reduce the debt on the balance sheet. In line with this, we have entered into term sheets to sell our non-core business i.e. surplus land and the hotel. With the sale of these non-core assets, the Company would be able to reduce more than 30% of its outstanding debt. I would like to thank the shareholders for their approval to sell the non-core assets. We are also working on other plans to address our overall debt levels.

The Revenue recorded for FY 2017-18 was Rs. 237 Crore, vis-à-vis Rs. 239 Crore in FY 2016-17, a drop of 1%. The EBITDA for FY 2017-18 stands at Rs. 62.67 Crore vs. Rs. 60.85 Crore signifying a growth of 3%. The subdued revenue and EBITDA was considerably adversely affected due to factors such the imposition of high GST tariff.

Imagica has also bagged many accolades under its belt – 'OTM Award for Excellence', 'Most Promising New Destination Award 2015' and also the 'Tripadvisor's Traveller's Choice Award 2015' to name a few. I am pleased to highlight that ***Imagica Water Park is ranked 14th among the Top 25 Water Parks in the world in Tripadvisor. In terms of footfalls, Imagica Water Park is ranked 21st Water Park in Asia by TEA and AECOM.***

Our international standard holiday destination has been featured among international media and continues to be a part of many domestic tourist itineraries. We are also one of the most preferred destinations for MICE, weddings and family holidays. In spite of this, we have some way to go in making this project every Indians 'must-visit' holiday destination.

As part of various marketing activities, Imagica has forged strong cross- promotion alliances with variety of brands across multiple industries such as airlines and travel, food and retail, banks, mobile wallets and service providers and education brands. The Company has also entered into a barter agreement with Bennett Coleman and Co. Ltd. (Times Group) to advertise on all Times Group media platforms in lieu of equity/warrants issued to them.

We continue to add new attractions at Imagica to increase the entertainment value to our guests. This year we are adding three new attractions at our park, Family Entertainment Centre, House of Stars and Eyelusion 3D park, with JV partners and these entail no capex by us. We have also partnered with Green Gold Animation to brand a character ride 'Chhota Bheem - The Ride'. The association will also introduce an assorted range of Chhota Bheem merchandise thereby enhancing our existing portfolio.

I thank you for your investment and for having continued faith in our Company. We assure you of our continued commitment to make people happy and to ultimately take this company to its full potential. I would also like to thank our employees on this journey to make our vision a reality and to continuously offer a high class entertainment experience to our patrons.

Manmohan Shetty
Chairman

India Licensing Awards 2017
Honorary Award - Theme Park

Customer Experience Awards 2018
Best Customer Experience in
the Services Sector – Winner

Times Retail Icon Awards 2018
Preferred Theme Park Destination

BLTM
(Business & Luxury Travel Mart) 2017
Award for Excellence
Winner of Most Innovative Product

VFS Global Times Travel Awards 2018 –
Winner – Adventure Attraction Sector
(Celebrate and stimulate excellence
in the Indian travel industry)

facebook
1,516,000+

Tripadvisor
4/5 rating

Youtube Views
10,610,000+

Website Pageviews
110,397,000+

Imagica App Android Downloads
415,000+

Imagica App iOS Downloads
61,700+

Kavita Palmer

Unplanned trip turned out to be th most memorable one
Few suggestions before you arrive to Imagica
Best time to visit during - June to Jan - specially theme park. Overall, the location is beautiful. theme park and pools are well maintained.
Amazing place to visit would give 4 out of 5

Rakshit Nathan

Amazing experience..
Starting from Dance with all the employees. The rides are extremely awesome, Tubby's Secret party was top for Toddlers, superb timing.
3D rides for all the themes are superb.Night views is splendid. And the parade, can't explain you have to be there to enjoy the characters and have a hi five with them.

Raju Lakhani

We were very satisfied and happy. Enjoyed-made many memories. Felt safe & secure. Fantastic place. Must visit once atleast in lifetime. Loved it. Thanku Imagica for giving so many memories. Will surely come more and more and recommend people to visit Imagica. Wow!

Bhagyashri Wagdole

I enjoyed a lot with Imagica water park. It is perfect place to recover from our job stress.
Overall great experience.
Staff was very cooperative.
We enjoyed a lot.

NEW ATTRACTIONS AT IMAGICA


The Grand
Imagica Parade
Where Stories Come Alive


Anniversary Bash 15,000+ guests
New Year Eve 16,000+ guests
Holi Bash 21,000+ guests

FINANCIAL HIGHLIGHTS - STANDALONE

(₹ in Lakhs)

Particulars	2017-2018	2016-2017*	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
FINANCIAL RESULTS									
Revenue from operations	23,628.77	23,907.65	23,397.90	18,942.15	10,380.20	-	-	-	-
Total Revenue	23,727.91	23,959.38	25,065.62	19,125.18	10,701.30	392.98	-	-	-
Earnings before interest, tax, depreciation and amortization (EBITDA)	6,366.59	6,136.26	5,679.44	2,235.39	706.11	(212.39)	(53.00)	-	-
Depreciation and amortisation expense	9,242.37	9,447.25	8,771.24	7,974.73	3,051.79	1.30	-	-	-
Exceptional Items	-	-	-	-	-	6.35	-	-	-
Profit / (Loss) after tax for the year	**(15,517.43)**	**(11,713.57)**	**(9,113.32)**	**(10,716.09)**	**(5,275.73)**	**(145.74)**	**(60.60)**	**-**	**-**
FINANCIAL POSITION									
Equity Share Capital	8,806.21	7,989.78	7,989.78	7,989.78	4,846.30	4,587.21	4,191.67	4,302.26	3,473.43
Other Equity	32,108.74	41,985.97	53,704.62	62,949.66	26,517.66	26,352.48	20,847.70	18,583.80	15,642.13
Shareholders Funds	**40,914.95**	**49,975.75**	**61,694.40**	**70,939.44**	**31,363.96**	**30,939.69**	**25,039.37**	**22,886.06**	**19,115.55**
Borrowings	1,10,391.11	1,08,335.69	1,01,278.81	1,17,350.14	1,14,004.37	78,810.28	19,808.30	4,549.04	2,323.75
Gross Fixed Assets	1,62,810.04	1,62,077.99	1,58,191.88	1,58,601.68	1,42,745.55	1,07,288.96	44,706.70	27,150.80	24,228.44
Net Fixed Assets	1,24,123.09	1,32,606.42	1,38,147.90	1,47,327.67	1,39,446.27	1,07,041.15	44,571.39	27,078.22	24,206.97
Current Assets, Loans & Advances & Deposits	6,740.39	4,400.25	7,096.11	45,110.35	9,142.62	8,341.97	2,183.25	1,447.42	752.98
Investments in equity instrument	10,618.16	10,617.16	10,617.16	41.50	-	-	-	-	-
Total Assets	1,58,076.11	1,64,218.30	1,68,847.95	2,00,394.25	1,50,023.63	1,15,457.39	46,754.64	28,562.03	24,992.80
EQUITY SHARE DATA									
Earnings Per Share	(18.72)	(14.66)	(11.41)	(20.96)	(11.29)	(0.33)	(0.16)	-	-

**The figures for the previous year has been regrouped/rearranged wherever necessary to confirm with current period's classification.*

NOTICE

Notice is hereby given that the 9th Annual General Meeting of the Members of **Adlabs Entertainment Limited** will be held on Friday, August 3, 2018 at 11.30 a.m. at Imagica Theme Park, Imagica Capital, 30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 203, to transact the following business:

Ordinary Business:

1. To consider and adopt:

   a) the audited financial statements of the Company for the financial year ended March 31, 2018, the reports of the Board of Directors and Auditors' thereon; and

   b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2018, the report of the Auditors' thereon.

2. To appoint a Director in place of Ms. Pooja Deora (DIN: 00013027), who retires by rotation and being eligible, offers herself for re-appointment.

Special Business:

3. **To re-appoint Mr. Manmohan Shetty (DIN: 00013961) as a Chairman of the Company.**

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board and subject to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule V to the Companies Act, 2013 and relevant provisions of Articles of Association of the Company, and subject to all such sanctions and approvals, as may be necessary, consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Manmohan Shetty (DIN: 00013961), as Executive Chairman of the Company for a period of 5 (five) years commencing from September 2, 2018 to September 1, 2023 as per the terms and conditions agreed between the Company and Mr. Manmohan Shetty.

   RESOLVED FURTHER THAT the Board of Directors and/ or the Nomination and Remuneration Committee be and is hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company including execution of the Agreement to give effect to this resolution."

4. **Sale of investments or shareholding of the Company in Walkwater Properties Private Limited, wholly owned subsidiary company and Surplus Land of approximately 65 acres of the Company.**

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) and subject to the necessary approvals, consents, permissions and/or sanctions from the appropriate authorities, consent of the Members of the Company be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred hereunder) to sell or transfer or otherwise dispose of its 100% investments/ shareholding in Walkwater Properties Private Limited ("WPPL"), which is a wholly owned subsidiary company and Surplus Land of approximately 65 acres of the Company to Shaan Agro and Realty India Private Limited, for a total consideration of ₹ 150 Crore (Rupees One Hundred and Fifty Crore Only) to be discharged in the form of cash and on such terms and conditions as may be agreed between the Board and Shaan Agro and Realty India Private Limited.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do and perform all such acts, deeds, matters and things as it may, in their absolute discretion, deem fit, necessary, proper or desirable, including finalizing, varying and settling the terms and conditions of such sale and to finalize, execute, deliver and perform the agreement, contracts, deeds, undertakings, and other documents in respect thereof and seek the requisite approvals, consents and permissions as may be applicable to give effect to this resolution."

5. **Issue of securities to the Qualified Institutional Buyers.**

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   a) **"RESOLVED THAT** pursuant to Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013 (the "Act") read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR"), the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, applicable rules, regulations, guidelines or laws and/or any approval, consent, permission or sanction of the Central Government, Reserve Bank of India and any other appropriate authorities, institutions or bodies (hereinafter collectively referred to as the "appropriate authorities"), and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission and/or sanction (hereinafter referred to as the "requisite approvals"), which may be agreed to by the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution), the Board be and is hereby authorised to issue, offer and allot equity shares/ fully convertible debentures/ partly convertible debentures/ non convertible debentures with warrants/ any other securities (other than warrants), which are convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than 60 months from the date of allotment (collectively referred to as "QIP Securities"), to the Qualified Institutional Buyers (QIBs) as per the SEBI ICDR, whether or not such QIBs are Members of the Company, on the basis of placement document(s), at such time or times in one or more tranche or tranches, at par or at such price or prices, and on such terms and conditions and in such manner as the Board may, in its absolute discretion determine, in consultation with the Lead Managers, Advisors or other intermediaries, provided however that the aggregate amount raised by issue of QIP Securities as above shall not exceed ₹ 200 Crore.

b) **RESOLVED FURTHER THAT** the relevant date for the determination of applicable price for the issue of the QIP Securities shall be the date on which the Board of the Company decide to open the proposed issue, or the date on which the holder of the securities which are convertible into or exchangeable with equity shares at a later date becomes entitled to apply for the said shares, as the case may be ("Relevant Date").

c) **RESOLVED FURTHER THAT** the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any Securities referred to in paragraph (a) above or as may be necessary in accordance with the terms of the offering, all such shares being *pari passu* with the then existing shares of the Company in all respects, as may be provided under the terms of the issue and in the offering document.

d) **RESOLVED FURTHER THAT** such of these QIP Securities to be issued as are not subscribed may be disposed of by the Board to such persons and in such manner and on such terms as the Board in its absolute discretion thinks fit in accordance with the provisions of law.

e) **RESOLVED FURTHER THAT** the issue to the holders of the Securities with equity shares underlying such securities shall be, *inter alia*, subject to suitable adjustment in the number of shares, the price and the time period etc., in the event of any change in the equity capital structure of the Company consequent upon any merger, amalgamation, takeover or any other re-organisation or restructuring in the Company.

f) **RESOLVED FURTHER THAT** the Board may at its absolute discretion issue equity shares at a discount of not more than five per cent or such other discount as may be permitted under the applicable regulations to the QIP Floor Price as determined in accordance with the SEBI ICDR Regulations.

g) **RESOLVED FURTHER THAT** the QIP Securities shall be issued and allotted within twelve months from the date of this resolution or such other time as may be allowed under with the SEBI ICDR Regulations.

h) **RESOLVED FURTHER THAT** for the purpose of giving effect to any issue or allotment of QIP Securities or instruments representing the same, as described in paragraph (a) above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing and institutions/ trustees/ agents and similar agreements/and to remunerate the Managers, underwriters and all other agencies/ intermediaries by way of commission, brokerage, fees and the like as may be involved or connected in such offerings of Securities, with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit.

i) **RESOLVED FURTHER THAT** for the purpose aforesaid, the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of QIP Securities and utilisation of the issue proceeds including but without limitation to the creation of such mortgage/ hypothecation/ charge on the Company's assets under Section 180(1)(a) of the said act in respect of the aforesaid QIP Securities either on pari passu basis or otherwise or in the borrowing of loans as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

j) **RESOLVED FURTHER THAT** the Board shall have the authority and power to accept any modification in the proposal as may be required or imposed by the Government of India/ Reserve Bank of India/Securities and Exchange Board of India/ Stock Exchanges where the shares of the Company are listed or such other appropriate authorities at the time of according/ granting their approvals, consents, permissions and sanctions to issue, allotment and listing thereof and as agreed to by the Board.

k) **RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s)/Authorised Representative(s) of the Company to give effect to the aforesaid resolution."

By Order of the Board of Directors

Date : May 17, 2018 **Madhulika Rawat**
Place: Mumbai Company Secretary

Registered Office:
30/31, Sangdewadi, Khopoli-Pali Road,
Taluka Khalapur, District Raigad 410 203

Notes:

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note no. 18. The Company will also send details about User ID and password along with a copy of this Notice to the Members.

3. Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.

4. A statement pursuant to 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

5. Members/Proxies should fill in the Attendance Slip for attending the Meeting and bring their Attendance Slip along with their copy of the annual report to the Meeting.

6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

7. Members holding shares in electronic form are requested to write their DP ID and Client ID number and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.

8. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays during business hours up to the date of the Meeting.

9. The Register of Members and Transfer Books of the Company shall remain closed from Saturday, July 28, 2018 to Friday, August 3, 2018 (both days inclusive) for the purpose of Annual General Meeting.

10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining demat accounts. Members holding shares in physical form are requested to advise any change of address or bank mandates immediately to the Company/ Registrar and Transfer Agent, Link Intime India Private Limited (RTA).

11. Non-resident Indian Members are requested to inform Link Intime India Private Limited immediately on:

    a. the change in the residential status on return to India for permanent settlement; and

    b. the particulars of the bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished earlier.

12. The details of the Directors seeking re-appointment under item no. 2 and 3 of the accompanying Notice, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed herewith as *Annexure I*.

13. Members of the Company had approved the appointment of M/s. A. T. Jain & Co., Chartered Accountants, as the Statutory Auditors at the 8th Annual General Meeting of the Company to hold office for a period of 2 (two) consecutive years i.e. from the conclusion of the 8th Annual General Meeting until the conclusion of the 10th Annual General Meeting of the Company. In accordance with the Companies (Amendment) Act, 2017, enforced w.e.f. May 7, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested, to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Transfer Agent.

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

16. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar and Transfer Agent, for consolidation into a single folio.

17. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

18. Voting through electronic means:

    I. In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services.

The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Link Intime India Private Limited (LIIPL).

II. The facility for voting through ballot paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through ballot paper.

III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on July 31, 2018 (9:00 am) and ends on August 2, 2018 (5:00 pm). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 27, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by LIIPL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

V. Instructions for shareholders to vote electronically:

Log-in to e-Voting website of LIIPL

1. Visit the e-voting system of LIIPL. Open web browser by typing the following URL: https://instavote.linkintime.co.in.

2. Click on "Login" tab, available under 'Shareholders' section.

3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".

4. Your User ID details are given below:

   a. **Shareholders holding shares in demat account with NSDL**: Your User ID is 8 Character DP ID followed by 8 Digit Client ID

   b. **Shareholders holding shares in demat account with CDSL**: Your User ID is 16 Digit Beneficiary ID

   c. **Shareholders holding shares in Physical Form (i.e. Share Certificate)**: Your User ID is Event No + Folio Number registered with the Company

5. Your Password details are given below:

   If you are using e-Voting system of LIIPL: https://instavote.linkintime.co.in for the first time or if you are holding shares in physical form, you need to follow the steps given below:

   Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI (Date of Incorporation) as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio number. • Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (4-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIIPL: https://instavote.linkintime.co.in, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Cast your vote electronically

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.

7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

   Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

   Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

9. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.

10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

General Guidelines for shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIIPL: https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

  They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 4918 6000.

VI. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Friday, July 27, 2018.

VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

VIII. Mr. Sanjay Dholakia, Practicing Company Secretary (Membership No. 2655 & COP No: 1798) has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

IX. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "ballot paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

X. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XI. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.adlabsimagica.com and on the website of LIIPL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3

Mr. Manmohan Shetty was appointed as an Executive Chairman of the

Company by the shareholders in their meeting held on September 30, 2013 for a period of five years w.e.f. September 2, 2013 without remuneration. The term of five years expires on September 1, 2018 by efflux of time.

Section 196 (3) of the Act read with Part-1 of Schedule V provides that no Company shall appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who has attained the age of 70 years unless it is approved by the Shareholders as a Special Resolution. Mr. Manmohan Shetty is over 70 years of age on the date of re-appointment.

Mr. Shetty has more than three decades of experience in the media and entertainment business which includes running a film processing laboratory, theatrical exhibition business, film production and digital cinema. He is responsible for the Company's overall business operations and is responsible for conceptualising and launching "Adlabs Imagica". Prior to the incorporation of the Company, he founded Adlabs Films Limited which went public in January 2001. He was also instrumental in introducing the 'IMAX' exhibition format by setting up India's first IMAX theatre in Mumbai. He was also the former Chairman of the National Film Development Corporation set up by the Government of India and the former President of the Film and Television Producers Guild of India.

At the Board Meeting held on May 17, 2018, the Board has, on the recommendation of Nomination and Remuneration Committee, re-appointed Mr. Manmohan Shetty (DIN: 00013961) as an Executive Chairman of the Company for a period of 5 (five) years from September 2, 2018 to September 1, 2023 subject to the approval of Members of the Company in the Annual General Meeting.

Save and except Mr. Manmohan Shetty and Ms. Pooja Deora and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board accordingly recommends the Special Resolution set out at Item No. 3 of the accompanying Notice for the approval of the Members.

Item No. 4

The Company had taken approval of shareholders by passing a special resolution through postal ballot on December 29, 2017 to sell or transfer or dispose of 100% investments/ shareholding of the Company in Walkwater Properties Private Limited ("WPPL"), a wholly owned subsidiary of the Company and Surplus Land of 67 acres to another wholly owned subsidiary of the Company, Blue Haven Entertainment Private Limited for a consideration by way of take-over of the debt of the Company aggregating to ₹ 150 Crore.

The aforesaid transfer was subject to the approval of lenders of the Company. The Company has not received the approval of consortium lenders to the Company to transfer the debt from the Company to Blue Haven Entertainment Private Limited. Hence, it is now proposed to sell or transfer or dispose of 100% investments/ shareholding of the Company in WPPL, a wholly owned subsidiary of the Company and Surplus Land of approximately 65 acres to Shaan Agro and Realty India Private Limited at a total consideration of ₹ 150 Crore in cash.

Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that no company shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting, except in certain cases. WPPL being a material subsidiary of the Company, shall require approval of the Members of the Company through a special resolution.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board accordingly recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members.

Item No. 5

In order to address the requirement of funds for the purposes of repayment/prepayment of debt, expansion and to enhance its global competitiveness and the ability to compete with the peer group in domestic and international markets, the Company needs to strengthen its financial position and net worth by augmenting long term resources.

For the above purposes as also for meeting the requirements for general corporate purposes, as may be decided by the Board from time to time, it is proposed to seek the enabling authorisation of the Members of the Company in favour of the Board of Directors ("Board"), without the need of any further approval from the Members, to undertake the Qualified Institutional Placement ("QIP") with the Qualified Institutional Buyers ("QIB"), in accordance with the provisions of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI ICDR"), as set out in the resolution at Item No. 5 of the accompanying Notice.

In view of the above, the Board may, in one or more tranches, issue and allot equity shares / fully convertible debentures / partly convertible debentures / non convertible debentures with warrants / any other securities, which are convertible into or exchangeable with equity shares on such date(s) as may be determined by the Board but not later than 60 months from the date of allotment (collectively referred to as "QIP Securities"). The QIP Securities proposed to be issued by the Board shall be subject to the provisions of the SEBI ICDR including the pricing, which will not be less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchanges during the two weeks preceding the Relevant Date. The Relevant Date for the determination of applicable price for the issue of the QIP Securities shall be the date of allotment of the QIP Securities by the Board pursuant to the applications received by the Company.

For the reasons aforesaid, an enabling resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of the issue. The QIP Securities issued pursuant to the offering would be listed on the Indian stock exchanges.

The pricing of the equity shares that may be issued to QIBs pursuant to SEBI ICDR Regulations shall be freely determined subject to such price being not less than the floor price calculated in accordance with Chapter VIII of the SEBI ICDR Regulations ("QIP Floor Price"). Further, the Board may also offer a discount of not more than five per cent or such other percentage as permitted on the QIP Floor Price calculated in accordance with the pricing formula provided under SEBI ICDR Regulations.

For the reasons aforesaid, an enabling special resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of the issue. The QIP Securities issued pursuant to the offering would be listed on the Indian Stock Exchanges.

The proposed issue of QIP Securities as above may be made in one or more tranches such that the aggregate amount raised by issue of QIP Securities shall not exceed ₹ 200 crore.

The QIP Securities issued pursuant to the offer, if necessary, may be secured by way of mortgage / hypothecation on the Company's assets as may be finalized by the Board in consultation with the Security Holders / Trustees in favour of Security Holders / Trustees for the holders of the said securities. The security that may have to be created for the purposes of this issue, as above may come within the purview of Section 180(1)(a) of the Companies Act, 2013. Necessary approval has already been accorded by Members of the Company for creation of such Security(s) by passing of resolution in the Extra-ordinary General Meeting of the Company held on January 23, 2015.

Section 62(1)(c) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, provide, *inter alia*, that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares shall be offered to the persons, who on the date of the offer are holders of the equity shares of the Company, in proportion to the capital paid-up on those shares as of that date unless the Members decide otherwise. The Special Resolution seeks the consent and authorisation of the Members to the Board of Directors to offer and issue the QIP Securities, in consultation with the Lead Managers, Legal Advisors and other intermediaries to offer and issue the QIP Securities to any persons, whether or not they are members of the Company.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board accordingly recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

By Order of the Board of Directors

Date : May 17, 2018
Place: Mumbai

Madhulika Rawat
Company Secretary

Registered Office:
30/31, Sangdewadi, Khopoli-Pali Road,
Taluka Khalapur, District Raigad 410 203

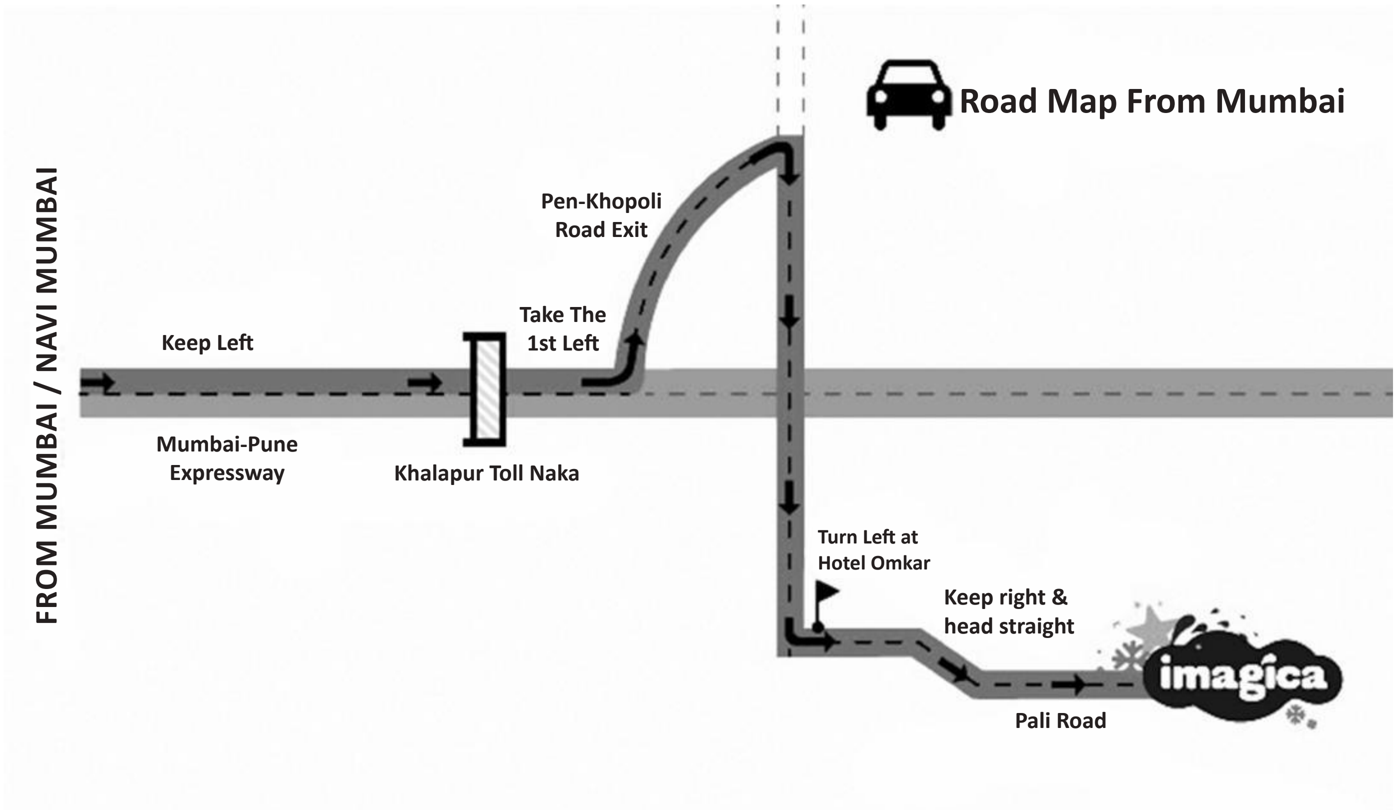
Annexure I to the Notice dated May 17, 2018

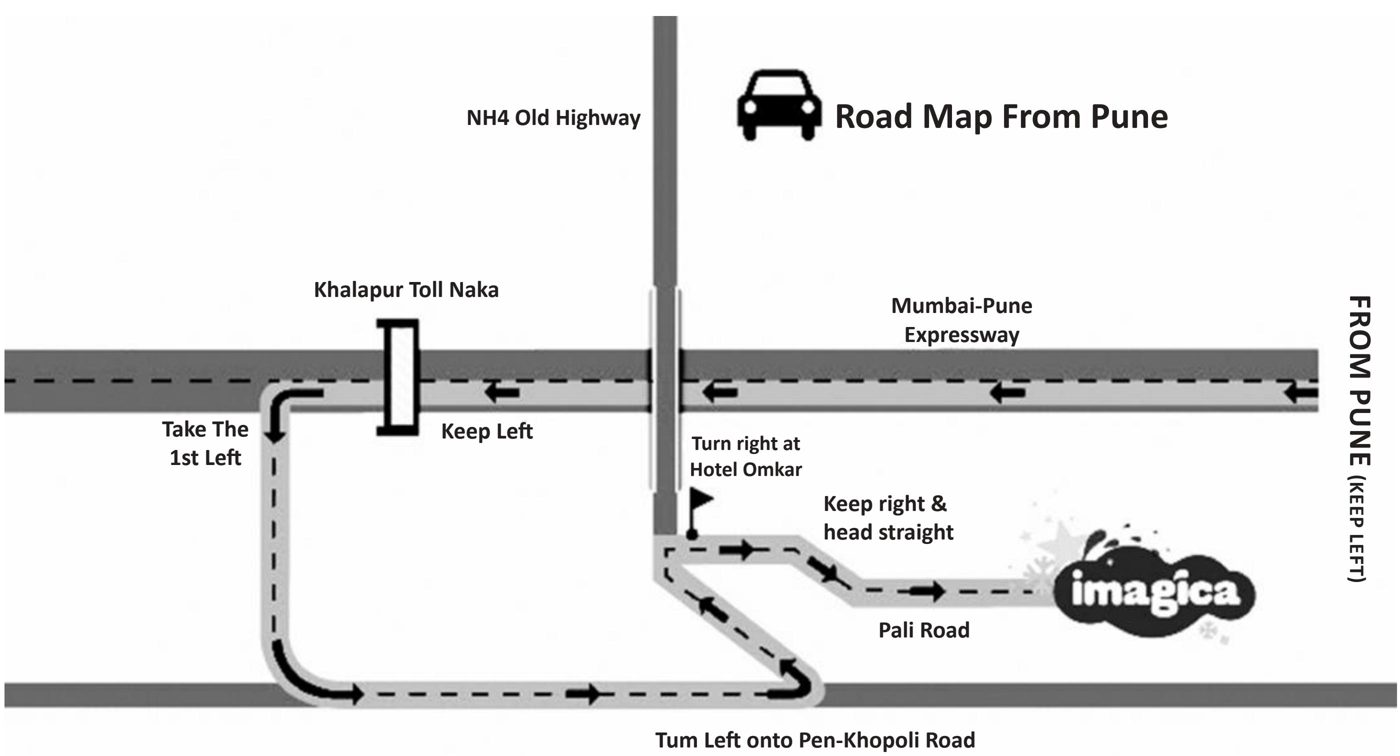
Details of Directors retiring by rotation/ seeking appointment/ re-appointment at the ensuing Annual General Meeting

[In pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards-2 on General Meetings]

Particulars	**Mr. Manmohan Shetty**	**Ms. Pooja Deora**
Age	70	38
Qualification	First year arts from the University of Mumbai	Bachelor of Science from Purdue University
Experience (including expertise in specific functional area) / Brief Resume	He has more than three decades of experience in the media and entertainment business which includes running a film processing laboratory, theatrical exhibition business, film production and digital cinema. He is responsible for the Company's overall business operations and is responsible for conceptualising and launching "Imagica". Prior to the incorporation of the Company, he founded Adlabs Films Limited which went public in January 2001. He was also instrumental in introducing the 'IMAX' exhibition format by setting up India's first IMAX theatre in Mumbai. He was also the former Chairman of the National Film Development Corporation set up by the Government of India and the former President of the Film and Television Producers Guild of India. He has been a Director of the Company since its incorporation.	Pooja Deora with her years of retail as well as creative expertise, set up the Retail, Food and Beverage and Marketing/ Branding at Imagica. She was earlier a whole time member on the Board of Directors in Adlabs Films Limited ("AFL"). Her return to India, with a Bachelor's degree in Science in Management at Purdue University, coincided with AFL setting up India's first and the world's largest IMAX dome theatre in Mumbai along with a four screen multiplex. She took on the responsibility of cinema design, launch and operations for that property leading to AFL setting up a chain of multiplexes across the country in 2003 which coincided with India's economic and retail boom. Within a short span of time, Ms. Pooja had overseen the entry of AFL into the multiplex business and guided this division into acquiring leadership status in the country. She helped manage the transition process at AFL, post majority acquisition by the Reliance ADAG group leading the company's initiatives in creating movie content and also implementing prestigious projects in animation.
Terms and Conditions of Appointment / Re-appointment	As per the resolution at item no. 4 of the Notice convening this Meeting read with explanatory statement thereto, Mr. Manmohan Shetty is proposed to be re-appointed as Chairman.	In terms of Section 152(6) of the Companies Act, 2013, Ms. Pooja Deora who was appointed as a Non-Executive Director at the Annual General Meeting held on July 28, 2016 is liable to retire by rotation at the Meeting.
Remuneration last drawn (including sitting fees, if any)	Nil	₹ 10,00,000/- (From April 1, 2017 to July 31, 2017) as consultancy fees pursuant to a consultancy agreement entered between Ms. Pooja and the Company and no sitting fees was paid to her.
Remuneration proposed to be paid	Nil	Nil
Date of first appointment on the Board	February 10, 2010	May 24, 2016
Shareholding in the Company as on March 31, 2018	21,21,152	Nil
Relationship with other Directors / Key Managerial Personnel	Father of Ms. Pooja Deora, Non Executive Director of the Company.	Daughter of Mr. Manmohan Shetty, Chairman of the Company.
Number of meetings of the Board attended during the year	8 out of 8	7 out of 8
Directorships of other Boards as on March 31, 2018	1) Whistling Woods International Limited 2) Centrum Capital Limited 3) P&M Infrastructures Limited 4) Thrill Park Limited 5) Mukta Arts Limited 6) The Film & Television Producers Guild of India Ltd.	1) Adlabs Films Limited 2) Fender Consultants Private Limited 3) Unicorn Studios Private Limited
Membership / Chairmanship of Committees of other Boards as on March 31, 2018	Nil	Nil

Route map to the venue of AGM





Board's Report

To,

The Members,

Your Directors present the 9th Annual Report of the Board of Directors of your Company along with the Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement for the year ended March 31, 2018.

SUMMARY OF FINANCIAL HIGHLIGHTS

The standalone performance of the Company for the financial year ended March 31, 2018 is summarized below:

(₹ In Lakhs)

	Financial Year ended March 31, 2018	Financial Year ended March 31, 2017*
Total Revenue	23,727.91	23,959.38
Profit/ (Loss) before tax	(15,517.43)	(15,300.35)
Tax Expenses		
- Current Tax	-	-
- Deferred Tax	-	3586.78
Profit/ (Loss) after tax	(15,517.43)	(11,713.57)

**The figures for the previous year has been regrouped/rearranged wherever necessary to confirm with current period's classification.*

FINANCIAL PERFORMANCE

For the financial year 2017-18, at standalone level, your Company reported a growth of 3% in EBITDA vis-a-vis FY 2016-17. EBIDTA increased to ₹ 6,267.45 Lakhs from ₹ 6,084.53 Lakhs for the corresponding period. Revenues held ground at ₹ 23,628.77 Lakhs from ₹ 23,907.65 Lakhs despite a significantly higher indirect tax regime. The revenue and EBITDA numbers do not include 100 % SGST refund on the ticket sales during the year, amounting to approximately ₹ 1,046.00 Lakhs.

The mechanics of the said refund are being finalized by the State government and it would flow into EBITDA as a refund item. Thus EBITDA should improve by as much amount of approximately ₹ 1,046.00 Lakhs for FY 2017-18. Considering the GST refund amount, the EBITDA would be higher by approximately 20%.

During the year under review, your Company has recorded it's highest ever footfall with 17.22 Lakhs visitors, up from the previous year number of 15.44 Lakhs, resulting in a growth of 14%.

During the year under review, your Company announced debt reduction plans and accordingly had presented an overall plan to its lenders. Relevant approvals from lenders are awaited.

The outstanding secured loan as on March 31, 2018 aggregate to ₹ 1,05,514.50 Lakhs.

THE STATE OF COMPANY AFFAIRS

Your Company owns & operates an Integrated Entertainment Holiday Destination "IMAGICA" which is built to match global standards and includes a theme park, a water park, a snow park, a hotel, and other associated activities such as retail & merchandise, food and beverages, etc.

Detailed information on the affairs of the Company has been given as part of Management Discussion and Analysis forming part of this Report.

TRANSFER/ SALE OF BUSINESSES

Your Company is in the process of transferring its hotel business undertaking 'Novotel Imagica Khopoli' with underlying land of 6.1 acres and additional surplus land of 8.9 acres together with all specified tangible and intangible assets, to Bright Star Investments Private Limited for an overall consideration of ₹ 212.50 Crore pursuant to the approval received from the shareholders by passing a special resolution through postal ballot on December 29, 2017.

ISSUE OF SECURITIES AND SHARE CAPITAL

Equity Shares

During the year under review, Company issued and allotted on preferential basis:

1) 12,48,684 equity shares of face value of ₹ 10/- (Rupees Ten Only) per share at a premium of ₹ 85/- (Rupees Eighty Five Only) per share for an aggregate consideration of ₹ 11,86,24,980/- (Rupees Eleven Crore Eighty Six Lakhs Twenty Four Thousand Nine Hundred and Eighty only) to Bennett Coleman and Company Limited (BCCL) on June 20, 2017.

2) 69,15,629 equity Shares of face value ₹ 10/- (Rupees Ten only) per equity share at a premium of ₹ 62.30/- (Rupees Sixty Two and Thirty Paise Only) per equity share for an aggregate consideration equal to ₹ 49,99,99,977/- (Rupees Forty Nine Crore Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Seventy Seven Only) to Shaan Agro and Realty India Private Limited (Formerly Shaan Agro Private Limited) on December 15, 2017.

Pursuant to allotment of equity shares, the paid up equity share capital of the Company was increased to ₹ 88,06,21,230/- as at March 31, 2018 as compared to ₹ 79,89,78,100/- as at March 31, 2017.

Convertible Warrants

During the year under review, Company issued and allotted 5 (Five) Convertible Warrants of ₹ 2,37,25,000/- (Rupees Two Crore Thirty Seven Lakhs Twenty Five Thousand Only) each on preferential basis to BCCL on June 20, 2017 pursuant to receipt of 25% upfront payment consideration from BCCL. The convertible warrants are to be converted in to such number of equity shares with such warrants carrying an option / entitlement to subscribe to equity shares of the face value of ₹ 10/- (Rupees Ten Only) per share for cash at a price whichever is higher of the following aggregating to ₹ 11,86,25,000/- (Rupees Eleven Crore Eighty Six Lakhs Twenty Five Thousand Only) on receipt of balance 75% of the consideration:

a) ₹ 95/- (including premium of ₹ 85/-) per share; or

b) price per share equal to the average of the weekly high and low of the volume weighted average price of the equity share of the Company as quoted on the National Stock Exchange of India Ltd. during the 26 (twenty six) weeks preceding any day of the 17th (seventeenth) month from the date of allotment of warrant.

EXTRACT OF ANNUAL RETURN

Extract of annual return is enclosed as *Annexure 1*.

DIVIDEND & TRANSFER TO RESERVES

In view of the loss for the financial year ended March 31, 2018, no amount is proposed to be transferred to the reserves and your Directors have not recommended payment of any dividend for the year under review.

NUMBER OF BOARD MEETINGS

During the financial year ended March 31, 2018, the Board of Directors met 8 (eight) times viz., on, April 27, 2017, May 25, 2017, June 20, 2017, July 26, 2017, August 28, 2017, November 7, 2017, December 15, 2017 and February 8, 2018. The maximum interval between any two meetings did not exceed 120 days.

Details of the meetings of the Board alongwith the attendance of the Directors therein have been disclosed as part of the Corporate Governance Report forming part of this Annual Report.

COMPOSITION OF AUDIT COMMITTEE

The composition of Audit Committee of the Company is as follows:

1. Mr. Steven A. Pinto, Chairman;
2. Mr. Ghulam Mohammed;
3. Mr. Kapil Bagla; and
4. Ms. Anjali Seth.

DECLARATION OF INDEPENDENCE BY DIRECTOR

Pursuant to the provisions under Section 134(3)(d) of the Companies Act, 2013 (the "Act"), with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as provided in the said Section 149(6) and relevant Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTORS

Pursuant to Section 152 of the Act, Ms. Pooja Deora, Director of the Company, retires by rotation and being eligible, offers herself for re-appointment at the ensuing Annual General Meeting.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board in its meeting held on May 17, 2018, re-appointed Mr. Manmohan Shetty as Chairman of the Company, subject to the approval of Members at the ensuing Annual General Meeting, for a period of 5 (five) years commencing from September 2, 2018 to September 1, 2023.

Re-appointment of Mr. Kapil Bagla as Whole-time Director of the Company was approved by the Members at the Annual General Meeting held on July 26, 2017 for a period of 3 (three) years commencing from July 6, 2017 to July 5, 2020.

Further, Mr. Kapil Bagla's designation was changed from Whole-time Director to Non Executive Director w.e.f. September 1, 2017.

KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Act are as follows:

Mr. Ashutosh Kale	: Executive Director and Joint Chief Executive Officer
Mr. Dhimant Bakshi	: Joint Chief Executive Officer
Mr. Mayuresh Kore	: Chief Financial Officer
Ms. Madhulika Rawat	: Company Secretary

During the year under review, Mr. Kapil Bagla, resigned as Chief Executive Officer of the Company with effect from September 1, 2017 and Mr. Ashutosh Kale and Mr. Dhimant Bakshi were designated as Joint Chief Executive Officers and KMPs of the Company with effect from September 1, 2017.

SUBSIDIARY COMPANIES

During the year under review, Blue Haven Entertainment Private Limited became a wholly owned subsidiary of your Company w.e.f. November 16, 2017.

Your Company had taken an approval from shareholders by passing special resolutions through postal ballot on December 29, 2017:

a) for sale or transfer or otherwise dispose of its 100% investments/ shareholding in Walkwater Properties Private Limited ("WPPL"), which is a wholly owned subsidiary company and Surplus Land of 67 acres of the Company to another wholly owned subsidiary company of the Company, Blue Haven Entertainment Private Limited ("BHEPL"), for a consideration by way of take-over of the debt of the Company aggregating to ₹150 Crore (Rupees One Hundred and Fifty Crore Only) and on such terms and conditions as may be agreed between the Board and BHEPL.

   However, as the lenders to the Company have not shown willingness for transfer of debt from the Company to BHEPL, the Board in its meeting held on May 17, 2018, approved to sell 100% investments / shareholding of the Company in WPPL and surplus land of approximately 65 acres to Shaan Agro and Realty Private Limited at a total consideration of ₹150 Crore in cash subject to approvals, consents, permissions and/or sanctions from appropriate authorities and approval of Members at the ensuing Annual General Meeting.

b) to sell or transfer or otherwise dispose of its 100% investments and/or shareholding in BHEPL, a wholly owned subsidiary company of the Company to Shaan Agro and Realty India Private Limited for a minimum consideration of ₹ 1,00,000/- (Rupees One Lakh) or such higher value to be determined by an independent valuer/chartered accountant, to be discharged in the form of cash.

   The abovementioned sale or transfer of investments is yet to be concluded.

A separate statement in terms of Section 129(3) of the Act containing salient features of the financial statements of the subsidiary companies of your Company in Form AOC 1 forms part of this Annual Report.

Pursuant to the Section 136 of the Act, companies are exempted from attaching the Annual Reports and other particulars of its subsidiary companies along with Annual Report of the Company. Therefore, the Annual Report of the subsidiary companies are not attached with this Annual Report.

The financial statements of the subsidiary companies and related information shall be uploaded on the website of your Company which can be accessed using the link www.adlabsimagica.com/investor_docs/ Annual%20 Accounts%202017-18.pdf and the same is also available for inspection by the Members at the registered office of your Company during business hours on all working days up to the date of the Annual General Meeting, as required under Section 136 of the Act.

Any Member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the registered office address of your Company.

Your Company has approved a policy for determining material subsidiaries and the same is uploaded on the Company's website which can be accessed using the link https://www.adlabsimagica.com/investor_docs/Material%20Subsidiary%20Policy.pdf.

DEPOSITS

During the year under review, your Company has not accepted any fixed deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Therefore, as on March 31, 2018, there were no deposits which were unpaid or unclaimed and due for repayment.

AUDITORS

Statutory Auditors

M/s. A. T. Jain & Co., Chartered Accountants, were appointed as Statutory Auditors of your Company at the 8th Annual General Meeting of the Company to hold office for a period of 2 (two) consecutive years i.e. from the conclusion of the 8th Annual General Meeting until the conclusion of the 10th Annual General Meeting of the Company. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors was required to be ratified by Members at every Annual General Meeting.

As per the Companies (Amendment) Act, 2017, enforced on May 7, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified by the Members at every Annual General Meeting.

The observations and comments given by Auditors in their report read together with notes to Accounts are self explanatory and hence do not call for any further comments under Section 134 of the Act. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Aabid & Co., Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Report of the Secretarial Audit in Form MR 3 for the financial year 2017-18 is annexed as *Annexure 2* to the Report. There are no qualifications, reservations or adverse remarks made by Secretarial Auditor in his report.

The Board has appointed M/s. Aabid & Co., Company Secretaries as Secretarial Auditors for the financial year 2018-19.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Act do not apply as there was no dividend declared and paid by the Company.

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

During the year under review, there were no such orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adequate internal control procedures commensurate with its size and nature of business. The business control procedures ensure efficient use and protection of Company's resources and compliance with policies, procedures and statutory requirements. Further internal auditors are appointed to carry audit assignments and to periodically review the transactions across the divisions and evaluate effectiveness of internal control systems.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

During the year under review, there were no guarantees given under Section 186 of the Act. Particulars of loans and investments have been disclosed as part of the financial statements of your Company for the year under review, in Note 5 and Note 12 respectively.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE ACT IN THE PRESCRIBED FORM

All contract(s) / arrangement(s) / transaction(s) entered into by your Company with its related parties, during the year under review, were:

- in "ordinary course of business" of the Company;
- on "an arm's length basis"; and
- not "material",

as per the provisions of Section 188(1) of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014. Accordingly, Form AOC-2, prescribed under the provisions of Section 134(3)(h) of the Act and Rule 8 of the Companies (Accounts) Rules, 2014, for disclosure of details of related party transactions, which are "not at arm's length basis" and also, which are "material & at arm's length basis", is not provided as an annexure of the Directors' Report.

However, details of the related party transactions entered into during the year under review and as on March 31, 2018, are disclosed as part of the financial statements of your Company for the year under review, as Note 37. Further, pursuant to the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Board has, approved and adopted a Policy on related party transactions. The said policy is available on your Company's website viz. www.adlabsimagica.com.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this report.

RISK MANAGEMENT

Board has constituted a Risk Management Committee of the Board, to assist the Board with regard to the identification, evaluation and mitigation of operational, strategic and external risks. Risk Management Committee works towards identifying internal and external risks and implementing risk mitigation steps. On quarterly basis, status updates are provided to the Board of Directors of the Company. More details on risks and threats have been disclosed in the section "Management Discussion and Analysis".

CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR is a Company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by business to behave ethically and contribute to economic development of the society at large and building capacity for sustainable livelihoods. The Company believes in conducting its business responsibly, fairly and in a most transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates and as a part of its social objectives.

CSR policy has been formally formulated and adopted in terms of Section 135 of the Act and Rules framed thereunder to undertake CSR activities. The Company has always made consistent efforts to maintain an active corporate social responsibility portfolio.

The Company has duly constituted CSR Committee comprising of Mr. Steven A. Pinto, Mr. Ashutosh Kale and Mr. Manmohan Shetty.

The responsibilities of the CSR Committee include:

1. Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken.
2. Recommending the amount of expenditure for the CSR activities.
3. Monitoring CSR activities from time to time.

In view of the losses for the year under review, your Company was not required to spend any amount towards the CSR activities, as per the applicable provisions of Section 135 of the Act. Accordingly, the details of the CSR activities during the year under review are not provided in this Report.

NOMINATION AND REMUNERATION POLICY

The Company follows a policy on nomination and remuneration of Directors and Senior Management Employees. The Policy is approved by the Nomination and Remuneration Committee. The policy on the above is attached as *Annexure 3*.

FORMAL ANNUAL EVALUATION

The Company has devised a policy for performance evaluation of its individual directors, the Board and the Committees constituted by it, which includes criteria for performance evaluation.

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, working of the Committees and the Directors individually.

The Board performance was evaluated based on inputs received from all the Directors after considering criteria such as Board's effectiveness in decision making, in providing necessary advice and suggestions to the Company's management, etc.

A separate meeting of the Independent Directors was also held during the year for evaluation of the performance of the Non Independent Directors, the Board as a whole and that of the Chairman.

The Nomination and Remuneration Committee has also reviewed the performance of the individual directors based on their knowledge, level of preparation and effective participation in meetings, contribution towards positive growth of the Company, etc.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Act with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) the directors have 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 have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the directors have prepared the annual accounts on a going concern basis;

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

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

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of subsidiary company is given in Form AOC-1 and forms an integral part of this Report.

VIGIL MECHANISM

The Company has established a Vigil Mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for (a) adequate safeguards against victimization of persons who use the Vigil Mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases.

Details of the Vigil Mechanism policy are made available on the Company's website www.adlabsimagica.com.

PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 (12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided separately as *Annexure 4* to this Report.

Details of employee remuneration as required under provisions of Section 197(12) of the Act and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be made available at the registered office of the Company during working hours, pursuant to the provisions of the first proviso to Section 136(1) of the Act and any Member interested in obtaining such information may write to the Company Secretary and the same will be made available to any such Member on request.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

All new Independent Directors (IDs) inducted into the Board are given an orientation. Presentations are made by Executive Directors (EDs) and Senior Management giving an overview of the Company's operations, to familiarize the new IDs with the Company's business operations. The new IDs are given an orientation on our products, group structure and subsidiary company, Board constitution and procedures, matters reserved for the Board, and the Company's major risks and risk management strategy. The Policy on the Company's Familiarisation Programme for IDs can be accessed at https://www.adlabsimagica.com/investor_docs/Familiarisation%20programme%20for%20Independent%20Directors.pdf.

HUMAN RESOURCES

The Company regards human resources as a valuable asset. The Company encourages a performance driven culture and enables the employees with focused training at regular intervals. Further, the training needs at all divisions are periodically assessed and training programmes are conducted using internal resources and/or engaging external facilitators and trainers. The total number of permanent employees on the rolls of the Company as on the year end were 733.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in *Annexure 5* to this Report.

CORPORATE GOVERNANCE AND COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the corporate governance requirements under the Companies Act, 2013, and as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on corporate governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with the certificate from the Practicing Company Secretary confirming the compliance, is annexed and forms part of this Annual Report.

The Company has complied with the Secretarial Standards issued by Institute of Company Secretaries of India on Meeting of Board of Directors and General Meetings.

MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion and Analysis is annexed as *Annexure 6*.

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

The Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Policy on Prevention of Sexual Harassment at Workplace has been formulated by the Company. The policy aims to develop a harmonious and productive working environment free from sexual harassment. The Company also ensures all allegations of sexual harassment are investigated and dealt with effectively and appropriately.

During the year under review, the Company received NIL complaints pertaining to sexual harassment.

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from shareholders, bankers, financial institutions, regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff of the Company during the financial year.

For and on behalf of the Board of Directors

Manmohan Shetty
Chairman
(DIN: 00013961)

Place: Mumbai
Date: May 17, 2018

Annexure 1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

[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

1	CIN	L92490MH2010PLC199925
2	Registration Date	10.02.2010
3	Name of the Company	Adlabs Entertainment Limited
4	Category	Company Limited by Shares
5	Sub Category of the Company	Indian Non-government Company
6	Address of the registered office and contact details	30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, Dist – Raigad 410203, Maharashtra T: +91-2192 669 900 F: +91-22 4068 0088 Email: compliance@adlabsentertainment.com
7	Whether listed company	Yes
8	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083 Tel: (022) 4918 6000 Fax: (022) 4918 6060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Amusement Park	93210	85.18
2	Hotel	9963/99631110	14.82

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Blue Haven Entertainment Private Limited 9th Floor, Lotus Business Park, New Link Road, Andheri (West), Mumbai 400 053	U92190MH2008PTC187832	Subsidiary Company	100.00	2(87)
2	Walkwater Properties Private Limited 9th Floor, Lotus Business Park, New Link Road, Andheri (West), Mumbai 400 053	U45400MH2007PTC175247	Subsidiary Company	100.00	2(87)

Note: *The Company ceased to be the subsidiary company of Thrill Park Limited w.e.f. December 15, 2017.*

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

(i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year (As on 01.04.2017)				No. of shares held at the end of the year (As on 31.03.2018)				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A) PROMOTERS									
1. Indian									
(a) Individual/ HUF	29,71,152	-	29,71,152	3.72	21,211,52	-	21,211,52	2.41	(1.31)
(b) Central Govt.	-	-	-	0.00	-	-	-	-	0.00
(c) State Govt(s)	-	-	-	0.00	-	-	-	-	0.00
(d) Bodies Corporate	4,11,50,087	-	4,11,50,087	51.50	4,20,00,087	-	4,20,00,087	47.69	(3.81)
(e) Banks/FI	-	-	-	0.00	-	-	-	0.00	0.00
(f) Any Other	-	-	-	0.00	-	-	-	0.00	0.00
Sub-Total (A)(1)	**4,41,21,239**	**-**	**4,41,21,239**	**55.22**	**4,41,21,239**	**-**	**4,41,21,239**	**50.10**	**(5.12)**
2. Foreign									
(a) NRIs – Individuals	-	-	-	0.00	-	-	-	0.00	0.00
(b) Other – Individuals	-	-	-	0.00	-	-	-	0.00	0.00
(c) Bodies Corporate	-	-	-	0.00	-	-	-	0.00	0.00
(d) Banks/FI	-	-	-	0.00	-	-	-	0.00	0.00
(e) Any Other	-	-	-	0.00	-	-	-	0.00	0.00
Sub-Total (A)(2)	**-**	**-**	**-**	**0.00**	**-**	**-**	**-**	**0.00**	**0.00**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**4,41,21,239**	**0**	**4,41,21,239**	**55.22**	**4,41,21,239**	**0**	**4,41,21,239**	**50.10**	**(5.12)**
(B) PUBLIC SHAREHOLDING									
1. Institutions									
(a) Mutual Funds	57,72,444	-	57,72,444	7.22	34,60,477	-	34,60,477	3.93	(3.29)
(b) Banks/ FI	38,770	-	38,770	0.05	79,030	-	79,030	0.09	(0.04)
(c) Central Govt.	-	-	-	0.00	-	-	-	0.00	0.00
(d) State Govt(s)	-	-	-	0.00	-	-	-	0.00	0.00
(e) Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
(f) Insurance Companies	-	-	-	0.00	-	-	-	0.00	0.00
(g) FIIs	-	-	-	0.00	-	-	-	0.00	0.00
(h) Foreign Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
(i) Others	-	-	-	0.00	-	-	-	0.00	0.00
Foreign Portfolio Investor	31,96,255	-	31,96,255	4.00	27,13,000	-	27,13,000	3.08	(0.92)
Alternate Investment Funds	-	-	-	0.00	1,41,000	-	1,41,000	0.16	0.16
Sub-Total (B)(1)	**90,07,469**	**0**	**90,07,469**	**11.27**	**63,93,507**	**0**	**63,93,507**	**7.26**	**(4.01)**
2. Non-institutions									
(a) Bodies Corporate									
i. Indian	1,36,78,494	-	1,36,78,494	17.12	2,08,55,935	-	2,08,55,935	23.68	6.56
ii. Overseas	-	-	-	0.00	-	-	-	0.00	0.00
(b) Individuals									
i. Individual shareholders holding nominal share capital up to ₹ 1 lakh.	71,04,749	2	71,04,571	8.89	91,06,584	2	91,06,586	10.34	1.45
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	18,42,549	-	18,42,549	2.31	34,01,609	-	34,01,609	3.86	1.55
(c) Others									
1. N R I	3,32,685	-	3,32,685	0.42	3,94,826	-	3,94,826	0.45	0.03
2. Directors & Relatives	178	-	178	0.00	178	-	178	0.00	0.00
3. Foreign Company	2,540,084	-	2,540,084	3.18	2,540,084	-	2,540,084	2.89	(0.29)
4. Clearing Member	7,53,760	-	7,53,760	0.94	4,88,357	-	4,88,357	0.56	(0.38)
5. Hindu Undivided Family	4,88,729	-	4,88,729	0.61	7,22,780	-	7,22,780	0.82	0.21
6. Trust	23,050	-	23,050	0.03	29,700	-	29,700	0.03	0.00
7. Foreign Nationals	5,000	-	5,000	0.01	7,500	-	7,500	0.01	0.00
Sub-Total (B)(2)	**2,67,69,100**	**2**	**2,67,69,102**	**33.51**	**3,75,47,375**	**2**	**3,75,47,377**	**42.64**	**9.13**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**3,57,76,569**	**2**	**3,57,76,571**	**44.78**	**4,39,40,882**	**2**	**4,39,40,884**	**49.90**	**5.12**
(C) SHARES HELD BY CUSTODIAN FOR GDRs AND ADRs	**-**	**-**	**-**	**0.00**	**-**	**-**	**-**	**0.00**	**0.00**
GRAND TOTAL (A)+(B)+(C)	**7,98,97,808**	**2**	**7,98,97,810**	**100.00**	**8,80,62,121**	**2**	**8,80,62,123**	**100.00**	**0.00**

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2017)			Shareholding at the end of the year (As on 31.03.2018)			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Thrill Park Limited	4,11,50,087	51.50	30.13	4,20,00,087	47.69	29.44	(3.81)
2	Manmohan Shetty	29,71,152	3.72	3.56	21,21,152	2.41	2.26	(1.31)
	Total	**4,41,21,239**	**55.22**	**33.69**	**4,41,21,239**	**50.10**	**31.70**	**(5.12)**

(iii) Change in Promoters' Shareholding

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)/ end of the year (31.03.2018)		Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity etc.)			Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of shares	% of total shares of the company
1	Thrill Park Limited	4,11,50,087	51.50	01.04.2017	0			
				31.03.2018	8,50,000	Purchase	4,20,00,087	47.69
		4,20,00,087	47.69	31.03.2018			4,20,00,087	47.69
2	Manmohan Shetty	29,71,152	3.72	01.04.2017	0			
				31.03.2018	(8,50,000)	Sale	21,21,152	2.41
		21,21,152	2.41	31.03.2018			21,21,152	2.41

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

S No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2017 /end of the year 31.03.2018)		Transactions during the year			Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the Company	Date	Increase/ Decrease in shareholding	Reason	No. of shares	% of total shares of the Company
1	India Advantage Fund	1,04,34,779	13.06	01.04.2017		Nil movement		
	S3 I	1,04,34,779	11.85	31.03.2018	0	during the year	1,04,34,779	11.85
2	Shaan Agro And	0	0.00	01.04.2017				
	Realty India Private Limited*			15.12.2017	69,15,629	Preferential allotment	69,15,629	7.85
		69,15,629	7.85	31.03.2018			69,15,629	7.85
3	NYLIM Jacob Ballas	22,38,000	2.80	01.04.2017				
	India (FPI) IV LLC			19.05.2017	4,75,000	Purchase	27,13,000	3.08
		27,13,000	3.08	31.03.2018			27,13,000	3.08
4	NYLIM Jacob Ballas	25,40,084	3.18	01.04.2017		Nil movement		
	India Holdings IV	25,40,084	2.88	31.03.2018	0	during the year	25,40,084	2.88
5	SBI Contra Fund	17,00,000	2.13	01.04.2017		Nil movement		
		17,00,000	1.93	31.03.2018	0	during the year	17,00,000	1.93
6	SBI Magnum Balanced	15,57,505	1.95	01.04.2017		Nil movement		
	Fund	15,57,505	1.77	31.03.2018	0	during the year	15,57,505	1.77
7	Bennett, Coleman And	0	0.00	01.04.2017				
	Company Limited*			20.06.2017	12,48,684	Preferential allotment	12,48,684	1.42
		12,48,684	1.42	31.03.2018			12,48,684	1.42
8	Sanjay Ranchhodlal	0	0.00	01.04.2017				
	Shah*			15.09.2017	2,50,000	Purchase	2,50,000	0.28
				22.09.2017	50,000	Purchase	3,00,000	0.34
				06.10.2017	50,000	Purchase	3,50,000	0.40
		3,50,000	0.40	31.03.2018			3,50,000	0.40

S No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2017 /end of the year 31.03.2018)		Transactions during the year			Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the Company	Date	Increase/ Decrease in shareholding	Reason	No. of shares	% of total shares of the Company
9	Guiness Securities Limited*	5,262	0.01	01.04.2017				
				07.04.2017	1,355	Purchase	6,617	0.01
				14.04.2017	(790)	Sale	5,827	0.01
				21.04.2017	(190)	Sale	5,637	0.01
				28.04.2017	(800)	Sale	4,837	0.01
				05.05.2017	1,891	Purchase	6,728	0.01
				12.05.2017	(2,500)	Sale	4,228	0.00
				19.05.2017	(185)	Sale	4,043	0.00
				26.05.2017	(26)	Sale	4,017	0.00
				02.06.2017	10	Purchase	4,027	0.00
				09.06.2017	(100)	Sale	3,927	0.00
				23.06.2017	100	Purchase	4,027	0.00
				30.06.2017	(100)	Sale	3,927	0.00
				07.07.2017	(200)	Sale	3,727	0.00
				14.07.2017	(650)	Sale	3,077	0.00
				21.07.2017	(65)	Sale	3,012	0.00
				28.07.2017	130	Purchase	3,142	0.00
				04.08.2017	(300)	Sale	2,842	0.00
				11.08.2017	(645)	Sale	2,197	0.00
				21.08.2017	100	Purchase	2,297	0.00
				25.08.2017	100	Purchase	2,397	0.00
				01.09.2017	555	Purchase	2,952	0.00
				08.09.2017	(425)	Sale	2,527	0.00
				15.09.2017	1,650	Purchase	4,177	0.00
				22.09.2017	(400)	Sale	3,777	0.00
				29.09.2017	(325)	Sale	3,452	0.00
				06.10.2017	(95)	Sale	3,357	0.00
				13.10.2017	480	Purchase	3,837	0.00
				20.10.2017	(300)	Sale	3,537	0.00
				27.10.2017	(300)	Sale	3,237	0.00
				03.11.2017	(510)	Sale	2,727	0.00
				10.11.2017	1,81,638	Purchase	1,84,365	0.21
				17.11.2017	11,582	Purchase	1,95,947	0.22
				24.11.2017	1,437	Purchase	1,97,384	0.22
				01.12.2017	(31)	Sale	1,97,353	0.22
				08.12.2017	1,02,331	Purchase	2,99,684	0.34
				15.12.2017	700	Purchase	3,00,384	0.34
				22.12.2017	729	Purchase	3,01,113	0.34
				05.01.2018	(10)	Sale	3,01,103	0.34
				12.01.2018	200	Purchase	3,01,303	0.34
				19.01.2018	2,500	Purchase	3,03,803	0.34
				02.02.2018	100	Purchase	3,03,903	0.35
				09.02.2018	1,950	Purchase	3,05,853	0.35
				23.02.2018	15	Purchase	3,05,868	0.35
				09.03.2018	110	Purchase	3,05,978	0.35
				16.03.2018	10	Purchase	3,05,988	0.35
				23.03.2018	85	Purchase	3,06,073	0.35
		3,05,473	0.35	31.03.2018	(600)	Sale	3,05,473	0.35
10	Jacob Ballas Capital India Private Limited *	2,46,089	0.31	01.04.2017				
				19.05.2017	25,000	Purchase	2,71,089	0.31
		2,71,089	0.31	31.03.2018			2,71,089	0.31

S No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2017 /end of the year 31.03.2018)		Transactions during the year			Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the Company	Date	Increase/ Decrease in shareholding	Reason	No. of shares	% of total shares of the Company
11	Bajaj Allianz Life Insurance Company Ltd. #	8,12,803	1.02	01.04.2017				
				04.08.2017	(2,73,803)	Sale	5,39,000	0.61
				11.08.2017	(1,41,000)	Sale	3,98,000	0.45
				18.08.2017	(78,000)	Sale	3,20,000	0.36
				25.08.2017	(1,29,500)	Sale	1,90,500	0.22
				01.09.2017	(1,90,500)	Sale	0	0.00
		0	0.00	31.03.2018			0	0.00
12	Tata Trustee Co. Ltd A/c Tata Mutual Fund A/c Tata Mid Cap Growth Fund #	7,50,000	0.94	01.04.2017				
				16.06.2017	(32,000)	Sale	7,18,000	0.82
				23.06.2017	(2,40,000)	Sale	4,78,000	0.54
				30.06.2017	(64,000)	Sale	4,14,000	0.47
				07.07.2017	(2,56,000)	Sale	1,58,000	0.18
				14.07.2017	(1,58,000)	Sale	0	0.00
		0	0.00	31.03.2018			0	0.00
13	HDFC Trustee Company Limited - HDFC Infrastructure Fund #	6,93,514	0.87	01.04.2017				
				12.05.2017	(1,56,000)	Sale	5,37,514	0.61
				19.05.2017	(1,01,000)	Sale	4,36,514	0.50
				02.06.2017	(23,000)	Sale	4,13,514	0.47
				09.06.2017	(26,514)	Sale	3,87,000	0.44
				23.06.2017	(74,000)	Sale	3,13,000	0.36
				30.06.2017	(64,000)	Sale	2,49,000	0.28
				07.07.2017	(18,000)	Sale	2,31,000	0.26
				14.07.2017	(2,31,000)	Sale	0	0.00
		0	0.00	31.03.2018			0	0.00
14	Centrum Financial Services Limited #	5,55,555	0.70	01.04.2017				
				05.05.2017	(45,000)	Sale	5,10,555	0.58
				12.05.2017	(2,55,000)	Sale	2,55,555	0.29
				19.05.2017	(53,700)	Sale	2,01,855	0.23
				02.06.2017	(15,000)	Sale	1,86,855	0.21
				09.06.2017	(40,761)	Sale	1,46,094	0.17
				16.06.2017	(26,000)	Sale	1,20,094	0.14
				23.06.2017	(1,10,094)	Sale	10,000	0.01
		10,000	0.01	31.03.2018			10,000	0.01
15	Tata Trustee Co. Ltd A/c Tata Mutual Fund - Tata India Tax Savings Fund #	4,25,000	0.53	01.04.2017				
				16.06.2017	(18,000)	Sale	4,07,000	0.46
				23.06.2017	(1,35,000)	Sale	2,72,000	0.31
				30.06.2017	(36,000)	Sale	2,36,000	0.27
				07.07.2017	(1,44,000)	Sale	92,000	0.10
				14.07.2017	(92,000)	Sale	0	0.00
		-	0.00	31.03.2018			0	0.00

** Not in the list of Top 10 shareholders as on 01.04.2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2018.*

 # Ceased to be in the list of Top 10 shareholders as on 31.03.2018. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01.04.2017.

Note: The above information is based on the weekly beneficiary position received from Depositories except for Shaan Agro and Realty Private Limited and Bennett Coleman and Company Limited

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name and Designation of Directors and Key Managerial Personnel	Shareholding at the beginning of the year 01.04.2017/ end of the year 31.03.2018		Transactions during the year			Cumulative shareholding during the year 01.04.2017 to 31.03.2018	
		No. of shares	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of shares	% of total shares of the company
1	Mr. Manmohan Shetty (Chairman & Director)	29,71,152	3.72	01.04.2017				
				31.03.2018	(8,50,000)	Sale	21,21,152	2.41
		21,21,152	2.41	31.03.2018			21,21,152	2.41
2	Mr. Kapil Bagla (Non Executive and Non Independent Director)#	178	0.00	01.04.2017	0	Nil movement		
		178	0.00	31.03.2018		during the year	178	0.00
3	Mr. Steven A. Pinto (Non Executive and Independent Director)	0	0.00	01.04.2017	0	Nil movement		
		0	0.00	31.03.2018		during the year	0	0.00
4	Ms. Anjali Seth (Non Executive and Independent Director)	0	0.00	01.04.2017	0	Nil movement		
		0	0.00	31.03.2018		during the year	0	0.00
5	Mr. Ghulam Mohammed (Non Executive and Independent Director)	0	0.00	01.04.2017	0	Nil movement		
		0	0.00	31.03.2018		during the year	0	0.00
6	Ms. Pooja Deora (Non Executive and Non Independent Director)	0	0.00	01.04.2017	0	Nil movement		
		0	0.00	31.03.2018		during the year	0	0.00
7	Ms. Meghna Ghai Puri (Non Executive and Independent Director)	0	0.00	01.04.2017	0	Nil movement		
		0	0.00	31.03.2018		during the year	0	0.00
8	Mr. Ashutosh Kale (Executive Director and Joint Chief Executive Officer)*	0	0.00	01.04.2017	0	Nil movement		
		0	0.00	31.03.2018		during the year	0	0.00
9	Mr. Dhimant Bakshi (Joint Chief Executive Officer)*	0	0.00	01.04.2017	0	Nil movement		
		0	0.00	31.03.2018		during the year	0	0.00
10	Ms. Madhulika Rawat (Company Secretary)	100	0.00	01.04.2017	0	Nil movement		
		100	0.00	31.03.2018		during the year	100	0.00
11	Mr. Mayuresh Kore (Chief Financial Officer)	1,775	0.00	01.04.2017	0	Nil movement		
		1,775	0.00	31.03.2018		during the year	1,775	0.00

 # Mr. Kapil Bagla resigned as the Chief Executive Officer of the Company and his designation was changed from Whole –time Director to Non Executive Non Independent Director with effect from September 1, 2017.

**Mr. Dhimant Bakshi and Mr. Ashutosh Kale were appointed as a Joint Chief Executive Officer of the Company w.e.f. September 1, 2017.*

V. INDEBTEDNESS

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

(₹ In Lakhs)

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2017)					
i)	Principal Amount	-	5,644.37	-	5,644.37
	Secured Term Loan	1,00,250.94	-	-	1,00,250.94
	Secured Buyers Credit	213.43	-	-	213.43
ii)	Interest due but not paid	2,343.96	-	-	2,343.96
iii)	Interest accrued but not Due				-
Total (i+ii+iii)		**1,02,808.33**	**5,644.37**	**-**	**1,08,452.70**
Change in Indebtedness during the financial year					
· Addition		3,726.00	-	-	3,726.00
· Reduction		(924.41)	(767.76)	-	(1,692.17)
Net Change		**2,801.59**	**(767.76)**	**-**	**2,033.83**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year (31.03.2018)				
i) Principal Amount	-	4,876.61	-	4,876.61
Secured Term Loan	1,02,667.36	-	-	1,02,667.36
Secured Buyers Credit	-	-	-	-
ii) Interest due but not paid	2,942.56	-	-	2,942.56
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**1,05,609.92**	**4,876.61**	**-**	**1,10,486.53**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Name of Whole Time Director	Name of Executive Director	Total Amount
		Kapil Bagla[3]	Ashutosh Kale	
1	Gross salary			
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	83.93	38.64	122.57
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	c. Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others	0	0	0
5	Others	4.81	11.60	16.41
	Total (A)	**88.74**	**50.24**	**138.98**
	Ceiling as per the Companies Act, 2013			269.99

Notes:
1. *Gross Salary mentioned in the table is the amount paid during the FY 2017-18.*
2. *Reimbursements paid are shown under Others.*
3. *From April 1, 2017 to August 31, 2017 as Mr. Kapil Bagla's designation was changed from Whole-time Director to Non Executive Director w.e.f. September 1, 2017.*

B. Remuneration to other directors:

(₹ in Lakhs)

S. no.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Steven A. Pinto	Mr. Ghulam Mohammed	Ms. Anjali Seth	Ms. Meghna Ghai Puri	Ms. Pooja Deora	
1	Independent Directors						
	• Fee for attending board committee meetings	7.00	6.75	6.00	3.50	NA	23.25
	• Commission	0	0	0	0	NA	0
	• Others, please specify	0	0	0	0	NA	0
	Total (1)	**7.00**	**6.75**	**6.00**	**3.50**	**NA**	**23.25**
2	Other Non-Executive Directors • Fee for attending board committee meetings	NA	NA	NA	NA	0	0
	• Commission	NA	NA	NA	NA	0	0
	• Others, please specify - Consultancy Fees	NA	NA	NA	NA	10.00	10.00
	Total (2)	**NA**	**NA**	**NA**	**NA**	**10.00**	**10.00**
	Total (B)=(1+2)	**7.00**	**6.75**	**6.00**	**3.50**	**10.00**	**33.25**
	Total Managerial Remuneration*						**172.23**

Overall Ceiling as per the Companies Act, 2013	The Non-executive Directors are paid remuneration only by way of sitting fees except to Ms. Pooja Deora who received consultancy fees from the Company. - The sitting fees paid during the year were in compliance with Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 and all other applicable provisions of laws. - Payment of consultancy fees to Ms. Pooja Deora was approved by the shareholders in the Annual General Meeting of the Company held on September 30, 2014. The consultancy agreement expired on July 31, 2017. Hence, the fee was paid till July 31, 2017.

**Total Managerial Remuneration to Whole Time Director, Executive Director and other Directors (being the total of A and B)*

C. Remuneration to Key Managerial Personnel:

(₹ in Lakhs)

S. no.	Particulars of Remuneration	Key Managerial Personnel					Total Amount
		Mr. Kapil Bagla (CEO)[3]	**Mr. Ashutosh Kale (Executive Director and Joint CEO)[4]**	**Mr. Dhimant Bakshi (Joint CEO)[4]**	**Mr. Mayuresh Kore (Chief Financial Officer)**	**Ms. Madhulika Rawat (Company Secretary)**	
1	Gross salary						
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	83.93	18.66	25.23	40.68	12.79	181.29
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0	0
	c. Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0	0	0
2	Stock Option	0	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0	0
4	Commission - as % of profit - others	0	0	0	0	0	0
5	Others	4.81	8.21	9.45	10.11	5.45	38.03
	Total	**88.74**	**26.87**	**34.68**	**50.79**	**18.24**	**219.32**

Note: 1. Gross Salary mentioned in the table is the amount paid during the FY 2017-18

2. Reimbursements paid are shown under Others.

3. From April 1, 2017 to August 31, 2017 as Mr. Kapil Bagla's designation was changed from Whole-time Director to Non Executive Director and he resigned as a CEO of the Company w.e.f. September 1, 2017.

4. From September 1, 2017 to March 31, 2018 as Mr. Ashutosh Kale and Mr. Dhimant Bakshi have been appointed as Joint Chief Executive Officers and also designated as Key Managerial Personnel of the Company w.e.f. September 1, 2017.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give details)
A. COMPANY					
- Penalty					
- Punishment			None		
- Compounding					
B. DIRECTORS					
- Penalty					
- Punishment			None		
- Compounding					
C. OTHER OFFICERS IN DEFAULT					
- Penalty					
- Punishment			None		
- Compounding					

Annexure 2

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

To,
The Members,
Adlabs Entertainment Limited

We have conducted the Secretarial Audit of the compliances of the applicable statutory provisions and the adherence to good corporate practices by Adlabs Entertainment Limited (L92490MH2010PLC199925) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verifications of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, and Minute Books, Forms and Returns filed and other records maintained by the Company as listed in ANNEXURE- I for the Financial Year ended on March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder.

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder is not applicable to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

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

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

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The other Laws applicable specifically to the Company is Annexed with this Report as ANNEXURE- II.

We have also examined Compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

For Aabid & Co.
Mohammad Aabid
Partner
FCS NO.:6579
C.P.No.: 6625

Place: Mumbai
Date: May 17, 2018

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE- III' and forms an integral part of this report.

ANNEXURE – I

List of documents verified

1. Memorandum & Articles of Association of the Company
2. Annual Report for the Financial Year ended March 31, 2018.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, along with Notices and Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Agenda papers submitted to all the directors/ members for the Board Meetings and Committee meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 164(2) and 184(1) of Companies Act, 2013.
7. E-forms filed by the company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
8. Statutory Registers viz.
    - Register of Directors' & Key Managerial Personnel (KMP) and their Shareholding
    - Register of Members
    - Register of Charges

ANNEXURE – II

Registered office:

30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 203, Maharashtra

Address other than Registered Office where all or any books of account and papers are maintained

9th Floor, Lotus Business Park, New Link Road, Andheri (West), Mumbai 400 053, Maharashtra

List of Applicable Laws to the Company under the Major Group and Head:

1. The Companies Act, 2013;
2. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
3. Acts as prescribed under Direct Tax and Indirect Tax;
4. The Maharashtra Shops & Establishment Act, 1972;
5. The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975;
6. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
7. The Profession Tax Act, 1975;
8. Tourism Policy of Maharashtra, 2006;
9. The Food, Safety & Standard Act, 2006;
10. The Bombay Prohibition Act, 1949;
11. Legal Metrology Act, 2009;
12. The Environment (Protection) Act, 1986;
13. Water (Prevention and Control of Pollution) Act, 1974;
14. Air (Prevention and Control of Pollution) Act, 1981;
15. Environment Protection Act, 1986;
16. Hazardous Waste (Management, Handling & Transboundry Movement) Rules, 2008;
17. Bombay Police Act, 1951;
18. Entertainment Duty Act, Bombay 1923;
19. Maharashtra Fire Prevention & Life Safety Measures Act, 2006; and
20. The Foreign Exchange Management Act, 1999, Rules and Regulations made thereunder.

ANNEXURE-III

To,
The Members,
Adlabs Entertainment Limited.

Our report of even date is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.

    The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of accounts of the Company.
4. Wherever required we have obtained Management Representation about the compliance laws, rules, regulations and happening of the events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Annexure 3

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Committee was constituted by a meeting of the Board of Directors held on April 4, 2014.

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The Key Objectives of the Committee would be:

a) to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

b) to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

c) to recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

2. DEFINITIONS

(a) Key Managerial Personnel: Key Managerial Personnel means—

i. Chief Executive Officer or the Managing Director or the Manager;

ii. Company Secretary;

iii. Whole-Time Director;

iv. Chief Financial Officer; and

v. such other officer as may be prescribed.

(b) Senior Management:

Senior Management means personnel of the Company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

3. ROLE OF COMMITTEE

The role of the Committee inter-alia will be the following:

a) to formulate a criteria for determining qualifications, positive attributes and independence of a Director.

b) to recommend to the Board the appointment and removal of Senior Management.

c) to carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.

d) to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.

e) to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

f) ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

g) to devise a policy on Board diversity.

h) to develop a succession plan for the Board and to regularly review the plan.

4. MEMBERSHIP

a) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

b) Minimum two (2) members shall constitute a quorum for the Committee meeting.

c) Membership of the Committee shall be disclosed in the Annual Report.

d) Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRMAN

a) Chairman of the Committee shall be an Independent Director.

b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

a) The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

a) The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

a) Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;

b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;

c) Identifying and recommending Directors who are to be put forward for retirement by rotation;

d) Determining the appropriate size, diversity and composition of the Board;

e) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

f) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

g) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

h) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

i) Delegating any of its powers to one or more of its members or the Secretary of the Committee;

j) Recommend any necessary changes to the Board; and

k) Considering any other matters as may be requested by the Board.

11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

a) to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

b) to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

c) to consider any other matters as may be requested by the Board.

d) Professional indemnity and liability insurance for Directors and senior management.

12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

Annexure 4

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year ("FY")

Name of Director	Median (in ₹)	Remuneration (in ₹)	Ratio
Mr. Manmohan Shetty	2,69,916	0	1 : 00
Mr. Kapil Bagla	2,69,916	30,28,001	1 : 11.22
Mr. Ashutosh Kale	2,69,916	58,47,200	1 : 21.66
Ms. Pooja Deora	2,69,916	10,00,000	1 : 3.70
Mr. Ghulam Mohammed	2,69,916	6,75,000	1 : 2.50
Mr. Steven A. Pinto	2,69,916	7,00,000	1 : 2.59
Ms. Anjali Seth	2,69,916	6,00,000	1 : 2.22
Ms. Meghna Ghai Puri	2,69,916	3,50,000	1 : 1.30

Notes:

1. *To derive median, only employees on the payroll of the Company are taken into consideration.*
2. *Mr. Manmohan Shetty, Chairman of the Company is without remuneration.*
3. *Mr. Steven A. Pinto, Ms. Anjali Seth, Ms. Meghna Ghai Puri and Mr. Ghulam Mohammed receive only sitting fees which are not considered as remuneration for the purpose of above calculation.*
4. *Ms. Pooja Deora received consultancy fees till July 31, 2017 which is not considered as remuneration for the purpose of above calculation.*

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary, if any, in the financial year

Name of Director	Designation	FY 16-17	FY 17-18	% increased
Mr. Kapil Bagla[1]	Whole Time Director & Chief Executive Officer (upto August 31, 2017)	1,51,40,004	1,51,40,004	-
Mr. Ashutosh Kale	Executive Director & Joint Chief Executive Officer	55,68,800	58,47,200	5.00
Mr. Dhimant Bakshi[3]	Joint Chief Executive Officer	74,56,100	78,29,004	5.00
Mr. Mayuresh Kore	Chief Financial Officer	54,12,400	56,82,996	5.00
Ms. Madhulika Rawat	Company Secretary	19,29,228	20,25,705	5.00

Notes:

1. *Mr. Kapil Bagla resigned as the Chief Executive Officer of the Company and his designation was changed from Whole –time Director to Non Executive Non Independent Director with effect from September 1, 2017.*
2. *Mr. Steven A. Pinto, Ms. Anjali Seth, Ms. Meghna Ghai Puri and Mr. Ghulam Mohammed are paid with the sitting fees and hence the same is not considered in providing this information.*
3. *Mr. Dhimant Bakshi was appointed as the Joint Chief Executive Officer of the Company with effect from September 1, 2017. The remuneration mentioned above is per-annum remuneration fixed.*

(iii) The percentage increase in the median remuneration of employees in the financial year

The percentage increase in the median remuneration of employees in the financial year 2017-18 is 7.44%.

(iv) The number of permanent employees on the rolls of Company

Permanent employees on the rolls of the Company as on March 31, 2018 were 733.

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

Average percentile increase for employees (other than managerial personnel) for the FY 2017-18 is 4.33% and average percentile increase for managerial personnel for the FY 2017-18 is 5.00%. There has been no exceptional increase in the remuneration for managerial personnel for the FY 2017-18.

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company

The remuneration paid for FY 2017-18 was as per remuneration policy of the Company and approved by the Nomination and Remuneration Committee of the Board.

Annexure 5

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANY (ACCOUNTS) RULES, 2014.

A. Conservation of Energy

(i) The steps taken or impact on conservation of energy:

The following steps have been taken to conserve energy during FY 2017-18:

Water Park :

a) Optimization of running hours of the rides at the Water Park based on Guest Population – Green Initiative.

Theme Park :

a) During non-peak, winter & rainy days, the Company has been controlling the HVAC units ON & OFF timings through IBMS system. By optimising this activity, the Company saved approx. 284 units of power per day, as compared to previous year consumption. Electricity saved in FY 2017 – 18 as compared to previous year is 1,03,524 KWh.

b) During FY 2017-18 Central water body – Cascade filtration power consumption was 2,64,229 units as compared to 3,15,441 units during FY 2016-17. Hence, the Company saved total 51,212 KWh of power consumption during the financial year. This reduction in power consumption happened due to optimising the operation of water fall as the Company has installed jet fountains in the lagoon for enhancing the guest experience. Now total 9 Nos fountains are in operation in lagoon.

c) Replacement of florescent tube lights with lesser wattage LED tube lights in both rides and park. The investment is about ₹ 0.55 Lakhs and this will provide a saving in power cost of about ₹ 1.00 Lakh in one year of operation.

d) Optimization of running hours of the rides at the Theme Park based on Guest Population – Green Initiatives continued.

Hotel :

a) To minimize heat load on air-conditioning, infrared shielding sun film has been applied to the atrium glass panelling

b) Installation of heat pump in plant room to cool the Electrical Panel room & Plant room. The hot water output from heat pump serves hot water requirement at various location.

c) Extra insulation is provided for chilled water distribution lines of HVAC system.

d) Installation of BMS system for utility operation. These systems control and monitor heating, ventilation and air conditioning, and can reduce total energy costs by 10% or more.

e) The halogen bulbs were main stream when the hotel was completed. However, halogen bulbs consume a great deal of electricity and generate a large cooling load. To reduce the energy consumption for lighting, the halogen bulbs were replaced with LEDs.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

(a) In FY 2017-18, Company's Solar Power consumption through Open Access was 30,04,413 kWh, compared to 12,17,876 KWh in FY 2016-17

(b) Towards RPO compliance, the Company has purchased the RECs as given below:

1. Non-Solar RECs - 1157
2. Solar RECs - NIL

(c) Site survey and discussions with multiple solar power vendors were taken up to install a 1MW roof top system in the park in FY 2018- 19.

(iii) The capital investment on energy conservation equipments:

Nil

B. Technology Absorption

1. The efforts made towards technology absorption:

As the Company is an end user of Ride systems and not into manufacturing, the technology absorption is not relevant.

Detailed operations and maintenance manuals are provided by the vendor and are followed in our maintenance routine.

2. The benefits derived like product improvement, cost reduction, product development or import substitution:

The Company has developed a domestic vendor database for specific Electrical and Mechanical components used in ride systems, like authorized distributors of the products and sales outlets in India.

For general replacement parts and components, the Company has also developed import substitution for components such as Bearings, Allen Bradley Electronic products (like detectors, sensors), Electrical drives, Drive brakes, Drive chains, Rope drives, Drive tyres etc.

Import substitution of ride components has yielded a yearly saving of about ₹ 38 Lakhs.

The Company has modified and improved the restraint system of Mr. India ride by replacing old mechanical spring actuated restraint with hydraulic lock cylinders. Also the old side ribs of cars and modified light weight bonnets were replaced to reduce weight of ride cart and strengthened the frame – Cost ₹ 30 Lakhs.

In the entry of the park, at ticketing and frisking counters, the Company has installed Mist cooling system to give extra comfort for guests from summer temperature. The work was executed by in-house team with a cost of approx. ₹ 2 Lakhs.

In one of the covered attraction – Rajasaurus, where artificial plants were installed, the Company has installed water monitors to spray water to extinguish in any unfortunate fire scenario - Cost ₹ 0.5 Lakhs.

In open rides zone the rides had individual compressors. For redundancy of compressed air supply, the Company has laid 400 meters GI pipe network interconnecting the compressor accumulators and made provision of compressed air. This helps in redundancy in case of a compressor failure and also individual ride air compressor can be switched off to reduce the power consumption. Work has been done In-house with available resources - Cost ₹ 1.5 Lakhs.

Initially there was a single pipe installed for filling & delivery of 250 KL water tank which was installed for storage of water coming through Kalote-Mokashi pipe line. Now the Company has made a separate pipeline for filling & discharge of water till Water Treatment Plant. Now 250 KL water storage tank can be utilised for inline transfer- Cost ₹ 1 Lakh.

Animatronics control system (manufacturer- China) was converted from microcontroller based to PLC based. As on date, 19 Nos. of animatronics systems were converted from China Microcontroller to Allen Bradley PLC based controlling. This has reduced breakdown of the system and improved efficiency.

3. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**
   the details of technology imported;
   the year of import;
   whether the technology been fully absorbed; and
   if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.

   As the Company is an end user of Ride systems and not into manufacturing, the technology absorption is not relevant.

   Detailed operations and maintenance manuals are provided by the vendor and are followed in our maintenance routine.

4. **The expenditure incurred on Research and Development:**

   As this is a service industry, the expenditure is on service improvement and cost reduction, which is detailed in point 2 above.

C. Foreign Exchange Earnings and Outgo:

Activities related to exports, initiatives taken to increase exports; development of new export markets for products and services; and export plans:

The Company does not possess any foreign technology. The Company has however engaged a few theme park professionals for maintenance, inspection, creation of design development and project management.

Total foreign exchange earnings and outgo for the financial year is as follows:

(a) Total Foreign Exchange earnings : NIL

(b) Total Foreign Exchange outgo : ₹ 507.85 Lakhs

Annexure 6

Management Discussion and Analysis

AN OVERVIEW OF THE INDUSTRY

The Global Parks Industry

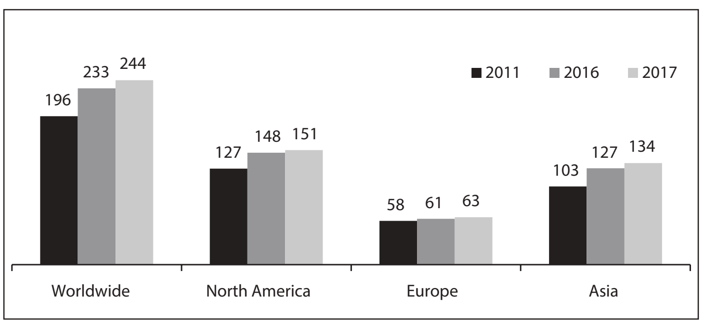
The global parks industry traces its origins to the 1950s when the first parks were opened in the USA and Canada. These were a natural extension of the town fairs that were held periodically to coincide with cultural and religious events. According to the International Association of Amusement Parks and Attractions (IAAPA), an Amusement Park is defined as 'a large, high-profile attraction that offers guests a complex of rides, food services and games'.

Park format are broadly classified as amusement parks, theme parks and water parks. A theme park is defined as a unique setting or rides with specific themes. Water parks, on the other hand, offer a range of water based activities.

The total global parks industry was estimated at over ₹ 2.66 Trillion in terms of revenues. Geographically, parks in the USA and Europe are near maturity levels now, and Asia is fast emerging as the new growth hot-spot for in the industry.

Footfalls and Attendance

The top 25 Theme Parks worldwide saw a growth of 4.7 per cent in 2017 compared to 2016. In absolute terms, total global footfalls increased to 243.9 Million in 2017 compared to 233.1 Million in 2016. The footfalls of the Top 25 theme park worldwide have grown at a CAGR of 4.4% since 2011. See graph below.



(Source TEA Global Attraction Attendance Report)

Footfalls of the top 20 theme parks in Asia increased by approximately 5.5 per cent in 2016. Overall, the top 20 parks in Asia recorded footfalls of 134.2 Million compared to 151.3 Million in the North America. The footfall in the Asian Theme Park market & Water Park market has been led by Chinese Parks.

The Indian Parks Industry

The Indian amusement park sector grew by 10.25% to reach ₹ 29.3 Billion, is at a very nascent stage when compared to the global amusement park industry, which stands at ₹ 2.66 Trillion.

The Indian Amusement & Theme Park industry has been growing at a Compounded Annual Growth Rate (CAGR) of more than 17.5%. The industry provides direct employment to over 75,000 people.

With the rising income levels, increasing domestic tourism and favourable demographics, the sector is estimated to grow by a CAGR of 19.1 per cent over the next five years, thereby offering immense growth opportunities in this sector. The sector is estimated to grow to ₹ 69.8 Billion by 2021.

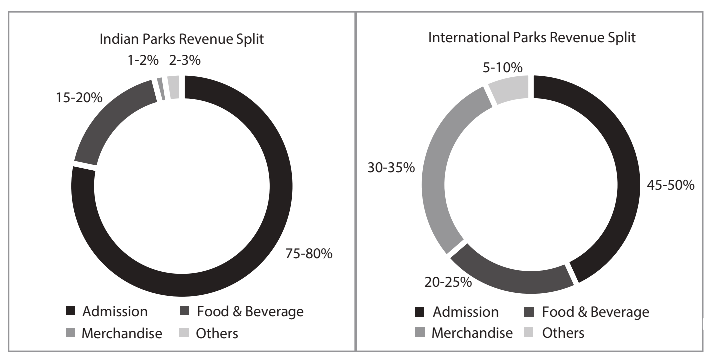
There are many investments proposed in the Indian Amusement & Theme Park industry both on Public Private Partnership (PPP) basis and by private players in India. The is more than ₹ 200 Billion investment proposed towards developing large parks in India over the next four to five years.

(Source KPMG India – FICCI India Media and Entertainment Industry Report, 2017)

Revenue Mix

In India, the revenue from parks is still highly dominated by admission tickets forming about 75 per cent to 80 per cent to the total revenues. Internationally, admission tickets revenues account for about 50 per cent of the total revenue. The share of F&B, retailing and merchandise sales is low in India. However, this mix is fast changing and the revenue mix is expected to be aligned to international trend.

The following chart showcases the typical revenue break-up:



(Source : IMaCS Report)

COMPANY AND BUSINESS OVERVIEW

Adlabs Entertainment Limited is the brainchild of Mr. Manmohan Shetty who has been closely associated with the entertainment business in India. As one of the pioneers of the multiplex business in India, Mr. Shetty was instrumental in transforming the film exhibition business through India's first IMAX theatre and Adlabs chains of multiplexes that brought world class cinematic experience to the Indian audiences.

Adlabs Entertainment Limited has now successfully created India's First & Only International Standard Entertainment Holiday Destination "IMAGICA", which includes a Theme Park, a Water Park, a Snow Park & a Luxury Hotel – Novotel Imagica Khopoli.

Below are some of the achievements at Imagica:

- India's first International Theme Destination
- India's first International Standard Theme Park

- Imagica Snow Park is India's Largest Snow Park
- Novotel Imagica Khopoli is India's first Theme park based Hotel
- OTM Award for Excellence – Most Promising New Destination Award
- TripAdvisor's Traveller's Choice Awards 2015
- India's Most Trusted Brands 2015 – Theme Park category
- India's Most Attractive Brands – Entertainment Category – Rank 1
- IAAPI Awards 2016 - Most Innovative Rides & Attractions – Runner Up
- IAAPI Awards 2016 - Innovative Promotional Activity through Electronic Media TV Channel – Winner
- IAAPI Awards 2016 - Innovative Promotional Activity through Print Media – Winner
- HICSA Awards 2016 – Best New Hotel of the Year – Novotel Imagica Khopoli
- TripAdvisor's Traveller's Choice Awards 2017 - Top 25 Water Parks - World
- TripAdvisor's Traveller's Choice Awards 2017 - Top 10 Amusement Parks & Water Parks in India
- IAAPI Awards 2017 - Innovative Promotional Activity through Electronic Media TV Channel – Winner
- IAAPI Awards 2017 - Most Innovative Rides & Attractions – Winner
- Kids Stop Press' Digital Awards 2017 – Best Outdoor Park
- BLTM (Business & Luxury Travel Mart) 2017 – Award for Excellence – Winner of Most Innovative Product
- VFS Global Times Travel Awards 2018 – Winner – Adventure Attraction Sector
- Times Retail Icon Awards 2018 – Preferred Theme Park Destination
- Customer Experience Awards 2018 – Best Customer Experience in the Services Sector
- I For India - For the first time in Asia Pacific a simulation ride that gives flying experience over India's exquisite monuments and varied landscapes.
- Mr. India-The Ride is India's first Bollywood movie integrated ride
- Nitro is India's Longest, Tallest & Fastest roller coaster
- Deep Space is India's first indoor high speed roller coaster
- Rajasaurus is India's longest flume ride.
- Wrath of God is India's first attraction that is a blend of live theatre, special effects and multimedia.
- Aqua Loop is India's first water park loop ride

Imagica – The destination

Imagica is a magical & fun-filled world of its own, offering entertainment, fun, relaxation, dining, shopping and accommodation at a single location. Offering a world class Theme Park, international standard Water Park, India's largest Snow Park, & first theme park hotel - the luxurious Novotel Imagica, Imagica is India's favourite family holiday destination. The Company recently added the following new attractions:

1) ***'House of Stars'*** museum which will showcase interactive life-size figurines of leading Bollywood personalities.
2) ***Family Entertainment Centre (FEC)*** - Gaming Zone offering fun games like Bowing, Virtual Reality (VR), Arcade games etc.
3) ***Eyelusion***, an interesting 3D + Augmented Reality (AR) park bringing illusions and AR experience for the entire family.

Imagica is located off the Mumbai - Pune expressway at Khopoli approximately a 90 minute drive from Mumbai & Pune. Due to its proximity, Imagica is easily reachable from anywhere in India via air, rail or road. Imagica also offers bus and car packages with pick up options from Mumbai and Pune. Spread over 130 acres, this 'all weather family entertainment destination' provides interesting experiences to all its guests, 365 days a year.

Imagica Theme Park

With 24 indoor & outdoor rides and attractions, and 5 F&B outlets to choose from, Imagica Theme Park is the perfect destination for friends and family alike. While easy rides such as Mambo Chai Chama, Tubbby Takes Off and Wagon-O-Wheels are for the tiny tots, attractions like Mr. India, I For India, Rajasaurus – The River Adventure and Splash Ahoy have something for everyone in the family. For the thrill seekers, there are massive roller coasters and high-speed adventurous rides such as Scream Machine, Nitro and Gold Rush Express. So whether one is looking for a fun-filled outing with friends or some bonding time with family, Imagica has it all!

Imagica Water Park

Located next to the Theme Park is Imagica Water Park. Inspired by the Greek Mykonos theme, Imagica Water Park welcomes visitors with 14 thrilling rides like the Loopy Whoopy, Swirl Whirl and Twisty Turvy and 4 exciting restaurants that will entertain one's stomach in every way. The chilled out vibe at this day party destination just makes one want to 'Go With The Flow'. It is recommended that guests carry the required swimwear while visiting the park, which is compulsory for all the rides. There are swimwear options also available at the park's retail outlets. The Water Park also offers locker facilities for guests to keep their personal belongings.

Imagica Snow Park

Spread over 40,000 sq feet, Imagica Snow Park is India's largest, with real snow fall and a 50 foot dome. Imagica Snow Park has a variety of activities for guests visiting for a typical 45 minutes session. Guests can enjoy the magic of snow by playing basketball, slide down the toboggans and rafts, climb the rocky snowy mountains, have a snowball fight, or just relax and sip a cup of coffee at minus 5 degrees temperature. Guests can also spend their time doing activities like snow hiking, snow rafting as well as dance on the snow dance floor or pose amidst the snow castle and one-of-its-kind ice sculptures. The park, which provides jackets, gloves and boots to its guests on entry, is also environment friendly with 100% edible snow made from purified water and no chemicals or preservatives.

Snow park is operated under a revenue sharing arrangement with ACME Entertainment, whereby ACME has constructed, installed, erected and operating the Snow Park. The snow park has built upon the experience by adding a totally new option and thus augmented Imagica's positioning as a 'One Stop Entertainment Destination'.

Novotel Imagica

Imagica also has a 287 room hotel – Novotel Imagica is adjacent to the park, which offers attractive 1 Night and 2 Night stay packages as a basecamp for guests to relax and enjoy the destination. The hotel also boasts of a swimming pool, hi-speed Wi-Fi access, children's activity centre, specialty themed restaurants, well-equipped gym and banquet halls for hosting up to 600 people at a time. The hotel also features one of the largest meeting spaces in the Lonavala area with a pillar-less ballroom and a height like no other, which makes it a suitable venue for corporate as well as wedding events.

Food & Beverage business

Restaurants @ Imagica Theme Park

Imagica offers a host of food & beverage options to suit the tastes of every palate. Roberto's Food Court, the pure veg restaurant in the park, serves various cuisines ranging from Indian, Mexican, Italian and Pan Asian, as well as a separate kitchen for Jain meals. The Imagica Capital serves some delicious Indian buffet meals, while American food lovers could head to Red Bonnet American Diner and indulge in the comforts of their finger-licking fare. Arrmada - A classic ship anchored amidst Spanish settings overlooking a breath-taking view of the lagoon offers refreshing cups of coffee or chilled beverages, with some freshly made sandwiches & salads on the side.

Restaurants @ Imagica Water Park

Imagica Water Park has plenty of food options to choose, while guests enjoy being in water all day. There is an array of Entrees, Mains, and Desserts from cuisine across the globe with unique signature dining options. Sunbeatz Pizzeria & Bar serves some lip-smacking pizzas and Lebanese cuisine, along with a bar counter, while the Red Bonnet Express serves the spirit of classic grunge American food in one's plate, with kids and picnic meals available as an option. Ammos is the food court to pick from an array of cuisines, whereas Cones has ice-creams and Sandy Sipss serves refreshing juices and smoothies. There are also convenient Food Booths offering quick bites to full-service meal dining; perfect for every taste and budget!

Merchandise

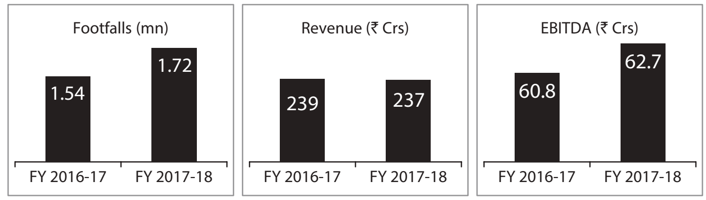
Imagica has a host of in-house merchandise options to take back as souvenirs, from the latest T-shirts, Crop tops, formal shirts and sweatshirts to handbags, backpacks and tote bags. There are also soft toys and pillows to choose from for kids, as well as sipper bottles, coffee mugs and cocktail glasses, all designed especially for Imagica. There are also candy stores if you wish to pamper your sweet tooth. You can also purchase the products at the retail store in Novotel Imagica.

Safety

All the rides at Imagica are designed keeping utmost safety in mind. The Vendors are compliant with international standards – ASTM, European or EN Standard, with all international safety certifications in place. TUV SUD South Asia Pvt Ltd has been engaged to carry out inspection, testing and installation certificate.

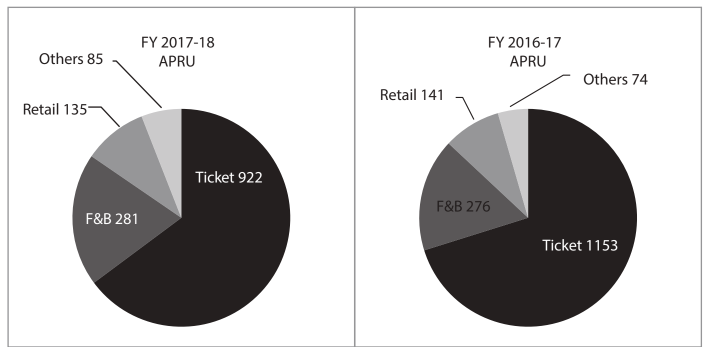
Business Review

The summary performance for the Company for the year ended March 31, 2018 is as follows:



Average Realization and Operating Costs

Average realisation per visitor (weighted average for Theme Park & Water Park put together) for FY 2017-18 was ₹ 1,422, as compared to ₹ 1,644 for FY 2016-17. The break-up of the realisation is as follows.



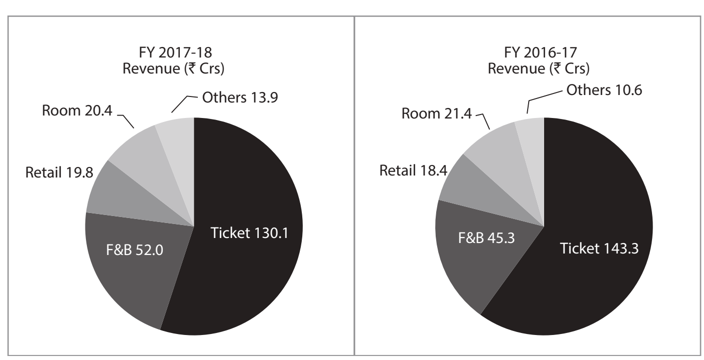
The outstanding bank loan as on March 31, 2018 is ₹ 1,05,514.50 Lakhs.

The weighted average rate of interest is 11.4% p.a.

Since April 2013, nearly 6.5 million people have visited the parks. While these numbers and guest feedbacks give us a good idea of their expectation and appreciation of the product, we have a long way to go in making this project every Indians 'must-visit' holiday destination.

The first phase of Novotel Imagica Khopoli comprises of 116 rooms and was launched in September 2015. The hotel has been receiving excellent reviews and feedbacks. Average occupancy of the property has been over 76% for FY 2017- 18 with an average ARR (including Room, F&B and Others) of over ₹ 10,930/-. Novotel Imagica in a short period of operations has been able to firmly establish its niche in the leisure and social segments and has firmly established Imagica's position as complete family holiday destination.

Segment Performance



Debt Reduction Plan

The Company has been diligently working towards reducing its debt levels to a more manageable level. The Company has identified surplus land of ~204 acres and Hotel as their non-core assets and have entered into term sheet with two different parties to sell these assets. The Company will use proceed from the sale of non-core assets to reduce ~30% of its outstanding debt. Pursuant to above sale, the Company shall still be left with unutilized land of ~30 acres for further addition(s)/expansion(s) to the park attractions.

The company has already received board and shareholder's approval for the sale of non-core assets.

KEY STRENGTHS OF THE COMPANY

The Company's primary competitive strengths are set out below:

- **The Company is uniquely positioned to capitalise on the increasing propensity of Indians to spend on entertainment**

  Favourable macroeconomic and demographic factors such as economic growth, rising disposable income, a growing young population, an expanding middle class and rapid urbanisation have resulted in the Indian population spending more on entertainment. With the rise in education levels and exposure to international trends, Indian consumers are willing to pay a premium for quality entertainment.

  Imagica is the only 'One Stop Entertainment Destination' in India, designed to provide a wholesome and 'value for money' entertainment option for guests. The Company offers entertainment options for all age groups through a variety of rides and attractions, which the Company believes are comparable to and provide the international standards of experience that leading theme parks and water parks offer globally. Company's offerings are also customised to Indian tastes. This positions Imagica to capitalise on the increasing number of Indian customers spending on good quality entertainment.

- **The Company is strategically located in an attractive catchment area**

  Imagica is located off the Mumbai - Pune Expressway. Currently, it attracts guests from Mumbai, Pune and the rest of Maharashtra and Gujarat, which are some of the more economically developed areas in India. Mumbai is well connected to other large cities in India by air, road and rail with multiple flight options in a day. Further, Imagica is located in a region that experiences suitable weather throughout the year for spending a day outdoors. In addition, the majority of the rides, attractions and queuing areas in the parks are covered to avoid any inconvenience during the monsoon season.

- **Rides and Attractions of International Quality Standards which are customised to indian tastes and preferences**

  Imagica is attractively themed and aims to deliver high-quality entertainment, aesthetic appeal, shopping and dining options.

  The Parks have been designed by internationally acclaimed design consultants. The rides and attractions for the theme park have been designed by and sourced from global industry leaders such as Bolliger & Mabillard Inc., Zamperla Asia Pacific Inc., Sally Industries Inc., E2M Technologies B.V. and Santec Fabricators (India) Private Limited, which is a part of the Sanderson Group. The water slides and equipment in the water park have been sourced from global industry leaders such as Whitewater West Industries Limited, Neptune Benson (Defender Water Filtration Systems) and Polin Dis Tic. Ltd. Sti. The Company also follows high levels of park security and safety standards to offer a safe and injury free environment for its guests to enjoy the parks.

- **Competitive advantage through entry barriers**

  The Company has the opportunity to leverage the 'first-mover advantage' through Imagica. There are significant barriers to entry in the business of theme and water parks in India and it is difficult to replicate a project of similar scale and size in India. Among the most important of these barriers is the need for significant capital expenditure to set up theme and water parks, the difficulty to identify and purchase large and suitable parcels of land on commercially viable terms and the long lead-time from the conceptualisation to the launch of rides and attractions. The Company believes that its location off the Mumbai - Pune Expressway, the large parcel of land owned by the Company, the rides and attractions of international quality and standards and the qualified management and operations team provide the Company with a significant competitive advantage over any new park.

- **A well-positioned brand and marketing focus**

  In the short operational history, the Company has been able to establish brand recognition in Mumbai, Pune and the rest of Maharashtra and Gujarat markets. The Company believes that it has been able to achieve this through a combination of factors:

  - ✔ Delivering superior visitor experiences in the parks through the diverse offerings of rides and attractions and other entertainment options and thus, developing a brand recall through word of mouth publicity;
  - ✔ The Company has also actively focused on attracting school groups as the Company believes that school children who visit the parks act as the Company's brand ambassadors and have the potential of bringing the entire family back on another visit;
  - ✔ Dynamic and attractive pricing strategy to coincide with various events, festivals, seasons and holidays throughout the year;
  - ✔ Existing well-established position of the 'Adlabs' brand in the media and entertainment industry; and
  - ✔ Engaging with various target groups through focused marketing, consisting of regular electronic, print and digital media campaigns and direct sales efforts.

- **Proven and experienced management team and execution strength**

  Company's senior management team includes experienced media and entertainment, marketing and consumer businesses executives, with an average tenure of more than 15 years in such industries. Mr. Manmohan Shetty is a well known entrepreneur in the media and entertainment business in India and has more than three decades of experience in consumer-facing entertainment businesses.

OUTLOOK AND OPPORTUNITIES

The all-round India growth story continues to remain strong and attractive. Both IMF and World Bank (WB) have predicted the Indian economy to grow at 7.3% for FY2018-19. The key drivers of growth for the India economy are in place for a sustained and uninterrupted growth in the future. Both favourable macroeconomic factors as well as dynamic demographics indicate to a period of assured uptrend and growth in the Indian amusement parks industry.

Against this positive and optimistic outlook of the economy, the outlook for the Company is extremely favourable and exciting, with a high potential for accelerated growth and expansion.

Medium & Long Term Business Strategies

The Company is adopting the following business strategies to grow the business in the future:

- **Develop Imagica as an Integrated Holiday Destination**

  Currently, a significant majority of the guests are residents of the catchment area i.e. Mumbai, Pune, rest of Maharashtra and Gujarat who make day-trips to the theme park off the Mumbai - Pune Expressway. With the launch of the hotel Novotel Imagica, the Company intends to market Imagica as a multiple day holiday destination and attract guests for a longer stay. The Company intends to offer various cost promotion and combination packages of admission tickets to its parks and stay at the hotel to take advantage of cross selling opportunities. In addition, the Company aims to market its facilities as a suitable venue for hosting wedding receptions, parties, conferences and meetings and other corporate events.

- **Continue to focus on increasing the number of guests hosted at the parks**

  The Company plans to increase attendance at the parks through the following strategies:

  - ✔ Increasing awareness of the parks, and 'Imagica' brand through effective media and marketing campaigns, aimed at various target groups including families, young kids, college students and young professionals. The Company will also continue to reach out to a greater number of schools and corporates for increasing attendance at its parks;
  - ✔ Offering a variety of ticket options and disciplined pricing and promotional strategies to coincide with events and holidays throughout the year. The Company also aims to follow a dynamic pricing model which will enable us to adjust admission prices for the parks based on expected demand and attract diverse segments of customer base;
  - ✔ By periodically introducing new attractions, differentiating experiences and enhancing service offerings, the Company believes that word of mouth is the most important marketing tool for our product and, therefore, the Company's primary business objective is to make the time spent by the guests in its parks as enjoyable as possible. The Company specifically focuses on entrance and security procedures, queue management, cleanliness, quick availability of F&B products and retail merchandise to make the guests' experiences as comfortable and entertaining as possible; and
  - ✔ Focusing on sales and marketing initiatives in the secondary catchment areas, such as the print campaign from time to time in major cities like Delhi NCR, Bangalore, Hyderabad and Jaipur, to attract tourists visiting the Mumbai - Pune region.

- **Diversify our Revenue Streams**

  Sale of admission tickets comprises a significant portion of the Company's total income and going forward the Company intends to increase its non-ticketing revenue through the following strategies:

  - ✔ Focus on F&B and retail & merchandise operations by targeting the per capita spending of guests. The Company believes that by providing guests additional and enhanced offerings at various price points, the Company can increase spending in its parks. The Company will continue to innovate in its F&B offerings to cater to the diverse preferences of its guests.
  - ✔ Monetise the crowd movement in the parks by offering sponsorship opportunities to advertisers for special events, naming rights for the rides and attractions, partnering in destination advertising and assisting in products and brand activations;
  - ✔ With the hotel, the Company intends to position Imagica as a destination for varying customer requirements, including for entertainment, corporate meetings and off-sites and other social events;
  - ✔ The Company aims to develop an emotional connect with the guests through its brands and characters developed by the Company, which will provide the opportunities to leverage the intellectual property portfolio, and to develop new media and entertainment options and to increase the sale of consumer products, in and outside Imagica.
  - ✔ Additional revenue streams through introduction of new attractions and innovative propositions. The Company has recently launched 'House of Stars' museum a new ticketed attraction which will showcase interactive life-size figurines of leading Bollywood personalities.
  - ✔ The Company has also entered into a brand alliance with Green Gold Animation for the 'Chotta Bheem' character, which would increase the brand recall as well as increase merchandise sale. The Company would also be branding a ride with the 'Chotta Bheem' character name.

- **Increase profitability and achieve cost optimisation**

  The Company believes that increased attendance at its parks and an increase in the per capita spending will allow the Company to make its business more profitable because of the relatively fixed cost-base and the high operative leverage involved in the business. The Company will continue to focus on F&B and retail and merchandise spending to improve its operating margins. With the commencement of operations of our water park, snow park and hotel, the Company will be able to offer more dynamic pricing to account for seasonal fluctuations in attendance. The Company also aims to achieve better cost optimisation through economies of scale by measures such as company-wide and centralised procurement and sourcing strategy and integrated marketing campaigns. In addition, the Company aims to benefit from shared services such as security, ticketing, F&B and general administration of the parks.

- **Expand our existing operations and foray into new geographies in India**

  The Company aims to pursue other expansion opportunities at its parks.

  The Company also intends to set up integrated holiday destinations in other locations in India, either through parks owned and operated by the Company or through a partnership or a franchise model. Company believes it should have two more parks apart from Mumbai i.e one in south and one in north. The size and scale of the parks will be designed on the basis of the market potential of that region and financial viability.

  The Company has also been receiving offers from various state governments and private players to set-up theme parks in joint ventures. The Company is exploring options to set-up small-to-med parks with no/low capital contribution from the Company, purely based on revenue share or management fee basis.

PARK SECURITY AND SAFETY

The Company was awarded with an ISO certificate for Integrated Management Systems by Bureau of Indian Standards (BIS) for Imagica Theme Park. Following is the list of ISO certifications awarded:

- Quality Management System- IS/ISO 9001:2008
- Environmental Management System-IS /ISO 14001:2004
- Occupational Health and Safety Management system – IS 18001:2007

The Company recognises park security and safety as one of its most important focus areas in ensuring the success of the parks. The park security and safety plan is based on three principles: being proactive, the utilisation of an optimum combination of technology and manpower and meeting international standards on security and safety. Some of the key features of the security and safety plan are set out below:

- **Security Agency:** The Company has engaged one of the leading security solutions providers in India for its security needs and has developed a security plan based on a study of threats and vulnerabilities. The scope of services provided by its security solutions service provider includes the development of, setting up and operating the security infrastructure in the parks, deploying security personnel and carrying out regular training for the employees for security related issues, particularly emergency response situations.

- **Identified Perimeters and Zones:** Company has divided its parks into various layers with defined internal and external perimeters for effective monitoring and response. The Company has deployed access control measures at the identified entry and exit points to reduce trespassing and monitor crowd movement. The Company has also divided the parks into various zones to facilitate effective emergency response, evacuation and deployment of resources and manpower.

- **Command Centre:** The Company's command centre has been planned as an integrated set-up, capable of monitoring and controlling the management of the parks and responding to all circumstances which may have an adverse effect on guest experiences. The functions of the command centre include controlling and monitoring all access controls across the parks, including the entry and exit points and for other rides and attractions; coordinate the response to any situation that requires attention; operate the public address system which is designed for effective communication for functions such as crowd management; Company's security infrastructure consists of necessary equipments such as metal detectors, explosive vapour and trace detectors, radio sets, forced entry resistant door system, panic buttons, hooters and retractable barriers, which have been deployed at vantage points across the parks.

- **Safety Procedures:** The most important aspect of the safety procedures is regular training and assessment of the ride operators and attendants to prevent accidents or injuries resulting from unsafe acts and conditions. In addition to monitoring for any hazard or unsafe condition, the ride operators carry out inspections at pre-designated intervals and report any unsafe condition to the maintenance department for correction. A detailed inspection and monitoring procedure is followed for some of the critical rides and attractions, such as the roller-coasters. The Company has also engaged qualified lifeguards, who are on duty during the operating hours of the water park.

- Fire and Medical Emergency Plan: Company also has a comprehensive fire and medical emergency response plan. The Company has installed smoke and heat detectors in its offices and indoor attractions and water sprinkler and fire hydrant systems and fire extinguishers across the parks. In addition, there is a team of fire-men stationed in the theme park throughout the operational hours. There is a medical centre in the theme park & water park including a five- bed ward, which is staffed by a team of one doctor and eight nurses to respond to any medical emergency in the theme park up to such time that the guests are moved to the nearby hospitals. There are two ambulances which are deployed in the parks throughout the operational hours.

MAINTENANCE

The Company's maintenance team is responsible for the inspection, upkeep, repairs and testing of the rides and attractions. The Company has appointed a safety officer as a member of each of its parks management team to supervise the maintenance and ride operations teams, and carry out regular audits and surprise inspections.

Every ride and attraction at the parks is inspected regularly, according to daily, weekly, monthly, and annual schedules. The Company has formulated detailed maintenance guidelines and checklists for each of its rides and attractions with the objective of ensuring that the rides and attractions are operating within the manufacturer's criteria and that maintenance is conducted according to internal standards, industry best practice and standards, as well as the ride designer or manufacturer's specifications. The Company has installed a networked enterprise software system which is used to plan and track all the maintenance activities. The maintenance system of some of the rides and attractions is also linked over VPN to the respective vendors to ensure effective monitoring, data sharing and resolution of issues, if any. All ride maintenance personnel are trained to perform their duties according to internal training processes, in addition to recognised industry certification programs for maintenance activities. The Company's infrastructure maintenance function comprises upkeep, repair, preventive maintenance and improvement of the parks infrastructure.

The Company obtains safety certifications from its vendors certifying that the rides and attractions installed at the parks have been designed and manufactured in accordance with international standards such as the American Society for Testing and Materials, or the ASTM standard, the European, or the EN standard or the Deutsches Institut für Normung e.V., or the DIN standard. Company has also engaged TUV SUD South Asia Pvt. Ltd., a leading global technical services organisation to carry out inspection, testing and installations certifications for the rides and attractions. Company also periodically engage the services of third-party maintenance audit agencies to inspect the maintenance procedures.

RISKS

- **The business is seasonal in nature, and may be affected by weather conditions, school vacations, public holidays and weekends.**

  The theme and water park industry is seasonal in nature. The parks could experience volatility in attendance as a result of school vacations, public holidays, weekends and adverse weather conditions such as excessive heat and monsoons. It is believed that attendance at the theme and water park and revenues from F&B and retail and merchandise operations is, and will continue to be, higher during school vacations, public holidays and weekends. In addition, the water park is expected to generate higher revenues in the summer months. Conversely, the Company may face a reduction in revenues during the monsoon months. Further, unfavourable weather conditions such as forecasts of excessive rainfalls or heat may reduce the attendance at the parks.

- **Company's business and results of operations could be adversely affected by changes in public and consumer tastes or a decline in discretionary consumer spending, consumer confidence and general economic conditions.**

  The success of the parks depends substantially on consumer tastes and preferences that can change in often unpredictable ways. The Company must adapt to these changes to meet consumer tastes and preferences. The Company carries out research and analysis before opening new rides and attractions and often invest substantial time and resources to gauge the extent to which these new rides and attractions will earn consumer acceptance. Further, the success depends to a significant extent on discretionary consumer spending, which is heavily influenced by general economic conditions and the availability of disposable income. Actual or perceived difficult economic conditions and inflationary periods may adversely impact park attendance figures, the frequency with which guests choose to visit the parks and guest spending patterns at the parks. Both attendance and total per capita spending at the parks are key drivers of its revenue and profitability, and reductions in either can adversely affect the business and results of operations.

- **Incidents or adverse publicity concerning the parks or the theme or the water park industry generally could harm Company's brands or reputation as well as negatively impact the business.**

  The Company's brands and reputation are among the most important assets. The ability to attract and retain guests depends, in part, upon the external perceptions of the parks, the quality of the parks and services and performance of the operations team. The operation of the parks involves the risk of accidents, contagious, airborne or waterborne diseases and other incidents that may negatively affect guest satisfaction and the perception of the guests in relation to safety, health and security of the parks, which could negatively impact the brands and reputation and the business and results of operations.

- **High levels of Outstanding Debt**

  The Company has more than ₹ 1,000 Crore of outstanding debt, which has impeded the cash flows. The Company has not been able to generate sufficient cash to service the interest and principal repayments. This risk has restricted the risk taking ability of the Company for entering into new businesses, expanding current operations, expanding to newer geographies, and also to experiment with disruptive revenue models. The Company is working on a debt reduction plan to mitigate this risk. The Company has already entered into term sheets to sell its non-core assets to reduce approximately 30% of its outstanding debt.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has internal controls commensurate with its size. It has also adopted standard operating procedures, policies and process guidelines. These guidelines are well documented with clearly defined authority limits corresponding with the level of responsibility for each functional area. They are designed to ensure that transactions are conducted and authorised within their framework. Further, the Company's reporting guidelines ensure that transactions are recorded and reported in conformity with generally accepted accounting principles. These guidelines are regularly reviewed and updated to meet the expectations of the current business environment. The Company's Code of Business Conduct lays down ethical standards expected from each of its personnel's and business associates in their day to- day actions. The Company's robust internal audit programme which works to conduct a risk-based audit not only tests the adherence to laid down policies and procedures but also suggests improvements in the current processes and systems. The audit program is agreed upon with the Audit Committee. Internal Audit observations and recommendations are reported to the Audit Committee, which monitors the implementation of such recommendations. Company had appointed PNS & Co. as the internal auditor during the financial year 2017-18.

SIGNIFICANT DEVELOPMENT IN HUMAN RESOURCES

People are one of the key and critical success factors for the Company. The Theme Park and Amusement Park industry in India is in the nascent stages. As such to find skilled manpower having experience of the industry is challenging. The company has developed a very strong on-job training and development program, which cuts across the junior team members as well as the middle management layer. The senior technical & engineering team has been trained under supervision of global experts of theme park industry. The Company engaged these experts during the development and initial operations of the Park.

Being located in the outskirts of Mumbai and Pune, the Company needs to ensure that the employees are motivated enough to travel the distance for work. The Company provides employee friendly transport and local stay facilities for the same. Employee satisfaction is a top priority, and the Company ensures that all its employees enjoy a safe, healthy and progressive work environment at all its offices. The Company's Human Resource team works cohesively with the employees to help them in their personal as well as professional development. The Company has a well- defined Code of Conduct that guides all employees in their interaction with the various stakeholders of the Company. The Company has a unique work-culture based on team building and bonding through cross-job training.

As of March 31, 2018, the total number of permanent employees on the rolls of the Company were 733.

CAUTIONARY STATEMENT

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

Corporate Governance Report

OUR COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that good Corporate Governance is an important component in enhancing stakeholders' value and it emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. The Company is committed in its responsibility towards the community and environment in which it operates, towards its employees and business partners and towards society in general.

The Company has in place processes and systems whereby the Company complies with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). As a Company, we believe in implementing Corporate Governance practices that go beyond meeting the letter of law. The Company has comprehensively adopted practices mandated in the Listing Regulations.

BOARD OF DIRECTORS

The Board of Directors (the "Board") of the Company is broad-based and consists of eminent individuals from industry, management, technical, financial, and legal field. The Company is managed by the Board of Directors in co-ordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Board comprises of an optimum combination of Executive, Non-Executive, Independent Directors and Woman Director as required under Companies Act, 2013 and Listing Regulations. As on date the Board comprises of eight (8) Directors, out of which four (4) are Independent Directors, two (2) are Non-Executive Directors and two (2) are Executive Directors.

Composition and Category of Directors

Name of Directors and DIN	Category
Mr. Manmohan Shetty (DIN : 00013961)	Promoter, Chairman and Executive Director
Mr. Kapil Bagla (DIN : 00387814)	Non Executive and Non Independent Director
Mr. Ashutosh Kale (DIN: 06844520)	Executive Director
Ms. Pooja Deora (DIN : 00013027)	Non Executive and Non Independent Director
Mr. Steven A. Pinto (DIN : 00871062)	Non Executive and Independent Director
Mr. Ghulam Mohammed (DIN : 00591038)	Non Executive and Independent Director
Ms. Anjali Seth (DIN : 05234352)	Non Executive and Independent Director
Ms. Meghna Ghai Puri (DIN: 00130085)	Non Executive and Independent Director

Note: 1) Mr. Manmohan Shetty and Ms. Pooja Deora, are related to each other
2) Mr. Kapil Bagla who was the whole-time director was re-designated as Non Executive and Non Independent Director w.e.f. September 1, 2017.

Attendance of Directors at the Board Meetings held during the financial year 2017-18 and the last Annual General Meeting held on July 26, 2017 and the number of other Directorship(s) and Committee Membership(s) or Chairpersonship(s) held by Directors in other Companies:

Name of Director	No. of Board Meetings during the year		Attendance at last AGM	No. of Directorships (as on 31.03.2018)	No. of Board Committees in which Member / Chairperson (as on 31.03.2018)		Shareholding of Non Executive Directors (as on 31.03.2018)
	Held	Attended			Member	Chairperson	
Mr. Manmohan Shetty	8	8	Yes	7	1	Nil	NA
Mr. Kapil Bagla	8	8	Yes	8	3	1	178
Mr. Ashutosh Kale	8	8	Yes	Nil	Nil	Nil	NA
Ms. Pooja Deora	8	7	Yes	4	Nil	Nil	Nil
Mr. Steven A. Pinto	8	8	Yes	5	3	2	Nil
Mr. Ghulam Mohammed	8	8	Yes	10	2	1	Nil
Ms. Anjali Seth	8	8	Yes	9	5	2	Nil
Ms. Meghna Ghai Puri	8	7	Yes	5	1	1	Nil

Notes:

1. *Directorships exclude foreign companies, companies formed under Section 25 of the Companies Act, 1956 and Section 8 of the Companies Act, 2013.*
2. *Above mentioned directorship(s) includes directorships in Adlabs Entertainment Limited and all listed, unlisted and private limited companies.*
3. *As required by Regulation 26 of the Listing Regulations, the disclosure includes membership(s)/ chairpersonship(s) of the Audit Committee and Stakeholders' Relationship Committee in Indian Public Companies (listed and unlisted).*
4. *Membership(s) of Committees includes chairpersonship(s), if any.*
5. *Committee includes only Audit Committee and Stakeholders' Relationship Committee.*
6. *Above mentioned membership(s)/ chairpersonship(s) in committees includes Adlabs Entertainment Limited.*
7. *None of the directors hold directorship(s) in more than 20 companies of which directorship in public companies does not exceed 10 in line with the provisions of Section 165 of the Companies Act, 2013.*
8. *No director holds membership(s) of more than 10 committees of board, nor, is a chairperson of more than 5 committees of Board across all listed companies with which he/she is associated as a Director.*

Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiary company. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

During the financial year 2017-18, the Board met 8 (eight) times on April 27, 2017, May 25, 2017, June 20, 2017, July 26, 2017, August 28, 2017, November 7, 2017, December 15, 2017 and February 8, 2018. The Interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulations.

Separate Meeting of Independent Directors

A separate meeting of the Independent Directors was held on February 8, 2018 without the presence of Executive Directors or Management representatives, *inter alia*, to discuss the performance of Non-Independent Directors and the Board as a whole and the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All Independent Directors of the Company attended the meeting.

Familiarisation Programmes for Independent Directors

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

The details of the familiarization programmes for Independent Directors has been posted on the Company's website and can be accessed at http://www.adlabsimagica.com/investor_docs/Familarisation%20 programme%20for%20Independent%20Directors.pdf.

AUDIT COMMITTEE

The constitution and terms of reference of the Audit Committee are in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations, as may be applicable.

Terms of reference

The terms of reference of the Audit Committee are as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  b) changes, if any, in accounting policies and practices and reasons for the same;
  c) major accounting entries involving estimates based on the exercise of judgment by management;
  d) significant adjustments made in the financial statements arising out of audit findings;
  e) compliance with listing and other legal requirements relating to financial statements;
  f) disclosure of any related party transactions; and
  g) modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the listed entity with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the listed entity, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism.
- Approve the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- The audit committee shall review the information required as per Listing Regulations.

Composition and Attendance

The composition of the Audit Committee and the details of Meetings attended by the Directors during the financial year 2017-18 are given below:

Name of Members	Position	Category	No. of meetings	
			Held	Attended
Mr. Steven A. Pinto	Chairman	Independent Director	4	4
Mr. Ghulam Mohammed	Member	Independent Director	4	4
Ms. Anjali Seth	Member	Independent Director	4	4
Mr. Kapil Bagla	Member	Non Executive Director	4	4

The Audit Committee met four (4) times during the financial year 2017-18 i.e. on May 25, 2017, July 26, 2017, November 7, 2017 and February 8, 2018. The maximum gap between two meetings was not more than 120 days.

The Chairman of the Audit Committee, Mr. Steven A. Pinto, had attended the last Annual General Meeting of the Company, which was held on July 26, 2017.

Ms. Madhulika Rawat, Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

Minutes of all the meetings of the Audit Committee are circulated to all the members of the Board and are also placed in the next scheduled meeting of the Board, for discussion and review thereof.

NOMINATION AND REMUNERATION COMMITTEE

The constitution and the terms of reference of the Nomination and Remuneration Committee ("NRC") are in compliance with Section 178(1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Terms of reference

The terms of reference of the Nomination and Remuneration Committee are as follows:

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- To recommend to the Board the appointment and removal of Senior Management.
- To carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.
- To recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.
- To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To develop a succession plan for the Board and to regularly review the plan.
- To formulate policy for nomination and remuneration of directors and senior management to ensure that: (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors/KMPs of the quality required to run the Company successfully; (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- To formulate the terms and conditions of the Employee Stock Option Plan, to administer and implement the said plan, to determine number of Options to be granted, to determine vesting and /or lock-in-period, etc and to perform such functions as are required to be performed by the Committee under Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time.

Composition and Attendance

The composition of Nomination and Remuneration Committee and attendance of Committee members during the financial year 2017-18 are given below:

Name of Members	Position	Category	No. of meetings	
			Held	Attended
Mr. Steven A. Pinto	Chairman	Independent Director	3	3
Mr. Ghulam Mohammed	Member	Independent Director	3	3
Mr. Manmohan Shetty	Member	Executive Director	3	3
Ms. Pooja Deora	Member	Non-Executive Director	3	3

The Nomination and Remuneration Committee met three (3) times during the financial year 2017-18 i.e. on May 25, 2017, August 28, 2017 and February 8, 2018.

The Chairman of the Committee, Mr. Steven A. Pinto, had attended the last Annual General Meeting of the Company, which was held on July 26, 2017.

Ms. Madhulika Rawat, Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated includes participation and contribution by a director, effective deployment of knowledge and expertise and commitment.

Remuneration to Directors

Executive Directors:

a) Mr. Manmohan Shetty, Chairman and Executive Director of the Company was appointed without remuneration.

b) All elements of remuneration package of Mr. Kapil Bagla and Mr. Ashutosh Kale are as follows:

(Amount in ₹)

Particulars	Mr. Kapil Bagla*	Mr. Ashutosh Kale
All elements of remuneration package		
• Salary and Allowances	43,73,089	43,63,119
• Gratuity and Contribution to Provident Fund	3,26,926	3,26,181
• Ex-gratia	1,62,070	1,61,700
• Performance Linked Incentives (PLI)	14,46,250	9,96,200
Total	**63,08,335**	**58,47,200**
Details of fixed component and PLI		
• Fixed Component	48,62,085	48,51,000
• PLI	14,46,250	9,96,200
Total	**63,08,335**	**58,47,200**
Service Contract	3 years	3 years
Notice Period	One month	One month
Severance Fees	NA	NA
Stock Options, if any	NA	NA

** From April 1, 2017 to August 31, 2017 as he ceased to be an Executive Director w. e.f. September 1, 2017.*

Performance Criteria for PLI

Executive Director's Performance Linked Incentive is linked to individual performance and the performance of the Company. The total reward package for Executive Directors is intended to be market competitive with linkage to performance in line with Company's Remuneration Policy.

Non-Executive Directors:

The Non-Executive Independent Directors are paid remuneration by way of sitting fees.

The Non-Executive Independent Directors are paid sitting fees for each meeting of the Board or Committees of Board attended by them. Pursuant to the limits approved by the Board, all directors being non-executive independent directors are paid sitting fees of ₹ 50,000/- for attending each meeting of the Board and Audit Committee and ₹ 25,000/- for attending each meeting of Committees of Board except Audit Committee. The Non-Executive Directors do not have any material pecuniary relationship or transactions with the Company.

The sitting fees paid during the financial year 2017-18 to the Non-Executive Independent Directors for attending the Board and Committee Meetings for the year 2017-18, are as follows:

Name of the Director	Sitting Fees (₹)
Mr. Steven A. Pinto	7,00,000
Ms. Anjali Seth	6,00,000
Mr. Ghulam Mohammed	6,75,000
Ms. Meghna Ghai Puri	3,50,000

1. Ms. Pooja Deora, Non Executive Director was paid ₹ 10,00,000/- (From April 1, 2017 to July 31, 2017) as consultancy fees during the year pursuant to a consultancy agreement entered between Ms. Pooja and the Company and no sitting fees was paid to her. The consultancy agreement expired on July 31, 2017.

2. No remuneration by way of commission to the Non-Executive Directors was proposed for the financial year 2017-18.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The constitution and the terms of reference of the Stakeholders' Relationship Committee are in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Terms of reference

The terms of reference of the Stakeholders' Relationship Committee are as follows:

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend/notice/ annual reports, etc. and all other securities holders related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

The composition of the Stakeholders' Relationship Committee is as follows:

Name of Member	Position	Category
Ms. Anjali Seth	Chairperson	Independent Director
Mr. Kapil Bagla	Member	Non-Executive Director
Mr. Manmohan Shetty	Member	Executive Director

There were no meetings of Stakeholders' Relationship Committee held during the FY 2017-18.

Name and designation of Compliance Officer

Ms. Madhulika Rawat, the Company Secretary is the Compliance Officer of the Company.

The details of shareholders' complaints received and disposed of during the year under review are as under:

Number of Investor Complaints	
Pending at the beginning of the financial year	Nil
Received during the financial year	Nil
Disposed off during the financial year	Nil
Pending at the end of the financial year	Nil

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of reference

The terms of reference of the Corporate Social Responsibility Committee are as follows:

- Formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount to be incurred on such activities.
- Monitor the Company's CSR Policy periodically.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company.

Composition and Attendance

The composition of Corporate Social Responsibility Committee and attendance of Committee members during the financial year 2017-18 are given below:

Name of Member	Position	Category	No. of Meetings	
			Held	Attended
Mr. Manmohan Shetty	Chairman	Executive Director	1	1
Mr. Steven A. Pinto	Member	Independent Director	1	1
Mr. Ashutosh Kale	Member	Executive Director	1	1

The CSR Committee met once during the financial year 2017-18 on February 8, 2018.

RISK MANAGEMENT COMMITTEE

The constitution and the terms of reference of the Risk Management Committee are in compliance with the provisions of Regulation 21 of the Listing Regulations.

The Board of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Composition and Attendance

The composition of Risk Management Committee and attendance of Committee members during the financial year 2017-18 are given below:

Name of Member	Position	Category	No. of Meetings	
			Held	Attended
Mr. Manmohan Shetty	Chairman	Executive Director	1	1
Mr. Kapil Bagla	Member	Non- Executive Director	1	1
Mr. Ashutosh Kale	Member	Executive Director	1	1

The Risk Management Committee met once during the financial year 2017-18 on February 8, 2018.

GENERAL BODY MEETINGS

Details of last three Annual General Meetings of the Company held are as under

Date	Time	Whether Special Resolution Passed or not	Special Resolutions passed	Location
July 26, 2017	12.00 noon	Yes	To re-appoint Mr. Kapil Bagla (DIN: 00387814) as a Whole-time Director of the Company.	Imagica Theme Park, Imagica Capital, 30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 203
July 28, 2016	11:30 AM	Yes	To approve appointment of Mr. Ashutosh Kale as an Executive Director of the Company for a period of 3 years and his remuneration.	Imagica Capital B2, Adlabs-Imagica, 30/31, Sangdewadi, Khopoli Pali Road, Taluka-Khalapur, District Raigad – 410 203
September 7, 2015	12:00 noon	Yes	1. Keeping Register of Members at a place other than the Registered Office. 2. To increase the remuneration of Kapil Bagla, Whole-time Director and CEO of the Company. 3. To create, grant, offer, issue and allot options exercisable in equity shares under "Adlabs Employees Stock Option Plan 2015" and "Adlabs Employees Stock Option Scheme 2015".	Imagica Capital B2, Adlabs-Imagica, 30/31, Sangdewadi, Khopoli Pali Road, Taluka-Khalapur, District Raigad – 410 203

Details of Extra-ordinary General Meeting of the Company held during the year is as under

Date	Time	Whether Special Resolution Passed or not	Special Resolutions passed	Location
December 2, 2017	12:00 noon	Yes	Issue of Equity Shares on Preferential basis	Imagica Theme Park, Imagica Capital, 30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 203

Postal Ballot: During the year under review, the Company had conducted 2 (two) Postal Ballot . The details of the postal ballot are as follows:

Date of postal ballot notice : April 27, 2017
Date of declaration of result : June 8, 2017
Voting period : May 9, 2017 to June 7, 2017
Date of approval : June 7, 2017

S. no.	Name of Resolution	Type of Resolution	No. of votes polled	Votes cast in favour		Votes cast against	
				No. of votes	%	No. of votes	%
1	Issue of Convertible Warrants on Preferential Basis	Special	6,53,55,813	6,53,43,360	99.9809	12,453	0.0191
2	Issue of Equity Shares on Preferential Basis	Special	6,53,55,813	6,53,43,255	99.9808	12,558	0.0192
3	Private Placement of Non Convertible Debentures and/or other debt securities	Special	5,49,20,869	5,49,08,161	99.9769	12,708	0.0231
4	Issue of securities to the Qualified Institutional Buyers	Special	5,49,20,869	5,49,09,179	99.9787	11,690	0.0213

Date of postal ballot notice : November 7, 2017
Date of declaration of result : December 29, 2017
Voting period : November 29, 2017 to December 28, 2017
Date of approval : December 28, 2017

S. no.	Name of Resolution	Type of Resolution	No. of votes polled	Votes cast in favour		Votes cast against	
				No. of votes	%	No. of votes	%
1	Sale of the hotel business undertaking of the Company	Special	5,29,75,926	5,29,73,666	99.9957	2,260	0.0043
2	Sale of investments or shareholding of the Company in Walkwater Properties Private Limited, wholly owned subsidiary company and Surplus Land of 67 acres of the Company	Special	5,29,75,873	5,29,71,545	99.9918	4,328	0.0082
3	Sale of investments or shareholding of the Company in Blue Haven Entertainment Private Limited, wholly owned subsidiary company	Special	5,29,75,873	5,29,74,142	99.9967	1,731	0.0033

Procedure for postal ballot

In compliance of Sections 108 and 110 and all other applicable provisions of the Companies Act, 2013 ("the Act"), read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Postal Ballot Notices were sent (a) through electronic mails to Members whose email IDs are registered in the records of depository participants (b) through physical mode, along with postage prepaid self-addressed Business Reply Envelope to those Members whose email IDs were not registered with the Company/ depository participants. The Company had engaged services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility to all its Members. The Company also published a notice in the newspapers declaring the details and requirements as mandated by the Act and applicable rules.

Voting rights were reckoned on the paid up value of the shares registered in the names of the members whose names appeared on the Register of Members/ List of Beneficial Owners as on the cut off date. Members were requested to vote through physical postal ballot or through electronic mode on or before the close of voting period.

Mr. Mohammed Aabid, Practicing Company Secretary was appointed as Scrutinizer for conducting the postal ballot/ e-voting process in a fair and transparent manner.

The scrutiniser completed his scrutiny and submitted his report to the Chairman, and consolidated results of the voting were announced by the Chairman / the authorised officer and communicated on the same day to the Stock Exchanges, depository, registrar and share transfer agents of the Company and shall also be displayed on the Company's website www.adlabsimagica.com.

The last date for the receipt of postal ballot forms or e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by requisite majority.

DISCLOSURES

- **Related party transactions**

  During the year 2017-18, the Company has not entered into any materially significant related party transaction, which could have a potential conflict of interest between the Company and its Promoters or Directors or Management or their relatives, or subsidiaries other than the transactions carried out in the normal course of business. The related party transactions are disclosed in Notes to Accounts. A copy of the policy on dealing with related party transactions has been posted on the Company's website and can be accessed at https://wwwadlabsimagica.com/investor_docs/Related%20Party%20 Transaction%20Policy.pdf.

- **Compliances by the Company**

  The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above, during the last three years.

  Further, the Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.

- **Whistle Blower Policy / Vigil Mechanism**

  Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz.https://www.adlabsimagica.com/investor_docs/Vigil%20Mechanism%20or%20Whistle%20Blower%20Policy.pdf.

- **Subsidiaries**

  The Company monitors performance of the subsidiary companies, *inter-alia*, by following means:

  a) Financial statements, in particular the investments made by unlisted subsidiary companies are reviewed quarterly by the Audit Committee of the Company.

  b) Minutes of the meetings of the Board of Directors of all subsidiary companies are placed before the Company's Board regularly.

  c) A statement containing all the significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board / Audit Committee.

  d) Quarterly review of Risk Management process by the Audit Committee / Board.

  e) The Company has formulated a policy for determining 'material' subsidiaries and such policy has been disclosed on the Company's website and can be accessed at https://www.adlabsimagica.com/investor_docs/Material%20Subsidiary%20Policy.pdf.

- **Disclosure of Accounting Treatment**

  The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

- **Adoption of non mandatory requirements**

  The Company has also ensured the implementation of non mandatory items such as:

  a) Separate post of Chairman and CEO.

  b) The Company is already following the regime of unmodified audit opinions/ reporting.

MEANS OF COMMUNICATION

- Quarterly Results are published in Business Standard, English daily newspaper circulating in substantially the whole of India and in Sakal, Marathi vernacular daily newspaper and are also posted on the Company's website www.adlabsimagica.com.

- Official media releases are sent to the Stock Exchanges before their release to the media for wider dissemination. Presentations made to media, analysts, institutional investors, etc. are posted on the Company's website.

- The Company's website contains a separate dedicated section 'Investor Relations'. It contains comprehensive database of information of interest to our investors including the financial results and Annual Report of the Company, any price sensitive information disclosed to the regulatory authorities from time to time, business activities and the services rendered/ facilities extended by the Company to our investors, in a user friendly manner. The basic information about the Company as called for in terms of Regulation 46 of the Listing Regulations is provided on Company's website and the same is updated regularly.

- Annual Report containing, *inter alia*, Audited Annual Accounts, Consolidated Financial Statements, Board's Report, Auditors' Report and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report and is displayed on Company's website.

- The quarterly Shareholding Pattern and Corporate Governance Report of the Company are filed with NSE through NEAPS and with BSE through BSE Online Portal. They are also displayed on the Company's website under the "Investor Relations" section.

- The Company has also designated the email-id: compliance@adlabsentertaiment.com exclusively for investor servicing.

GENERAL SHAREHOLDERS' INFORMATION

CIN	L92490MH2010PLC199925
Registered office Address	30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 203
Date, Time and Venue of Annual General Meeting	Friday, August 3, 2018 at 11:30 AM at Imagica Theme Park, Imagica Capital, 30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 203
Financial year	April 1 to March 31
Book closure dates	July 28, 2018 to August 3, 2018 (both days inclusive)
Dividend Payment Date	Not Applicable

Tentative calendar of the Board Meetings for consideration of quarterly results for the Financial Year 2018-19

For the quarter ended June 30, 2018	On or before August 14, 2018
For the quarter and half year ended September 30, 2018	On or before November 14, 2018
For the quarter ended December 31, 2018	On or before February 14, 2019
For the quarter and year ended March 31, 2019	On or before May 30, 2019
Listing on Stock Exchanges	The Equity Shares of the Company are listed on: 1. BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 2. National Stock Exchange of India Limited (NSE), "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai 400 051
Stock Code	The BSE scrip code of equity shares is 539056 The NSE scrip symbol of equity shares is ADLABS
ISIN	INE172N01012
Listing Fees	Annual listing fees for the year 2018-19 (as applicable) have been paid by the Company to the stock exchanges.

Market Price Data and performance in comparison to broad based indices

Month-Year	Share price on BSE (AEL)		BSE Sensex	
	High	Low	High	Low
April-2017	91.75	79.30	30184.22	29241.48
May-2017	91.00	74.30	31255.28	29804.12
June-2017	88.10	73.50	31522.87	30680.66
July-2017	79.70	69.00	32672.66	31017.11
August-2017	75.00	52.75	32686.48	31128.02
September-2017	86.45	64.30	32524.11	31081.83
October-2017	77.20	59.90	33340.17	31440.48
November-2017	88.50	65.10	33865.95	32683.59
December-2017	72.50	64.50	34137.97	32565.16
January-2018	72.45	59.75	36443.98	33703.37
February-2018	61.90	54.00	36256.83	33482.81
March-2018	55.70	44.40	34278.63	32483.84

Month-Year	Share price on NSE (AEL)		NSE (Nifty)	
	High	Low	High	Low
April-2017	91.85	79.15	9367.15	9075.15
May-2017	90.70	74.30	9649.60	9269.90
June-2017	88.20	73.35	9709.30	9448.75
July-2017	79.75	69.20	10114.85	9543.55
August-2017	74.80	52.50	10137.85	9685.55
September-2017	84.40	64.90	10178.95	9687.55
October-2017	77.30	54.00	10384.50	9831.05
November-2017	88.70	65.50	10490.45	10094.00
December-2017	72.00	64.35	10552.40	10033.35
January-2018	72.45	59.40	11171.55	10404.65
February-2018	62.10	53.35	11117.35	10276.30
March-2018	56.35	44.30	10525.50	9951.90

Registrar and Transfer Agent (RTA)

Link Intime India Private Limited
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai- 400 083
Tel: +91 22 4918 6000
Fax: +91 22 4918 6060
e-mail: rnt.helpdesk@linkintime.co.in

Share Transfer System

Shareholders' / Investors' are requested to send share certificate(s) along with share transfer deed in the prescribed form no. SH-4, duly filled in, executed and affixed with share transfer stamps, to the Company's RTA. If the transfer documents are in order, the transfer of shares is registered within 7 days of receipt of transfer documents by Company's RTA.

Shareholding Pattern as on March 31, 2018

Category Code	Category of shareholder	No. of Shareholders	Total No. of Shares	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian	2	4,41,21,239	50.10
(2)	Foreign	0	0	0.00
	Total Shareholding of Promoter and Promoter Group	2	4,41,21,239	50.10
(B)	Public Shareholding			
(1)	Institutions	6	63,93,507	7.26
(2)	Non Institutions	23,848	3,75,47,377	42.64
	Total Public Shareholding	23,854	4,39,40,884	49.90
(C)	Shares held by Custodians and against which the depository receipts have been issued			
(1)	Promoter and Promoter Group	0	0	0.00
(2)	Public	0	0	0.00
	TOTAL(A)+(B)+(C)	**23,856***	**8,80,62,123**	**100.00**

** No. of shareholders mentioned here are consolidated on PAN basis as per SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017.*

Distribution of shareholding as on March 31, 2018

No. of Equity Shares held	No. of Shareholders	No. of Shares	% of total shares
1 – 500	20,017	29,95,143	3.40
501 - 1000	2,138	17,49,640	1.99
1001 - 2000	1,015	15,90,722	1.81
2001 – 3000	387	10,00,559	1.14
3001 – 4000	165	5,99,407	0.68
4001 – 5000	198	9,51,234	1.08
5001 – 10000	218	16,61,401	1.89
10001 and above	190	7,75,14,017	88.02
TOTAL	**24,328**	**8,80,62,123**	**100.00**

Dematerialisation of shares

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on March 31, 2018, 99.99 per cent of the Company's equity shares are held in dematerialised form with NSDL and CDSL.

Outstanding ADRs/ GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding ADRs and GDRs.

During the year under review, Company issued and allotted 5 (Five) Convertible Warrants of ₹ 2,37,25,000/- (Rupees Two Crore Thirty Seven Lakh Twenty Five Thousand Only) each on preferential basis to BCCL on June 20, 2017 pursuant to receipt of 25% upfront payment consideration from BCCL. The convertible warrants are to be converted in to such number of equity shares with such warrants carrying an option / entitlement to subscribe to equity shares of the face value of ₹ 10/- (Rupees Ten Only) per share for cash at a price whichever is higher of the following aggregating to ₹ 11,86,25,000/- (Rupees Eleven Crore Eighty Six Lakh Twenty Five Thousand Only) on receipt of balance 75% of the consideration:

a) ₹ 95/- (including premium of ₹ 85/-) per share; or

b) price per share equal to the average of the weekly high and low of the volume weighted average price of the equity share of the Company as quoted on the National Stock Exchange of India Ltd. during the 26 (twenty six) weeks preceding any day of the 17th (seventeenth) month from the date of allotment of warrant.

Maximum number of equity shares in which the warrants can be converted is 12,48,684.

BCCL can exercise the option to convert the convertible warrant within a period of 18 months from the date of its allotment, i.e. on or before December 19, 2018.

Commodity price risk or foreign exchange risk and hedging activities

The Company carries limited foreign exchange risk, largely on account of certain Buyers Credit availed during the project phase and this exposure is reduced substantially over the years. During the year, the Company has managed foreign exchange risk and hedged to the extent considered appropriate. The details of foreign currency exposure are disclosed in Note No. 2.13 to the Standalone Financial Statements.

Reconciliation of share capital audit report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the company's shares are listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

Code of conduct

The Company has adopted the code of conduct and ethics for directors and senior management. The code has been circulated to all the members of the Board and senior management and the same has been put on the company's website www.adlabsimagica.com. The Board members and senior management have affirmed their compliance with the code and a declaration signed by the CEO of the Company is given below:

"It is hereby declared that the Company has obtained from all members of the Board and senior management personnel affirmation that they have complied with the code of conduct for directors and senior management of the Company for the financial year 2017-18".

Dhimant Bakshi	Ashutosh Kale
Joint CEO	Executive Director and Joint CEO

CEO/CFO Certification

Mr. Dhimant Bakshi, Joint Chief Executive Officer, Mr. Ashutosh Kale, Executive Director and Joint Chief Executive Officer and Mr. Mayuresh Kore, Chief Financial Officer of the Company have certified to the Board with regard to the compliance in terms of Regulation 17(8) of Listing Regulations.

Address for Correspondence

Registered Office:
30/31, Sangdewadi, Khopoli - Pali Road, Taluka Khalapur,
District Raigad 410 203, Maharashtra.

Corporate Office:
9^{th} Floor, Lotus Business Park, New Link Road,
Andheri (West), Mumbai – 400 053.

Practicing Company Secretary's Certificate on Corporate Governance

To,
The Members,
ADLABS ENTERTAINMENT LIMITED
30/31 Sangdewadi, Khopoli-Pali Road,
Taluka Khalapur, Raigad 410203 Maharashtra

Re: Certificate regarding compliance of conditions of Corporate Governance

We have examined the compliance of conditions of corporate governance by Adlabs Entertainment Limited, for the year ended on March 31, 2018 as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "Listing Regulations").

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Part C of Schedule V of the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Aabid & Co
Company Secretaries

Mohammed Aabid
Partner
Membership No. : F6579
C.P.No. : 6625

Place : Mumbai
Date : May 17, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ADLABS ENTERTAINMENT LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Adlabs Entertainment Limited (the Company), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

   d. In our opinion, the aforesaid standalone financial statements comply with Indian Accounting Standards specified under section 133 of the Act, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

   e. On the basis of the written representations received from the directors as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, 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 B".

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

   i. The Company has disclosed the impact of pending litigations as at 31st March, 2018 on its financial position in its standalone financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For A.T. Jain & Co.
Chartered Accountants
(Firm Registration No. 103886W)

Sushil T Jain
Partner
Membership No.: 033809

Place: Mumbai
Date: 17th May, 2018

Annexure A to the Independent Auditor's Report of even date on the Standalone Financial Statements of ADLABS ENTERTAINMENT LIMITED

We report that

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As per the information and explanations given to us, Fixed Assets were physically verified during the year by the management as per its programme. The frequency of verification is reasonable and no material discrepancies have been noticed on such verification.

   c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable property are held in the name of the company.

2. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. Stock of Food Items, Merchandise, stores and spare parts are reported to be physically verified in accordance with the procedure followed by the management. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. The company has granted loan to one party covered in the register maintained under Section 189 of the Act.

   a) In our opinion and on the basis of explanation given to us, the terms and conditions on which the loans had been granted to the party were not prima facie prejudicial to the interest of the Company.

   b) The loan is repayable on demand and there is no overdue.

4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given and investment made.

5. As per the information's and explanations given to us the company has not accepted any deposits from the public during the year. Therefore the provisions of paragraph 3(v) of the Order are not applicable to the Company.

6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

   As explained to us, the Company did not have any dues on account of employees' state insurance. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.

   b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of excise, value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues have not been deposited by the Company on account of disputes:

Name of Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which it Relates	Forum where dispute is Pending
Custom Act, 1962	Special Additional Duty (SAD)	77.49*	June – 2012 to September -2013	CESTAT
Custom Act, 1962	Penalty	1,118.49	June – 2012 to September -2013	CESTAT

[* Total demand ₹ 1,118.49 Lakhs – amount deposited ₹ 1,041.00 Lakhs.]

8. According to the information and explanation given to us and based on the documents and records examined by us, the company has defaulted in repayment of loan installment due to following banks and financial institutions:

Name of the lenders: in case of		Amount of default as at the balance sheet date (₹ in Lakhs)	Period of default (No of days delay)
A.	**Banks**		
	1. Bank of Baroda	14.67	60
		14.67	32
		77.17	1
	2. Union Bank of India	18.33	60
		18.33	32
		18.33	1
		1,750.00	7
	3. Vijaya Bank	3.67	60
		3.67	32
		3.67	1
B.	**Financial Institutions**		
	1. Life Insurance Corporation	45.83	60
		45.83	32
		45.83	1
	2. Tourism Finance Corporation of India	40.66	60
		40.66	32
		40.66	1

9. In our opinion and on the basis of information and explanations given to us, money raised by way of public offer and the term loans were applied for the purposes for which they were raised.

10. According to the information and explanations given to us, no fraud on or by the company was noticed or reported during the course of our audit.

11. According to the information and explanations given to us and based on the examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

12. In our opinion and according to the explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. According to the information and explanation given to us and based on our examination of the records of the company, the company has complied with the provision of section 42 of the Act while making preferential allotment or private placement of shares during the year and the amount raised were utilized for the purpose for which the funds were raised.

15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For A.T. Jain & Co.
Chartered Accountants
(Firm Registration No. 103886W)

Sushil T Jain
Partner
Membership No.: 033809

Place: Mumbai
Date: 17th May, 2018

Annexure B to the Independent Auditor's Report of even date on the Standalone Financial Statements of ADLABS ENTERTAINMENT LIMITED

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 Adlabs Entertainment Limited ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, 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 A.T. Jain & Co.
Chartered Accountants
(Firm Registration No. 103886W)

Sushil T Jain
Partner
Membership No.: 033809

Place: Mumbai
Date: 17th May, 2018

Balance Sheet as at 31st March, 2018

(₹ in Lakhs)

	Notes	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non-Current Assets			
Fixed Assets			
Property, plant and equipment	3	1,13,313.40	1,20,439.39
Capital work- in-progress		8,620.08	9,486.09
Other intangible assets	4	2,189.61	2,680.94
Intangible assets under development		53.92	53.92
		1,24,177.01	1,32,660.34
Financial Assets			
Investments	5	10,618.16	10,617.16
Other	6	52.54	46.08
Deferred tax assets (net)		16,540.55	16,540.55
Other Non-Current Assets	7	971.70	1,064.36
		1,52,359.96	1,60,928.49
Current Assets			
Inventories	8	1,428.78	1,337.67
Other Financial Assets			
Trade receivables	9	511.62	357.92
Cash and cash equivalents	10	284.01	710.36
Bank balances other than above	11	3.46	9.98
Loans	12	1,272.01	5.47
Others advances	13	349.53	36.49
Current tax assets (net)		326.04	235.10
Other Current Assets	14	1,540.70	596.82
		5,716.15	3,289.81
Total		**1,58,076.11**	**1,64,218.30**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	8,806.21	7,989.78
Other Equity		32,108.74	41,985.97
		40,914.95	49,975.75
Non Current Liabilities			
Financial Liabilities			
Borrowings	16	89,114.99	98,681.90
Provisions	17	138.65	324.05
		89,253.64	99,005.95
Current Liabilities			
Financial Liabilities			
Borrowings	18	8,376.61	5,644.37
Trade payables		2,742.56	3,058.93
Other Financial Liabilities	19	12,899.51	4,009.42
Other Current Liabilities	20	3,863.38	2,506.06
Provisions	21	25.46	17.82
		27,907.52	15,236.60
Total		**1,58,076.11**	**1,64,218.30**
Summary of Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date
For A. T. JAIN & CO.
Chartered Accountants
Firm Registration No : 103886W

Sushil T Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 17th May, 2018

For and on behalf of the Board of Directors of
ADLABS Entertainment Limited

Manmohan Shetty
Chairman

Ashutosh Kale
Executive Director & Jt. CEO

Dhimant Bakshi
Jt. CEO

Mayuresh Kore
Chief Financial Officer

Madhulika Rawat
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2018

(₹ in Lakhs)

	Notes	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
INCOME:			
Revenue from operations	22	23,628.77	23,907.65
Other income	23	99.14	51.73
Total Revenue (I)		**23,727.91**	**23,959.38**
EXPENSES:			
Cost of material consumed	24	1,528.73	1,444.35
Purchase of trading goods			
Merchandise		1,024.05	1,016.90
Changes in inventories of stock-in-trade	25	44.28	(46.28)
Employee benefit expenses	26	4,854.81	5,544.88
Finance cost	27	12,641.65	11,989.36
Depreciation and amortisation expense (Refer note 2.5 and 2.6)	3 & 4	9,242.37	9,447.25
Other expenses	28	9,909.45	9,863.27
Total Expenses (II)		**39,245.34**	**39,259.73**
Profit / (Loss) before exceptional and tax (I - II)		**(15,517.43)**	**(15,300.35)**
Exceptional items		-	-
Profit / (Loss) before tax		(15,517.43)	(15,300.35)
Tax Expenses			
Current tax		-	-
Deferred tax		-	(3,586.78)
Profit/ (loss) for the year from continuing operations		**(15,517.43)**	**(11,713.57)**
Profit/ (loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/ (loss) from discounting operations (after tax)		-	-
Profit/ (loss) for the year		(15,517.43)	(11,713.57)
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		(26.18)	(4.68)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total comprehensive income for the year		**(15,543.61)**	**(11,718.25)**
Earnings per equity share (for continuing operations)	29		
Basic		(18.72)	(14.66)
Diluted		(18.72)	(14.66)
Earnings per equity share (for discontinued operations)			
Basic		-	-
Diluted		-	-
Earnings per equity share (for discontinued & continuing operations)			
Basic		(18.72)	(14.66)
Diluted		(18.72)	(14.66)
Summary of Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date
For A. T. JAIN & CO.
Chartered Accountants
Firm Registration No : 103886W

Sushil T Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 17th May, 2018

For and on behalf of the Board of Directors of
ADLABS Entertainment Limited

Manmohan Shetty
Chairman

Ashutosh Kale
Executive Director & Jt. CEO

Dhimant Bakshi
Jt. CEO

Mayuresh Kore
Chief Financial Officer

Madhulika Rawat
Company Secretary

Cash Flow Statement for the year ended 31st March, 2018

(₹ in Lakhs)

		For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
A:	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net loss before tax	(15,517.43)	(15,300.35)
	Adjustments for:		
	Depreciation and amortisation	9,242.37	9,447.25
	Loss/(Gain) on Sale of Fixed Assets	4.06	(0.16)
	Acturial gains/(loss) in OCI	(26.18)	-
	Loss on Sales of Fixed Assets	-	9.82
	Interest income	(3.97)	(5.46)
	Interest expense and finance cost	12,641.65	11,989.36
	Operating Loss before Working Capital Changes	6,340.50	6,140.46
	Movements in working capital:		
	Decrease / (increase) in trade receivables	(153.70)	19.10
	(Decrease) / increase in trade payables	(316.37)	956.11
	Decrease / (increase) in inventories	(91.11)	(100.28)
	Decrease / (increase) in other current and non current assets	(1,165.80)	1,584.18
	(Decrease) / increase in current and non current liabilities	26.89	416.17
	Cash Generated from Operations	4,640.41	9,015.74
	Direct taxes paid (net of refunds)	(90.94)	(72.59)
	Net Cash generated in Operating Activities	4,549.47	8,943.15
B:	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Tangible & Intangible assets and change in capital work-in-progress	(1,116.82)	(4,429.68)
	Advance received against Sale of Hotel	1,500.00	-
	Loan to related parties	(1,266.80)	-
	Sale of Fixed Assets	7.12	9.21
	Interest income	6,464.61	5.46
	Fixed Deposit Matured	(6,460.58)	128.70
	Net Cash Used in Investing Activities	(872.47)	(4,286.31)
C:	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from issue of equity shares	6,482.81	-
	Proceeds / (Repayment) of Unsecured Term Loans from promoter	(261.68)	519.30
	Proceeds/ (Repayment) from long term borrowings (net)	(1,275.42)	4,171.50
	Proceeds/ (Repayment) of Loan from Subsidiary companies	(506.08)	506.08
	Proceeds from short term borrowings	3,500.00	-
	Proceeds/ (Repayment) from Other Related Parties	-	(1.05)
	Interest expense and finance cost paid	(12,042.98)	(10,984.96)
	Net Cash used in Financing Activities	(4,103.35)	(5,789.13)
Net increase in cash and cash equivalents (A + B + C)		(426.35)	(1,132.29)
Cash and cash equivalents at the beginning of the year		710.36	1,842.65
Cash and cash equivalents at the end of the year		**284.01**	**710.36**
Components of cash and cash equivalents as end of the year		**31st March, 2018**	31st March, 2017
	Cash on hand	126.40	43.10
	With banks - on current account	157.61	667.26
Cash and cash equivalent in cashflow statement		**284.01**	**710.36**

Notes:
1. Comparative figures are regrouped wherever necessary.
2. Figures in bracket represent cash outflow.

As per our report of even date
For A. T. JAIN & CO.
Chartered Accountants
Firm Registration No : 103886W

Sushil T Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 17th May, 2018

For and on behalf of the Board of Directors of
ADLABS Entertainment Limited

Manmohan Shetty
Chairman

Ashutosh Kale
Executive Director & Jt. CEO

Dhimant Bakshi
Jt. CEO

Mayuresh Kore
Chief Financial Officer

Madhulika Rawat
Company Secretary

Statement of changes in equity for the year ended 31st March, 2018

A EQUITY SHARE CAPITAL

(₹ in Lakhs)

	For the Year ended 31st March, 2018
Balance at the beginning of the reporting period	7,989.78
Add :- Issued during the year	816.43
Balance at the end of the reporting period	**8,806.21**

	For the Year ended 31st March, 2017
Balance at the beginning of the reporting period	7,989.78
Balance at the end of the reporting period	7,989.78

B: OTHER EQUITY

For the Year ended 31st March, 2018 (₹ in Lakhs)

	Reserves and Surplus		**Money received against Share warrant**	**Total**
	Securities Premium Reserve	**Retained Earnings**		
Balance as at 1st April, 2017	78,880.62	(36,894.65)	-	41,985.97
Addition during the year	5,369.82	-	-	5,369.82
Total comperhensive Income for the year	-	(15,543.61)	-	(15,543.61)
Warrant Issued during the year	-	-	296.56	296.56
Balance as on 31st March, 2018	**84,250.44**	**(52,438.26)**	**296.56**	**32,108.74**

For the Year ended 31st March, 2017 (₹ in Lakhs)

	Reserves and Surplus		**Money received against Share warrant**	**Total**
	Securities Premium Reserve	**Retained Earnings**		
Balance as at 1st April, 2016	78,880.62	(25,176.40)	-	53,704.22
Addition during the year	-	-	-	-
Total comperhensive Income for the year	-	(11,718.25)	-	(11,718.25)
Balance as on 31st March, 2017	78,880.62	(36,894.65)	-	41,985.97

Any part of the reserves presented under Equity Instruments through other comprehensive income which is realised in cash shall be disclosed separately.
@ - Debit balance of Statement of Profit and loss shall be shown as a negative figure under the head 'Retained Earnings'.

As per our report of even date
For A. T. JAIN & CO.
Chartered Accountants
Firm Registration No : 103886W

Sushil T Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 17th May, 2018

For and on behalf of the Board of Directors of
ADLABS Entertainment Limited

Manmohan Shetty
Chairman

Ashutosh Kale
Executive Director & Jt. CEO

Dhimant Bakshi
Jt. CEO

Mayuresh Kore
Chief Financial Officer

Madhulika Rawat
Company Secretary

Notes forming part of the Financial Statements

1) CORPORATE INFORMATION:

Adlabs Entertainment Limited (the Company) is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at 30/31, Sangdewadi, Off Mumbai- Pune Express Highway, Khopoli Pali Road ,Khalapur, Pin- 410203.

The Company is engaged in the business of development and operations of theme based entertainment destinations in India, including theme parks, water parks, snow park and associated activities including retail merchandising and food and beverages. The flagship project of the company is located at Khalapur, on Mumbai Pune Expressway and is branded "Imagica – Theme Park" for the theme park component, "Imagica – Water Park" for the water park component and "Imagica – Snow Park" for the snow park component. During the F.Y 2015-2016 the company has launched Hotel at the same location by the name " Novotel Imagica" with 116 room out of 287 rooms in the first phase.

2) SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest Lakh, except otherwise indicated.

2.2 Use of Assumptions Judgments and Estimates

The key assumption, judgment and estimation at the reporting date, that have significant risk causing the material adjustment to the carrying amounts of assets and liabilities within the next financial year, as describe below. The company based its assumption, judgment and estimation on parameters available on the financial statement were prepare. Existing circumstances and assumption about future development, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumption when they occur.

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 CGU's fair value less costs of disposal and its value in use. It 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. Where 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.

Defined benefit plans:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes forming part of the Financial Statements

2.3 Revenue Recognition

The Company has revenue recognition policies for its various operating segments that are appropriate to the nature of each business. The revenues are recognized when the general revenue recognition criteria given in Ind AS 18 are met.

The Company measures the revenues at fair value of the consideration received or receivable after taking in to account the amount of any discount or rebates allowed to the customers. The Company presents revenues net of indirect taxes collected in its statement of profit and loss.

Advances received for services and products are reported as "Advance received against sale" until all conditions for revenue recognition are met.

Tickets:

Revenues from theme park/water park ticket sales are recognized when the tickets are issued.

The accounting policy for recognizing revenue from sale of Open Pass/Gift Passes or Open Day Tickets with all days validity which are Non-Refundable in nature are recognized when Passes/ Tickets are utilized or expired.

Food/Beverages:

Revenue is recognized when food/ drinks are supplied or served or services rendered.

Merchandise:

Retail sale are recognized on delivery of the merchandise to the customer, when the property in goods and significant risk and rewards are transferred for a price and no effective ownership control is retained.

Room Revenue:

Revenue recognized upon rendering of services.

Barter:

When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction which generates revenue.

When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction which generates revenue. The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the goods or services received cannot be measured reliably, the revenue is measured at the fair value of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred

Others:

The revenue is recognized on accrual basis and when significant risk and rewards are transferred. Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of the investment. Lease rentals are recognized ratably on a straight line basis over the lease term.

2.4 Taxes on Income

Taxes on Income comprises of current tax and deferred tax. Current tax and deferred tax are recognized in profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax expense is also recognized in other comprehensive income or directly in equity, respectively.

Current Tax:

Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax:

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Notes forming part of the Financial Statements

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

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

2.5 Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company.

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized 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 recognized in the statement of profit and loss as incurred.

Capital work in progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as "Capital Advances" under other non-current assets. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Property, plant and equipment are eliminated from financial statement on disposal. Gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

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

Depreciation is charged on Straight Line Method over the useful life of the assets as specified in Schedule II of the Companies Act, 2013 or on the basis of useful lives of the assets as estimated by management, whichever is lower. Useful life of the assets is tabulated below.

Sr. No	Nature of Asset	Estimated Useful Life
1.	**Building**	
	RCC Frame Structure (Other than factory building)	60 Years
	Other than RCC Frame Structure (Other than factory building)	30 Years
2.	Roads	5 Years
3.	Plant and Machinery	15 Years
4.	**Furniture and fittings**	
	General furniture and fittings	10 Years
	Furniture and fittings used in hotels and restaurants.	8 Years
5.	**Motor Vehicles**	
	Motor cycles	8 Years
	Motor buses and motor cars.	8 Years
	Electrically operated vehicles including battery powered or fuel cell powered vehicles.	8 Years
6.	Office equipments	5 Years
7.	**Computers and data processing units**	
	Servers and networks	6 Years
	End user devices, such as, desktops, laptops, etc.	3 Years
8.	Electrical Installations and Fittings	10 Years
9.	Pipes & Fittings	15 Years
10.	Trees & Nursery	3 Years to 30 Years

2.6 Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. 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.

Notes forming part of the Financial Statements

Intangible assets with finite lives are amortised over the estimated useful economic life of the assets by using straight line method and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets are amortised as follows:

Sr. No	Nature of asset	Estimated Useful Life
1.	Trademarks and Logos	10 Years
2.	Softwares	6 Years
3.	Films	10 Years

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 derecognized.

2.7 Inventories

Inventories are valued at lower of cost and net realizable value. Cost is arrived in the following manner:

Food items	:	Weighted Average Basis
Merchandise	:	Cost
Consumable & Spare Parts	:	Cost

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Slow and non-moving material, obsolesces, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet.

2.8 Fair Value Measurement

The Company measures financial instruments such as derivatives and certain investments, 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.

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 balance sheet 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.

Notes forming part of the Financial Statements

2.9 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Assets and liabilities classified as held for distribution are presented separately from other assets and liabilities in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of the Company that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or
- is a subsidiary acquired exclusively with a view to resale.

An entity shall not depreciate (or amortise) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

2.10 Financial Instruments

(i) Financial assets:

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through Profit and Loss.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement:

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Notes forming part of the Financial Statements

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment in subsidiaries:

The Company has accounted for its investment in subsidiaries at cost.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income (FVTOCI)

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

- Trade receivables or contract revenue receivables and
- All lease receivables

Under the simplified approach, the Company does not 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.

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.

(ii) Financial liabilities:

Initial recognition and measurement

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, loans and borrowings including bank overdrafts, and derivative financial instruments.

Notes forming part of the Financial Statements

Subsequent measurement:

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR 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 recognized in the statement of profit and loss.

(iii) 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

2.11 Impairment of Asset

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An Impairment Loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. The impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of recoverable amount.

Impairment of financial assets:

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

Impairment of non- financial assets:

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

Notes forming part of the Financial Statements

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.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (the 'OCI'). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

2.12 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economics benefits is remote. A contingent asset is neither recognized nor disclosed.

2.13 Foreign Currency Transactions

Functional currency:

The functional currency of the company is Indian Rupees ('INR'). These financial statements are presented in Indian Rupees and the all values are rounded to the nearest Lakh, except otherwise indicated.

Transactions and translations:

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. Gains and losses, if any, at the year-end in respect of monetary assets and monetary liabilities not covered by the forward contracts are transferred to Profit & Loss Account except for Long Term Foreign Currency Monetary Items. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

The Company has opted for exemption given under para D13AA of Appendix D to Ind AS 101 – First time adoption of Indian Accounting Standards. In accordance with this exemption opted, the company has continued the policy of adding to/ deleting from the cost of Property, Plant and Equipment, all foreign exchange fluctuations arising on translating of Long Term Foreign Currency Monetary Item utilized for acquiring the said Property, Plant and Equipment. The amount of Exchange Difference adjusted to Property, Plant and Equipment during the reporting year is ₹ 10.44 Lakhs (net) (Previous year: ₹ 31.98 Lakhs).

2.14 Borrowing Cost

Borrowing costs that are attributable to acquisition and construction of qualifying assets are capitalized till the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. The Company has capitalized borrowing costs of ₹ NIL (Previous year: ₹ 865.83 Lakhs) .

All other borrowing costs are recognized as expenditure in the year in which they are incurred.

2.15 Earnings per Equity Share

Basic earnings per share:

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes forming part of the Financial Statements

2.16 Employee Benefit

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits:

Termination benefits are recognised as an expense in the period in which they are incurred.

2.17 Cash Flow Statement

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

2.18 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highlyliquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.19 Lease

Operating Lease

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases.

As a lessor:

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Notes forming part of the Financial Statements

2.20 Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.21 Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

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

All other liabilities are classified as non-current.

Notes forming part of the Financial Statements

NOTE 3 : TANGIBLE ASSETS

(₹ in Lakhs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2017	Additions during the Year	Deductions/ Decapitalized during the Year	**As at 31st March, 2018**	As at 1st April, 2017	Depreciation for the Year	Deduction during the Year	**As at 31st March, 2018**	**As at 31st March, 2018**	As at 31st March, 2017
Land (refer note no. 45)	15,065.42	-	-	15,065.42	-	-	-	-	15,065.42	15,065.42
Servers and networks	1,289.39	-	-	1,289.39	665.81	214.88	-	880.69	408.70	623.58
End user devices	368.29	0.09	-	368.38	300.55	38.55	-	339.10	29.28	67.74
Electrical Installation	9,243.14	74.71	2.81	9,315.04	2,918.46	928.68	-	3,847.14	5,467.90	6,324.68
Furniture & Fixtures	10,493.50	130.30	45.42	10,578.38	3,135.86	1,180.96	-	4,316.82	6,261.56	7,357.64
Office Equipments	3,414.42	12.95	1.07	3,426.30	1,920.90	675.66	0.10	2,596.46	829.84	1,493.52
Plant & Machinery (refer note no.2.5)	60,124.45	18.89	2.99	60,140.35	13,260.78	3,891.93	-	17,152.71	42,987.64	46,863.67
Building	43,929.71	158.29	20.15	44,067.85	4,263.07	1,356.19	-	5,619.26	38,448.59	39,666.64
Building Road	1,019.09	31.50	-	1,050.59	548.75	208.77	-	757.52	293.07	470.34
Pipes and Fitting	1,330.45	1,272.11	-	2,602.56	248.09	152.36	-	400.45	2,202.11	1,082.36
Vehicles	248.64	5.80	38.07	216.37	139.20	31.09	26.89	143.40	72.97	109.44
Electrical Vehicle	39.18	-	-	39.18	16.73	4.90	-	21.63	17.55	22.45
Nursery	441.51	-	3.22	438.29	362.31	57.98	-	420.29	18.00	79.20
Nursery - Tree	80.28	0.75	-	81.03	8.98	2.69	-	11.67	69.36	71.30
Rides & Attraction - Bandit of Robinhood (refer note no. 44)	1,174.38	-	-	1,174.38	32.97	-	-	32.97	1,141.41	1,141.41
Total- A	**1,48,261.85**	**1,705.39**	**113.73**	**1,49,853.51**	**27,822.46**	**8,744.64**	**26.99**	**36,540.11**	**1,13,313.40**	**1,20,439.39**

NOTE 4 : INTANGIBLE ASSETS

(₹ in Lakhs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2017	Additions during the Year	Deductions/ Decapitalized during the Year	**As at 31st March, 2018**	As at 1st April, 2017	Depreciation for the Year	Deduction during the Year	**As at 31st March, 2018**	**As at 31st March, 2018**	As at 31st March, 2017
Software	1,201.41	15.02	8.62	1,207.81	615.33	184.86	-	800.19	407.62	586.08
Logo and Trade Mark	69.58	-	-	69.58	24.64	6.96	-	31.60	37.98	44.94
Film	3,059.06	-	-	3,059.06	1,009.14	305.91	-	1,315.05	1,744.01	2,049.92
Total- B	**4,330.05**	**15.02**	**8.62**	**4,336.45**	**1,649.11**	**497.73**	**-**	**2,146.84**	**2,189.61**	**2,680.94**
Grand Total A+B	**1,52,591.90**	**1,720.41**	**122.35**	**1,54,189.96**	**29,471.57**	**9,242.37**	**26.99**	**38,686.95**	**1,15,503.01**	**1,23,120.33**

Notes forming part of the Financial Statements

NOTE 3 : TANGIBLE ASSETS

(₹ in Lakhs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2016	Additions during the Year	Deductions/ Decapitalized during the Year	As at 31st March, 2017	As at 1st April, 2016	Depreciation for the Year	Deduction during the Year	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
Land (refer note no. 45)	15,065.42	-	-	15,065.42	-	-	-	-	15,065.42	15,065.42
Servers and networks	1,289.26	0.13	-	1,289.39	450.81	215.00	-	665.81	623.58	838.46
End user devises	361.33	6.96	-	368.29	224.53	76.02	-	300.55	67.74	136.80
Electrical Installation	9,183.56	59.58	-	9,243.14	1,994.81	923.65	-	2,918.46	6,324.68	7,188.75
Furniture & Fixtures	10,381.29	113.83	1.62	10,493.50	1,984.99	1,151.38	0.51	3,135.86	7,357.64	8,396.30
Office Equipments	3,407.60	7.45	0.63	3,414.42	1,242.43	678.78	0.31	1,920.90	1,493.52	2,165.17
Plant & Machinery (refer note no.2.5)	60,037.70	86.75	-	60,124.45	9,159.33	4,101.45	-	13,260.78	46,863.67	50,878.37
Building	43,799.78	129.93	-	43,929.71	2,910.27	1,352.80	-	4,263.07	39,666.64	40,889.51
Building Road	1,005.34	13.75	-	1,019.09	346.80	201.95	-	548.75	470.34	658.54
Pipes and Fitting	1,330.45	-	-	1,330.45	159.39	88.70	-	248.09	1,082.36	1,171.06
Vehicles	275.78	9.15	36.29	248.64	125.16	32.89	18.85	139.20	109.44	150.62
Electrical Vehicle	39.18	-	-	39.18	11.83	4.90	-	16.73	22.45	27.35
Nursery	438.77	2.74	-	441.51	245.82	116.49	-	362.31	79.20	192.95
Nursery - Tree	80.28	-	-	80.28	6.30	2.68	-	8.98	71.30	73.98
Rides & Attraction - Bandit of Robinhood (refer note no. 44)	1,174.38	-	-	1,174.38	32.97	-	-	32.97	1,141.41	1,141.41
Total- A	**1,47,870.12**	**430.27**	**38.54**	**1,48,261.85**	**18,895.44**	**8,946.69**	**19.67**	**27,822.46**	**1,20,439.39**	**1,28,974.70**

NOTE 4 : INTANGIBLE ASSETS

(₹ in Lakhs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2016	Additions during the Year	Deductions/ Decapitalized during the Year	As at 31st March, 2017	As at 1st April, 2016	Depreciation for the Year	Deduction during the Year	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
Software	1,112.49	88.92	-	1,201.41	427.64	187.69	-	615.33	586.08	684.85
Logo and Trade Mark	69.58	-	-	69.58	17.68	6.96	-	24.64	44.94	51.90
Film	3,059.06	-	-	3,059.06	703.23	305.91	-	1,009.14	2,049.92	2,355.83
Total- B	**4,241.13**	**88.92**	**-**	**4,330.05**	**1,148.55**	**500.56**	**-**	**1,649.11**	**2,680.94**	**3,092.59**
Grand Total A+B	**1,52,111.25**	**519.19**	**38.54**	**1,52,591.90**	**20,043.99**	**9,447.25**	**19.67**	**29,471.57**	**1,23,120.33**	**1,32,067.29**

Notes forming part of the Financial Statements

NOTE 5 : INVESTMENTS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Investment in Equity Instruments		
Subsidiaries		
Walkwater Properties Private Limited (F.V. ₹ 10/-)	10,617.16	10,617.16
(No. of Equity shares CY-2,15,66,321, PY- 2,15,66,321)		
Blue Haven Entertainment Private Limited.(F.V. ₹ 10 /-)	1.00	-
(No. of Equity shares CY-10,000, PY- Nil)		
Total	**10,618.16**	**10,617.16**
Aggregate value of unquoted investment	10,618.16	10,617.16

NOTE 6 : OTHER

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Bank deposits		
Fixed deposits (pledge with banks)	52.54	46.08
Total	**52.54**	**46.08**

NOTE 7 : OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

			As at 31st March, 2018	As at 31st March, 2017
Capital Advances				
Advance for land at Khalapur			667.64	667.64
(Unsecured, considered good, refer note no. 48)				
Advances other than capital advances				
Security deposits				
Unsecured, considered good			273.69	367.15
	F.Y.18	F.Y.17		
Unsecured, considered doubtful debts	-	₹ 2.13		
Less:- Provision for bad and doubtful debts	-	₹ 1.13	-	1.00
Deposits with government authorities			30.37	28.57
Total			**971.70**	**1,064.36**

NOTE 8 : INVENTORIES

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Raw material		
Food Items	201.28	137.15
Trading goods		
Merchandise	493.61	537.89
Stores and spares	733.89	662.63
Total	**1,428.78**	**1,337.67**

Notes forming part of the Financial Statements

NOTE 9 : TRADE RECEIVABLES

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Over six months		
Considered good	27.77	12.46
Less : Provision for doubtful debts	0.14	0.29
	27.63	12.17
Considered doubtful	23.33	16.43
Less : Provision for doubtful debts	23.33	16.43
	-	-
Total (A)	**27.63**	**12.17**
Other		
Considered good	486.02	349.05
Less : Provision for doubtful debts	2.03	3.30
	483.99	345.75
Considered doubtful	3.53	6.11
Less : Provision for doubtful debts	3.53	6.11
	-	-
Total (B)	**483.99**	**345.75**
Total (A+B)	**511.62**	**357.92**

NOTE 10 : CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Cash and cash equivalents		
Balance with banks	157.61	667.26
Cash on hand	126.40	43.10
Total	**284.01**	**710.36**

NOTE 11 : BANK BALANCES OTHER THAN ABOVE

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Fixed deposits (pledge with banks)	3.46	9.98
Total	**3.46**	**9.98**

NOTE 12 : LOANS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Unsecured		
Loan to related parties	1,266.80	-
Loan to employees	5.21	5.47
Total	**1,272.01**	**5.47**

NOTE 13 : OTHERS ADVANCES

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Custom duty refund receivable	-	3.15
Deposit- others	297.64	1.08
Balance with government authorities	32.26	32.26
Receivable from Gratuity Trust	19.63	-
Total	**349.53**	**36.49**

Notes forming part of the Financial Statements

NOTE 14 : OTHERS CURRENT ASSETS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Advances to suppliers	1,345.81	294.49
Prepaid expenses	139.35	254.63
Other receivables	43.09	47.70
Income Accured but not due	10.88	-
Prepaid Gratuity (refer note no.36)	1.57	-
Total	**1,540.70**	**596.82**

NOTE 15 : EQUITY SHARE CAPITAL

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Authorised Capital		
20,00,00,000 (Previous Year: 20,00,00,000)		
Equity shares of ₹ 10/- each	20,000.00	20,000.00
Total	**20,000.00**	**20,000.00**
Issued, Subscribed and Fully Paid up		
8,80,62,123 (Previous Year: 7,98,97,810)		
Equity shares of ₹ 10/- each, fully paid up	7,989.78	7,989.78
Add:- Issued during the year	816.43	-
Total	**8,806.21**	**7,989.78**

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

	31st March, 2018		31st March, 2017	
	Number of shares	(₹ in Lakhs)	Number of shares	(₹ in Lakhs)
Shares outstandings at the beginning of the year	7,98,97,810.00	7,989.78	7,98,97,810.00	7,989.78
Add:- Issued during the year	81,64,313.00	816.43	-	-
Outstanding at the end of the year	8,80,62,123.00	8,806.21	7,98,97,810.00	7,989.78

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shares held by holding Company

Name of the Shareholder	No of Shares	No of Shares
	31st March, 2018	31st March, 2017
Equity Shares		
Thrill Park Limited	4,20,00,087*	4,11,50,087

** **Note:** Thrill Park Limited ceased to be the Holding Company of the Company w.e.f. 15th December, 2017.*

(d) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	31st March, 2018		31st March, 2017	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Thrill Park Limited	4,20,00,087	47.69	4,11,50,087	51.50
India Advantage Fund S3 I	1,04,34,779	11.85	1,04,34,779	13.06
Shaan Agro And Realty India Private Limited	69,15,629	7.85	-	-

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

Notes forming part of the Financial Statements

NOTE 16 : BORROWINGS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Term Loans		
From banks (refer note no.42)	89,270.31	89,400.01
From financial institutions (refer note no 42)	9,801.63	10,733.92
Buyers credit from banks	-	213.43
	99,071.94	**1,00,347.36**
Less:- Amount disclosed under the head "Other current liabilities"	9,956.95	1,665.46
Total	**89,114.99**	**98,681.90**
The above amount includes		
Secured	99,071.94	1,00,347.36
Note : Loan guaranteed by Promoters	99,071.94	1,00,347.36

NOTE 17 : PROVISIONS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Provision for gratuity	-	182.23
Provision for leave encashment	138.65	141.82
Total	**138.65**	**324.05**

NOTE 18 : BORROWINGS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Current Liabilities		
From banks (Secured)	3,500.00	-
Loan from promoters (Unsecured) (refer note no. 37)	4,876.61	5,138.29
Loan from Subsidiary companies (Unsecured) (refer note no.37)	-	506.08
Total	**8,376.61**	**5,644.37**

NOTE 19 : OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Interest accrued and due	2,942.56	2,343.96
Current maturity of long term borrowings (refer note no. 39)	9,956.95	1,665.46
Total	**12,899.51**	**4,009.42**

NOTE 20 : OTHER CURRENT LIABILITIES

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
IPO Expense Payable	73.00	73.00
Other liabilities for		
Advance received against sales	764.86	458.79
Statutory dues	348.43	448.85
Security deposits from sales agents	26.60	27.60
Sundry creditors for land purchase	273.46	273.46
Advance received against Sale of Hotel	1,500.00	-
Sundry creditors for capital goods and services	877.03	1,224.36
Total	**3,863.38**	**2,506.06**

Notes forming part of the Financial Statements

NOTE 21: PROVISIONS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Provisions for employee benefits		
Provision for gratuity	-	2.14
Provision for leave travel allowance	17.78	8.57
Provision for leave encashment	7.68	7.11
Total	**25.46**	**17.82**

NOTE 22 : REVENUE FROM OPERATIONS

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Sale of products	22,238.42	22,845.95
Other operating revenue	1,390.35	1,061.70
Revenue from operations (Net)	**23,628.77**	**23,907.65**
Details of Product sold		
Tickets sales	13,008.31	14,334.42
Food & beverages	5,201.89	4,533.33
Merchandise sales	1,983.65	1,841.66
Room Revenue	2,044.57	2,136.54
Total	**22,238.42**	**22,845.95**
Details of other operating revenue		
Income from parking services	145.81	129.55
Income from third party logistic services	489.41	379.81
Income from space on hire	353.49	282.20
Income from lockers	182.94	145.53
Misc. Income	218.70	124.61
Total	**1,390.35**	**1,061.70**
Details of Barter Transaction		
Tickets sales	1,939.36	94.22
Food & beverages	26.40	13.66
Room Revenue	9.56	6.69
Total	**1,975.32**	**114.57**

NOTE 23 : OTHER INCOME

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Income from liquid fund investments	13.89	45.62
Interest Income	3.97	5.46
Foreign exchange gain (Net)	-	0.42
Gain on Sale of Assets	-	0.16
Other Income	81.28	0.07
Total	**99.14**	**51.73**

Notes forming part of the Financial Statements

NOTE 24 : COST OF MATERIAL CONSUMED

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Cost of food & beverage, others	1,395.87	1,352.30
Cost of liquor	132.86	92.05
Total	**1,528.73**	**1,444.35**

NOTE 25 : CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Stock in trade at the beginning of the year		
Merchandise	537.89	491.61
Less: Stock in trade at the end of the year		
Merchandise	493.61	537.89
Total	**44.28**	**(46.28)**

NOTE 26 : EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Salaries, wages and bonus	4,040.11	4,365.35
Contribution to provident fund	241.93	264.46
Employee welfare and other amenities	572.77	915.07
Total	**4,854.81**	**5,544.88**

NOTE 27 : FINANCE COST

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Interest	12,393.24	11,929.53
Funds raising expenses	222.01	38.81
Bank charges	26.40	21.02
Total	**12,641.65**	**11,989.36**

Notes forming part of the Financial Statements

NOTE 28 : OTHER EXPENSES

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Consumables & spares parts	62.63	52.98
Rent	188.55	232.34
Rates and taxes	294.33	377.71
Repairs and Maintenance	910.59	1,056.17
Power, fuel and water	1,692.49	1,594.40
Freight and forwarding expenses	5.08	7.24
House keeping expenses	692.37	664.02
Event & entertainment expenses	61.06	109.58
Advertisement, sales and marketing expenses	2,839.02	3,017.01
Insurance expense	95.33	124.33
Communication expenses	48.76	77.49
Travelling and conveyance expenses	718.27	636.79
Payment to auditors (refer note no 33)	19.78	21.37
Legal and professional fees	332.49	323.58
Provision for Doubtful Debts and Advances	7.74	24.26
Foreign exchange loss (net)	1.01	-
Commission	1,115.09	932.53
Security and safety expenses	315.65	370.55
Printing and stationery expenses	62.33	73.49
Directors sitting fees	26.79	15.08
Loss on Sale of Assets	4.06	9.82
Other operating expenses	416.03	142.53
Total	**9,909.45**	**9,863.27**

NOTE 29: EARNINGS PER SHARE (EPS)- (IND AS 33)

Sr. No		For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
1	Face Value per equity share in Rupees	10.00	10.00
2	Weighted Average number of equity shares outstanding	8,29,00,131	7,98,97,810
3	Net (Loss) as per Profit and Loss Account (Continuing Operation) Rupees in Lakhs	(15,517.43)	(11,713.57)
4	Weighted Average earning per share (Basic and Diluted) in Rupees	(18.72)	(14.66)
5	Net Profit/ (Loss) as per Profit and Loss Account (Discontinued Operation) Rupees in Lakhs	-	-
6	Weighted Average earning per share (Basic and Diluted) in Rupees	-	-
7	Net (Loss) as per Profit and Loss Account (Continuing and Discontinued Operation) Rupees in Lakhs	(15,517.43)	(11,713.57)
8	Weighted Average earning per share (Basic and Diluted) in Rupees	(18.72)	(14.66)

NOTE 30: CONTINGENT LIABILITIES

Claim against the Company not acknowledged as debts for the year ended 31st March, 2018 are as follows:

Name of Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which it Relates	Forum where dispute is Pending
Custom Act, 1962	Special Additional Duty (SAD)	77.49*	June – 2012 to September -2013	CESTAT
Custom Act, 1962	Penalty	1,118.49	June – 2012 to September -2013	CESTAT

[Total demand ₹ 1,118.49 Lakhs – amount deposited ₹ 1,041.00 Lakhs.]*

Notes forming part of the Financial Statements

NOTE 31: CAPITAL COMMITMENT

Estimated amount remaining to be executed on capital account and not provided for is ₹ 428.39 Lakhs as on 31st March, 2018.

NOTE 32: DEFERRED TAX ASSET (NET)

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Assets		
On account of Business Loss	22,937.05	22,937.05
On account of Other Items	0.47	0.47
Expenditure allowed on Payment basis	116.98	116.98
Gross Deferred Tax Assets (A)	**23,054.50**	**23,054.50**
Deferred Tax Liabilities		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books.	6,513.95	6,513.95
Gross Deferred Tax Liabilities (B)	**6,513.95**	**6,513.95**
Deferred Tax Asset (Net) (A-B)	**16,540.55**	**16,540.55**

The timing differences result in a net deferred asset, relating mainly to unabsorbed depreciation and carried forward losses under the Income Tax Act, 1961.

The management of the company expects following business changes

- 171 hotels rooms (balance 60% of Total rooms) shall be operational in FY 2018-19 and will result in higher revenues in the coming years and ahead.
- The aggressive cost reduction efforts by the Company have resulted in lower fixed costs compared to previous year.
- The Company has chalked out a comprehensive plan to ramp up footfalls for FY 2018-19 onwards, which is expected to result in a revenue growth.

NOTE 33: AUDITORS REMUNERATION:

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Audit Fees	14.00	14.07
Reimbursement of expenses	0.33	0.16
Taxation Matters	0.45	0.10
Income Tax Scrutiny Fees	1.00	3.02
Limited Review Fees	2.00	2.01
Tax Audit Fees	2.00	2.01
Total	**19.78**	**21.37**

Notes forming part of the Financial Statements

NOTE 34: DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2nd October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises (MSME). On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small enterprises.

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Principal amount due to any supplier as at the year end	12.25	11.22
Interest due on the principal amount unpaid at the period end to any supplier	0.93	5.84
Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period	-	-
Payment made to the enterprises beyond appointed date under Section 16 of MSMED	-	-
Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the period, but without adding the interest specified under MSMED	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period; and	0.93	5.84
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above is actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED.	-	-

NOTE 35: LEASE

(a) Where the Company is a Lessee:

The Company has taken certain assets like Land, Office premises, furniture and fixtures and apartments on lease. They are on rental lease term which range between 10 months to 5 years. The lease rentals expense during the year amount to ₹ 140.74 Lakhs.

The future minimum lease payments in respect of such operating leases as at 31st March, 2018 are summarized below:

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Amount payable within one year from the balance sheet date	129.99	39.27
Amount payable in the period between one year and five years	118.44	51.73
Amount payable beyond five years	-	-
Total	**248.43**	**91.00**

The above lease payments are exclusive of service tax / GST.

(b) Where the company is a Lessor:

The Company has given on lease three premises / place for period of 5 years to 15 years. The lease rentals income during the reporting year amount to ₹ 13.66 Lakhs.

The future minimum lease receipts of such operating leases as at 31st March, 2018 are summarized as below:

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Amount receivable within one year from the balance sheet date	19.78	13.66
Amount receivable in the period between one year and five years	36.20	36.36
Amount receivable beyond five years	41.48	56.42
Total	**97.46**	**106.44**

The above lease receipts are exclusive of service tax / GST.

Notes forming part of the Financial Statements

NOTE 36: POST RETIREMENT BENEFIT PLANS

Defined Benefits Plan:

Gratuity:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The gratuity plan is funded through an 'Approved Trust'. The Trust has taken a Policy from the HDFC Life Insurance and the management / investment of the fund is undertaken by the insurer.

The Company Contributes all ascertained liabilities towards gratuity to the " Adlabs Entertainment Limited Employee's Gratuity Trust " Trustee Administer contributions made to the trust as of 31st March, 2018 and 31st March, 2017, the plan assets have been primarily invested in insurer –managed funds.

As per Actuarial Valuation as on 31st March, 2018 and 31st March, 2017 and recognised in the financial statements in respect of Employee Defined Benefit Schemes:

(₹ in Lakhs)

Change in Defined Benefit Obligation during the year	**For the Year ended 31st March, 2018**	For the Year ended 31st March, 2017
Defined Benefit Obligation, Beginning of year	184.37	184.77
Net Current Service Cost	71.61	61.37
Interest Cost on DBO	16.28	16.63
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	(31.16)	2.38
Changes in Foreign Currency Exchange Rates	-	-
Acquisition/Business Combination/Divestiture	-	-
Benefits Paid	(54.68)	(80.78)
Past Service Cost	18.73	-
Losses / (Gains) on Curtailments/Settlements	-	-
Defined Benefit Obligation, End of year	**205.15**	**184.37**

Amount Recognized in Statement of Financial Position at year end	**For the Year ended 31st March, 2018**	For the Year ended 31st March, 2017
Present Value of Unfunded Defined Benefit Obligation	205.15	184.37
Fair value of Plan Assets	206.72	-
Net Defined Benefit (Asset)/Liability Recognised in Statement of Financial Position	**(1.57)**	**184.37**

Defined Benefit Cost/(Income) included in Statement of Profit & Loss at year end	**For the Year ended 31st March, 2018**	For the Year ended 31st March, 2017
Service Cost	71.61	61.37
Net Interest Cost	13.69	16.63
Past Service Cost	18.73	-
Total Defined Benefit Cost/(Income) included in Profit & Loss	**104.03**	**78.00**

Analysis of Amounts Recognised in Other Comprehensive (Income) /Loss at year end	**For the Year ended 31st March, 2018**	For the Year ended 31st March, 2017
Amount recognized in OCI, Beginning of year	(3.84)	(6.22)
Remeasurements due to :		
Effect of Change in financial assumptions	(12.08)	9.83
Effect of change in demographic assumption	-	(0.24)
Effect of experience adjustments	(19.07)	(7.21)
Return on plan assets (excluding interest)	4.98	-
Total remeasurements recognized in OCI	(26.18)	2.38
Amount recognized in OCI, End of year	**(30.01)**	**(3.84)**

Notes forming part of the Financial Statements

Maturity Profile of defined benefit obligation	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Within the next 12 months	6.86	1.99
Between 2 to 5 years	37.49	29.36
Between 6 to 10 years	66.65	68.36

Sensitivity Analysis	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Defined Benefit Obligation - Discount Rate + 100 basis points	(24.96)	(21.00)
Defined Benefit Obligation - Discount Rate - 100 basis points	26.83	21.85
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	19.70	16.09
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(19.51)	(15.92)

Sensitivity analysis is determined based on he expected movement in liability if the assumptions were not proved to be true on different count.

Financial Assumptions Used to Determine the Defined Benefit	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Discount Rate	7.87%	7.43%
Salary Escalation Rate	6.00%	6.00%
Expected Return on Plan Assets	N.A	N.A.
Demographic Assumptions Used to Determine the Defined Benefit		
Withdrawal Rate	2.00%	2.00%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Retirement Age	58 years	58 & 62 years (as provided by the Company)

NOTE 37: RELATED PARTY DISCLOSURES (AS IDENTIFIED BY THE MANAGEMENT)

a) **Related Party Relationship:**

i) **Holding Company**

- Thrill Park Ltd. (up to 15/12/2017)

ii) **Subsidiary Company**

- Walkwater Properties Pvt. Ltd.
- Blue Haven Entertainment Pvt. Ltd.

iii) **Key Managerial Personnel (KMP)**

- Mr. Manmohan Shetty
- Mr. Kapil Bagla (up to 31/08/2017)
- Mr. Harjeet Chhabra (up to 15/07/2016)
- Mr. Rakesh Khurmi (up to 26/10/2016)
- Mr. Dhimant Bakshi
- Mr. Mayuresh Kore
- Mr. Ashutosh Kale

iv) **Relatives of KMP**

- Ms. Pooja Deora
- Ms. Aarti Shetty

v) **Entities Controlled by KMP**

- Thrill Park Ltd. (w.e.f. 16/12/2017)

Notes forming part of the Financial Statements

b) Transaction with Related Parties (Excluding Reimbursements):

(₹ in Lakhs)

Sr. No	Nature of Transaction	Holding Company	Subsidiary Company	Key Managerial Personnel	Relatives	Entities Controlled by KMP
1	**Loan**					
	Received During the year	-	-	1,811.00	-	-
		(1,669.96)	(1,050.00)	(969.00)	(-)	(-)
	Repaid During the year	-	506.08	1,806.61	-	1,089.99
		(709.75)	(325.44)	(1,410.95)	(-)	(-)
	Given during the year		1202.13	-	-	-
		(-)	(-)	(-)	(-)	(-)
2	**Investment**					
	During the year	-	1.0	-	-	-
		(-)	(-)	(-)	(-)	(-)
3	**Fixed Assets**					
	Purchase of Fixed Assets and adjusted against Security Deposit	-	54.00	-	-	-
		(-)	(-)	(-)	(-)	(-)
4	**Expenses**					
	Rent	-	10.53*	105.53*	-	-
		-	(21.80*)	(116.29*)	-	(-)
	Fees	-	-	-	46.75*	-
		(-)	(-)	(-)	(120.65*)	(-)
	Remuneration	-	-	268.08	-	-
		(-)	(-)	(318.85)	(-)	(-)
	Royalty	-	-	1.18*	-	-
		(-)	(-)	(1.15*)	(-)	(-)
	Secondment Charges	-	54.14*	-	-	-
		(-)	(60.28*)	(-)	(-)	(-)
	Interest	-	-	515.54	-	-
		(-)	(-)	(878.68)	(-)	(-)

c) Outstanding as at 31st March, 2018:

(₹ in Lakhs)

Sr. No	Nature of Transaction	As at 31st March, 2018	Maximum o/s bal. during the year	As at 31st March, 2017	Maximum o/s bal during the year
1	**Long Term Borrowing**				
	Thrill Park Ltd.	-	-	-	1.04
2	**Short Term Borrowing**				
	Mr. Manmohan Shetty	4,876.61	4,876.61	4,058.05	4,500.00
	Thrill Park Ltd.	-	1,080.24	1,080.24	1,150.00
	Walkwater Properties Pvt. Ltd.	-	506.08	506.08	593.51
3	**Loan**				
	Walkwater Properties Pvt. Ltd.	1,266.80	-	-	-
4	**Trade Payable**				
	Mr. Manmohan Shetty	81.59	81.59	31.55	31.55
	Ms. Pooja Deora	-	13.18	13.18	13.18
	Ms. Aarti Shetty	19.10	31.70	28.88	28.88
	Mr. Mayuresh Kore	11.21	11.21	2.63	2.63
	Mr. Kapil Bagla	31.07	31.07	-	-
	Mr. Dhimant Bakshi	17.21	17.21	4.81	4.81
	Mr. Ashutosh Kale	12.25	12.25	4.36	4.36

Notes forming part of the Financial Statements

(₹ in Lakhs)

Sr. No	Nature of Transaction	As at 31st March, 2018	Maximum o/s bal. during the year	As at 31st March, 2017	Maximum o/s bal during the year
5	**Non Current Investment**				
	Walkwater Properties Pvt. Ltd.	10,617.16	10,617.16	10,617.16	10,617.16
	Blue Haven Entertainment Pvt. Ltd.	1.00	1.00	-	-
6	**Other Current Assets**				
	Thrill Park Ltd.	9.75	-	-	-
7	**Deposit Given**				
	Walkwater Properties Pvt. Ltd.	-	54.00	54.00	54.00

* The amount includes service tax / GST

Note

1. Figures in the bracket represent previous year figures
2. The Company has paid the Consultancy fees to Ms. Aarti Shetty ₹ 35.18 Lakhs (P.Y.₹ 60.32 Lakhs), and Ms. Pooja Deora ₹ 11.58 Lakhs (P.Y. ₹ 60.33 Lakhs).
3. The Company has paid the Remuneration to Mr. Kapil Bagla ₹ 91.08 Lakhs (P.Y. ₹ 134.32 Lakhs), Mr Harjeet Chhabra ₹ Nil (P.Y. ₹ 52.99 Lakhs), Mr Ashutosh Kale ₹ 52.57 Lakhs (P.Y. ₹ 36.53 Lakhs), Mr Rakesh Khurmi ₹ Nil (P.Y. ₹ 35.74 Lakhs), Mr. Dhimant Bakshi ₹ 71.36 Lakhs (P.Y. ₹ 33.15 Lakhs)and Mr. Mayuresh Kore ₹ 53.06 Lakhs (P.Y. ₹ 26.12 Lakhs)
4. The Company has paid Rent for use of office premises located at 9th floor, Lotus Business Park, New Link Road, Andheri-West, Mumbai-400053. to Mr.Manmohan Shetty amounted to ₹ 105.53 Lakhs (P.Y. ₹ 116.29 Lakhs) and rent paid towards use of furniture and fixtures to Walkwater Properties Pvt. Ltd. amounted to ₹ 10.53 Lakhs (P.Y. ₹ 21.80 Lakhs).
5. The Company has paid royalty of ₹ 1.18 Lakhs (P.Y. ₹ 1.15 Lakhs) to Mr. Manmohan Shetty.
6. The Company has paid Interest of ₹ 515.54 Lakhs (P.Y. ₹ 878.68 Lakhs) on Loan taken from Mr. Manmohan Shetty .
7. The Company during the year made 100% investment in M/s Blue Haven Entertainment Pvt. Ltd. with total consideration of ₹ 1.00 Lakh.
8. The leasehold Assets purchased from Walkwater Properties Pvt. Ltd for the total Consideration of ₹ 54.00 Lakhs , and adjusted against Security Deposit.

NOTE 38: FAIR VALUE MEASUREMENT

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are 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.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for Non-Current borrowings, loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Notes forming part of the Financial Statements

(₹ in Lakhs)

	Carrying Amount as at 31st March, 2018	**Fair value Level 1**	**Fair value Level 2**	**Fair value Level 3**
Financial Assets at Amortised cost				
Security Deposits	273.69	-	-	258.23
Trade receivables	486.02	-	-	-
Cash and cash equivalents	284.01	-	-	-
Other bank balances	3.46	-	-	-
Loans and Advances (Current)	5.21	-	-	-
Others (Current)	3,170.88	-	-	-
Total	**4,223.27**	**-**	**-**	**258.23**
Financial Liabilities at Amortised cost				
Long Term Borrowings	89,114.99	-	-	89,210.42
Short Term Borrowings	8,376.61	-	-	-
Trade payables	2742.18	-	-	-
Other financial liabilities	12,899.51	-	-	-
Other current liabilities	3,863.38	-	-	-
Provisions	25.46	-	-	-
Total	**1,17,022.13**	**-**	**-**	**89,210.43**

(₹ in Lakhs)

	Carrying Amount as at 31st March, 2017	Fair value Level 1	Fair value Level 2	Fair value Level 3
Financial Assets at Amortised cost				
Security Deposits	367.15	-	-	366.05
Trade receivables	349.05	-	-	-
Cash and cash equivalents	710.36	-	-	-
Other bank balances	9.98	-	-	-
Loans and Advances (Current)	5.47	-	-	-
Others (Current)	645.36	-	-	-
Total	**2,087.37**	**-**	**-**	**366.05**
Financial Liabilities at Amortised cost				
Long Term Borrowings	98,681.90	-	-	98,798.91
Short Term Borrowings	5,644.37	-	-	-
Trade payables	3,058.77	-	-	-
Other financial liabilities	4,009.42	-	-	-
Other current liabilities	2,506.07	-	-	-
Provisions	17.82	-	-	-
Total	**1,13,918.35**	**-**	**-**	**98,798.91**

During the reporting period ending 31st March, 2018 and 31st March, 2017, there were no transfer between Level 1 and Level 2 fair value measurement.

Notes forming part of the Financial Statements

NOTE 39: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Management Board.

Market Risk is the risk of loss of future earning, fair values or future cash flow that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market Risk is attributable to all market risk sensitive financial instruments including investment and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through its finance department, which evaluate and exercises independent control over the entire process of market risk management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest Rate Risk:

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk:

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Floating Rate Borrowings	1,02,571.94	1,00,133.93

Interest rate sensitivity

A change of 1% in interest rates would have following impact on profit before tax

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
1% increase in interest rate – Decrease in Profit	(1,015.11)	(914.02)
1% decrease in interest rate – increase in Profit	1,015.11	914.02

Foreign Currency Risk:

The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

Liquidity Risk:

Liquidity Risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity through rolling forecasts on the basis of expected cash flows.

Repayment of Term Loan as per below

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Within the next 12 months	9,956.95	1,665.50
Between 2 to 5 years	80,554.10	62,167.50
5 years and above	21,300.00	40,200.00

Credit Risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligation as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking in to account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limit are set accordingly.

Notes forming part of the Financial Statements

NOTE 40: CAPITAL RISK MANAGEMENT

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

NOTE 41: SEGMENTAL REPORTING

DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 108 OPERATING SEGMENTS

Operating Segments:

Tickets	:	Theme Park, Water Park and Snow Park
Food and Beverage	:	Park Restaurant and Hotel Restaurant
Merchandise	:	Park Merchandise and Hotel Merchandise
Rooms	:	Hotel Accommodation
Other Operations	:	Parking, Lockers, Sponsorship, SPA, Revenue Sharing agreements & Lease Rentals

Identifications of Segments :

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure & income.

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Summary of the Segmental Information as at and for the year ended 31st March, 2018 is as follows:

(₹ in Lakhs)

	Tickets	Food and Beverage	Merchandise	Rooms	Other Operations	Unallocated	Total
Net Revenue	13,008.31	5,201.89	1,983.65	2,044.57	1,390.35	-	23,628.77
Segment Result before Interest and Taxes	(4,409.95)	1,889.39	409.23	(725.91)	716.49	(854.17)	(2,974.92)
Less: Finance Cost	-	-	-	-	-	(12,641.65)	(12,641.65)
Add: Interest and dividend income	-	-	-	-	-	99.14	99.14
Profit before Tax	(4,409.95)	1,889.39	409.23	(725.91)	716.49	(13,396.68)	(15,517.43)
Deferred Tax	-	-	-	-	-	-	-
Profit after tax	(4,409.95)	1,889.39	409.23	(725.91)	716.49	(13,396.68)	(15,517.43)
Other Information							
Segment assets	84,900.35	5,331.93	2,230.85	18,835.38	82.01	46,695.58	1,58,076.11
Segment liabilities	1,717.51	252.58	178.97	976.49	132.62	1,13,902.99	1,17,161.16
Capital Expenditure during the year	1,657.47	-	-	(59.41)	-	-	1,598.06
Depreciation and amortisation	7,817.95	434.52	102.92	886.97	-	-	9,242.36

Notes forming part of the Financial Statements

Summary of the Segmental Information as at and for the year ended 31st March, 2017 is as follows:

(₹ in Lakhs)

	Tickets	Food and Beverage	Merchandise	Rooms	Other Operations	Unallocated	Total
Net Revenue	14,334.42	4,542.01	1,841.67	2,136.54	1,053.01	-	23,907.65
Segment Result before Interest and Taxes	(3,623.58)	1,168.99	329.27	(870.30)	449.81	(816.91)	(3,362.72)
Less: Finance Cost	-	-	-	-	-	(11,989.36)	(11,989.36)
Add: Interest and dividend income	-	-	-	-	-	51.73	51.73
Profit before Tax	(3,623.58)	1,168.99	329.27	(870.30)	449.81	(12,754.54)	(15,300.35)
Deferred Tax	-	-	-	-	-	3,586.78	3,586.78
Profit after tax	(3,623.58)	1,168.99	329.27	(870.30)	449.81	(9,167.76)	(11,713.57)
Other Information							
Segment assets	91,081.67	5,698.00	2,445.59	19,213.32	43.03	45,736.69	1,64,218.30
Segment liabilities	1,336.38	293.41	182.87	1,007.54	-	1,11,422.35	1,14,242.55
Capital Expenditure during the year	392.20	1.84	125.14	-	-	-	519.18
Depreciation and amortisation	7,798.93	440.50	103.72	1,104.10	-	-	9,447.25

NOTE 42:

The Term Loan facility availed by the Company is secured by pari passu first charge on movable and immovable fixed assets of the Company including mortgage of 298 acres of land (137 acres of land held by Walkwater Properties Pvt. Ltd., wholly owned subsidiary of the Company) to consortium lead by Union Bank of India in favour of IDBI Trusteeship Services Ltd.

The said loan is also secured by first pari passu charge on Current assets of the Company.

Term Loan availed from Banks will be repaid over period of 5 to 10 years in unequal monthly installments starting from April 2017.

Term Loan availed from Financial Institutions will be repaid over period of 10 years in unequal monthly installments starting from April 2015.

Interest rate on term loan taken from Banks and Financial institutions varies from one year MCLR plus 2.25 to 2.50.

NOTE 43:

The Company equity shares are in dematerialized form with the Central Depository Services (India) Limited (CDSL) and with National Securities Depository Limited (NSDL) having ISIN No. INE172N01012.

NOTE 44:

The Company has entered into settlement agreement with I.E Park, whereby the Company has settled dispute for EURO 4,50,000 being EURO 1,50,000 as compensation and EURO 3,00,000 in the form of discount on future purchase of rides/equipment.

The Compensation received (net of expenses incurred) is grouped under the head Other Income.

NOTE 45:

With a view to reduce debt, the Company has decided to off load its non core assets as under:

a) The Company has entered into a term sheet with Shaan Agro and Realty Private Limited (SARPL) for sale of 65 acres Surplus land and 100% investment in wholly owned subsidiary M/s Walkwater Properties Private Limited (WPPL) for ₹ 15,000 Lakhs. However, the closure of the said transaction depends upon the No Objection Certificate from Lenders. Therefore, the Company has not yet classified the Land and investment in subsidiary as "held for sale" in terms of para 6 of Ind AS 105 as "Non Current Assets held for sale and discontinued operations".

b) Further, the company has entered into a term sheet with Bright Star Investments Private Limited for sale of its Hotel Segment. However, the closure of the said transaction depends upon the No Objection Certificate from Lenders and consent to operate for of 171 rooms from Maharashtra Pollution Control Board. Consequently, the asset along with liabilities, revenue and expenses related thereto have not been classified as assets "held for sale" in terms of para 6 of Ind AS 105 as "Non Current Assets held for sale and discontinued operations".

   Upon effective completion of the said transaction, the Company anticipates a positive impact on the overall financial position.

Notes forming part of the Financial Statements

NOTE 46:

The Company has entered into a Share cum Warrant Subscription Agreement dated 19th June, 2017 with BENNETT COLEMAN AND COMPANY LIMITED (BCCL) to subscribe to,

- 12,48,684 equity shares for ₹ 95/- per share for an aggregate consideration of ₹ 1,186.25 Lakhs.
- 5 (Five) Warrants for ₹ 2,37,25,000/- per Warrant.

On 20th June, 2017, Company has allotted 12,48,684 equity shares at ₹ 95/- per share (Premium ₹ 85/- per share) and 5 (Five) Warrants for ₹ 2,37,25,000/- per Warrant (Premium ₹ 2,37,24,990/- per warrant).

Utilisation of funds received through preferential issue of Equity Shares and Warrants in the following table:

A) For Issue of Equity Shares on Preferential Basis

(₹ in Lakhs)

	Amount
Actual Funds received from issue of shares (100%)	1,186.25
Utilised : Advance Payment for advertising in the print and non-print media.	(1,186.25)

B) For Issue of Convertible Warrants on preferential basis

(₹ in Lakhs)

	Amount
Actual Funds received from Warrant Subscription (25%)	296.56
Utilised : Towards deposit for Brand building through advertising in the print & non print media	(296.56)

NOTE 47:

On 15th December, 2017, Company has allotted 69,15,629 equity shares of FV ₹ 10 each at a price of ₹ 72.30/- per share (Premium ₹ 62.30/- per share) to Shaan Agro and Realty India Private limited for an aggregate consideration of ₹ 5,000.00 Lakhs

Utilisation of funds received through preferential issue of Equity Shares:

(₹ in Lakhs)

	Amount
Actual Funds received from issue of shares (100%)	5,000.00
Utilised:	
Towards Repayment of secured/unsecured debt	(2,345.00)
Towards General Corporate Purpose	(2,655.00)

NOTE 48:

Thrill Park Limited has filed a suit bearing no. 270/2013 against Dr. Bhakti Kumar Dave and 77 other defendants (land owners) in the Court of Civil Judge, Senior Division, Panvel for specific performance of contract. Thrill Park Limited had entered into a letter of commitment and memorandum of understanding (as amended from time to time) with Dr. Bhakti Kumar Dave whereby Dr. Bhakti Kumar Dave agreed to buy certain parcels of land on behalf of Thrill Park Limited from the other defendants. However, Dr. Bhakti Kumar Dave did not fulfil his obligations under the letter of commitment and the memorandum of understanding. Therefore, Thrill Park Limited filed a suit for specific performance.

For A. T. JAIN & CO.
Chartered Accountants
Firm Registration No : 103886W

Sushil T Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 17th May, 2018

For and on behalf of the Board of Directors of
ADLABS Entertainment Limited

Manmohan Shetty
Chairman

Ashutosh Kale
Executive Director & Jt. CEO

Dhimant Bakshi
Jt. CEO

Mayuresh Kore
Chief Financial Officer

Madhulika Rawat
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ADLABS ENTERTAINMENT LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of Adlabs Entertainment Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and other auditor in terms of their report referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on the subsidiary company referred to below in the Other Matters paragraph, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2018, and their consolidated loss (including other comprehensive income), their consolidated cash flows and changes in equity for the year ended on that date.

OTHER MATTER

We did not audit the financial statements of the subsidiary – Blue Haven Entertainment Private Limited, whose financial information reflect total assets of ₹ 0.66 Lakhs as at 31st March, 2018, total revenues of NIL and net cash inflows/(outflows) amounting to (₹ 0.11 Lakhs) for the year ended on that date, as considered in the consolidated financial statements. The financial statements of this subsidiary has been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary company and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary company is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and other auditor's report on separate financial statements and the other financial information of the subsidiary company incorporated in India, referred in the Other Matters paragraph above, we report, to the extent applicable, that:

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Statement of changes in equity of the group dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

(e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary companies as on 31st March, 2018 taken on record by the Board of Directors of the respective companies, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the auditors' reports of the Holding Company and its subsidiary companies incorporated in India; and

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

i. The consolidated financial statements disclose the impact of pending litigations as at 31st March, 2018 on the consolidated financial position of the Group – Refer Note 29.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For A.T. Jain & Co
Chartered Accountants
Firm's Registration No. 103886W

Sushil T Jain
Partner
Membership No. 033809

Place: Mumbai
Date: 17th May, 2018

INDEPENDENT AUDITOR'S REPORT

Annexure A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of ADLABS ENTERTAINMENT LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of Adlabs Entertainment Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 and the audit evidence obtained by the other auditor of the subsidiary company, which is a company incorporated in India, in terms of their report referred to in the other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India

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 and to the best of our information and according to the explanations given to us and other auditor referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the subsidiary company – Blue Haven Entertainment Private Limited, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

For A.T. Jain & Co
Chartered Accountants
Firm's Registration No. 103886W

Sushil T Jain
Partner
Membership No. 033809

Place: Mumbai
Date: 17th May, 2018

Consolidated Balance Sheet as at 31st March, 2018

(₹ in Lakhs)

	Notes	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non-Current Assets			
Fixed Assets			
Property, plant and equipment	3	1,13,313.41	1,20,472.09
Capital work- in-progress		8,620.08	9,486.09
Other intangible assets	4	2,316.00	2,806.08
Intangible assets under development		53.92	53.92
		1,24,303.41	1,32,818.18
Financial Assets			
Other	5	52.54	46.08
Deferred tax assets (net)		16,540.55	16,540.55
Other Non-Current Assets	6	971.70	1,010.36
		1,41,868.20	1,50,415.17
Current Assets			
Inventories	7	11,508.67	11,286.86
Other Financial Assets			
Trade receivables	8	511.62	357.92
Cash and cash equivalents	9	290.55	711.86
Bank balances other than above	10	3.46	9.98
Loans	11	5.21	5.47
Others advances	12	677.02	40.00
Current tax assets (net)		329.83	236.94
Other Current Assets	13	1,543.11	599.82
		14,869.47	13,248.85
Total		**1,56,737.67**	**1,63,664.02**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	8,806.21	7,989.78
Other Equity		30,618.92	40,608.91
		39,425.13	48,598.69
Non Current Liabilities			
Financial Liabilities			
Borrowings	15	89,114.99	98,681.90
Provisions	16	138.65	324.05
		89,253.64	99,005.95
Current Liabilities			
Financial Liabilities			
Borrowings	17	8,376.61	6,138.29
Trade payables		2,776.32	3,081.32
Other Financial Liabilities	18	12,899.51	4,009.42
Other Current Liabilities	19	3,980.99	2,812.53
Provisions	20	25.47	17.82
		28,058.90	16,059.38
Total		**1,56,737.67**	**1,63,664.02**
Summary of Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date
For A. T. JAIN & CO.
Chartered Accountants
Firm Registration No : 103886W

Sushil T Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 17th May, 2018

For and on behalf of the Board of Directors of
ADLABS Entertainment Limited

Manmohan Shetty
Chairman

Ashutosh Kale
Executive Director & Jt. CEO

Dhimant Bakshi
Jt. CEO

Mayuresh Kore
Chief Financial Officer

Madhulika Rawat
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2018

(₹ in Lakhs)

	Notes	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
INCOME:			
Revenue from operations	21	23,628.77	23,907.65
Other income	22	132.75	51.81
Total Revenue (I)		**23,761.52**	**23,959.46**
EXPENSES:			
Cost of material consumed	23	1,528.73	1,444.35
Purchase of trading goods			
Merchandise		1,024.05	1,016.90
Changes in inventories of stock-in-trade	24	44.28	(46.28)
Employee benefit expense	25	4,877.76	5,575.24
Finance cost	26	12,750.25	12,062.28
Depreciation and amortisation expense (Refer note 2.5 and 2.6)	3 & 4	9,258.16	9,468.17
Other expenses	27	9,907.31	9,848.68
Total Expenses (II)		**39,390.54**	**39,369.34**
Profit / (Loss) before exceptional and tax (I-II)		**(15,629.02)**	**(15,409.88)**
Exceptional items		-	-
Profit / (Loss) before tax		(15,629.02)	(15,409.88)
Tax Expenses			
Current tax		-	-
Deferred tax		-	(3,586.78)
Profit/ (loss) for the year from continuing operations		(15,629.02)	(11,823.10)
Profit/ (loss) from discontinued operations			
Tax expense of discontinued operations		-	-
Profit/ (loss) from discounting operations (after tax)		-	-
Profit/ (loss) for the year		**(15,629.02)**	**(11,823.10)**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		(26.18)	(4.68)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total comprehensive income for the year		(15,655.20)	(11,827.78)
Earnings per equity share (for continuing operations)	28		
Basic		(18.85)	(14.80)
Diluted		(18.85)	(14.80)
Earnings per equity share (for discontinued operations)			
Basic		-	-
Diluted		-	-
Earnings per equity share (for discontinued & continuing operations)			
Basic		(18.85)	(14.80)
Diluted		(18.85)	(14.80)
Summary of Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date
For A. T. JAIN & CO.
Chartered Accountants
Firm Registration No : 103886W

Sushil T Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 17th May, 2018

For and on behalf of the Board of Directors of
ADLABS Entertainment Limited

Manmohan Shetty
Chairman

Ashutosh Kale
Executive Director & Jt. CEO

Dhimant Bakshi
Jt. CEO

Mayuresh Kore
Chief Financial Officer

Madhulika Rawat
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2018

(₹ in Lakhs)

		For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
A:	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net loss before tax	(15,629.02)	(15,409.86)
	Adjustments for:		
	Depreciation and amortisation	9,258.15	9,468.17
	Loss/(Gain) on Sale of Fixed Assets	(29.45)	(0.16)
	Acturial gains/(loss) in OCI	(26.18)	-
	Loss on Sales of Fixed Assets	-	9.82
	Interest income	(3.97)	(5.46)
	Interest expense and finance cost	12,641.65	11,989.37
	Operating Loss before Working Capital Changes	6,211.18	6,051.88
	Movements in working capital:		
	Decrease / (increase) in trade receivables	(153.70)	20.15
	(Decrease) / increase in trade payables	(306.42)	620.30
	Decrease / (increase) in inventories	(221.78)	(164.15)
	Decrease / (increase) in other current and non current assets	(1,495.66)	1,584.16
	(Decrease) / increase in current and non current liabilities	(161.98)	416.20
	Cash Generated from Operations	3,871.64	8,528.54
	Direct taxes paid (net of refunds)	(89.94)	(74.47)
	Net Cash generated in Operating Activities	3,781.70	8,454.07
B:	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Tangible & Intangible assets and change in capital work-in-progress	(1,116.81)	(4,436.97)
	Advance received against Sale of Hotel	1,500.00	-
	Sale of Fixed Assets	7.12	9.21
	Interest income	4.04	5.46
	Fixed Deposit Matured	-	128.70
	Net Cash Used in Investing Activities	394.35	(4,293.60)
C:	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of equity shares	6,482.81	-
	Proceeds / (Repayment) of Unsecured Term Loans from promoter	(261.68)	519.30
	Proceeds/ (Repayment) from long term borrowings (net)	(1,275.41)	4,171.50
	Proceeds from short term borrowings	3,500.00	1,000.00
	Proceeds / (Repayment) of secured from others	(1,000.00)	-
	Proceeds/ (Repayment) from Other Related Parties	-	(1.05)
	Interest expense and finance cost paid	(12,043.05)	(10,984.97)
	Net Cash used in Financing Activities	(4,597.29)	(5,295.22)
Net increase in cash and cash equivalents (A + B + C)		(422.07)	(1,134.75)
Cash and cash equivalents at the beginning of the year		712.63	1,846.62
Cash and cash equivalents at the end of the year		**290.55**	**711.87**
Components of cash and cash equivalents as end of the year		**31st March, 2018**	31st March, 2017
	Cash on hand	126.65	43.17
	With banks - on current account	163.90	668.69
Cash and cash equivalent in cashflow statement		**290.55**	**711.87**

Notes:
1. Comparative figures are regrouped wherever necessary.
2. Figures in bracket represent cash outflow.

As per our report of even date
For A. T. JAIN & CO.
Chartered Accountants
Firm Registration No : 103886W

Sushil T Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 17th May, 2018

For and on behalf of the Board of Directors of
ADLABS Entertainment Limited

Manmohan Shetty
Chairman

Ashutosh Kale
Executive Director & Jt. CEO

Dhimant Bakshi
Jt. CEO

Mayuresh Kore
Chief Financial Officer

Madhulika Rawat
Company Secretary

Consolidated Statement of changes in equity for the year ended 31st March, 2018

A EQUITY SHARE CAPITAL

(₹ in Lakhs)

	For the Year ended 31st March,2018
Balance at the beginning of the reporting year	7,989.78
Add :- Issued during the year	816.43
Balance at the end of the reporting year	**8,806.21**

	For the Year ended 31st March,2017
Balance at the beginning of the reporting year	7,989.78
Balance at the end of the reporting year	7,989.78

B: OTHER EQUITY

For the Year ended 31st March,2018 (₹ in Lakhs)

	Reserves and Surplus		Money received against Share warrant	Total
	Securities Premium Reserve	Retained Earnings		
Balance as at 1st April, 2017	78,880.62	(38,271.71)	-	40,608.91
Addition during the year	5,369.82	-	-	5,369.82
Total comperhensive Income for the year	-	(15,655.20)	-	(15,655.20)
Warrant Issued during the year	-	-	296.56	296.56
Balance as on 31st March, 2018	**84,250.44**	**(53,926.91)**	**296.56**	**30,620.09**

For the Year ended 31st March, 2017 (₹ in Lakhs)

	Reserves and Surplus		Money received against Share warrant	Total
	Securities Premium Reserve	Retained Earnings		
Balance as at 1st April, 2016	78,880.62	(26,443.93)	-	52,436.69
Total comperhensive Income for the year	-	(11,827.78)	-	(11,827.78)
Balance as on 31st March, 2017	78,880.62	(38,271.71)	-	40,608.91

Any part of the reserves presented under Equity Instruments through other comprehensive income which is realised in cash shall be disclosed separately.
@ - Debit balance of Statement of Profit and loss shall be shown as a negative figure under the head 'Retained Earnings'.

As per our report of even date
For A. T. JAIN & CO.
Chartered Accountants
Firm Registration No : 103886W

Sushil T Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 17th May, 2018

For and on behalf of the Board of Directors of
ADLABS Entertainment Limited

Manmohan Shetty
Chairman

Ashutosh Kale
Executive Director & Jt. CEO

Dhimant Bakshi
Jt. CEO

Mayuresh Kore
Chief Financial Officer

Madhulika Rawat
Company Secretary

Notes forming part of the Consolidated Financial Statements

1) CORPORATE INFORMATION:

Adlabs Entertainment Limited (the Company) is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at 30/31, Sangdewadi, Off Mumbai- Pune Express Highway, Khopoli Pali Road ,Khalapur, Pin- 410203.

The Company is engaged in the business of development and operations of theme based entertainment destinations in India, including theme parks, water parks, snow park and associated activities including retail merchandising and food and beverages. The flagship project of the company is located at Khalapur, on Mumbai Pune Expressway and is branded "Imagica – Theme Park" for the theme park component, "Imagica – Water Park" for the water park component and "Imagica – Snow Park" for the snow park component. During the F.Y. 2015-2016 the company has launched Hotel at the same location by the name " Novotel Imagica" with 116 room out of 287 rooms in the first phase.

Walkwater Properties Private Limited (the Subsidiary) is engaged in the business of developing real estate and leasing of properties.

Blue Haven Entertainment Private Limited (the Subsidiary) is engaged in the business of developing real estate and leasing of properties.

Together referred as "Group"

2) SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Preparation of Financial Statements

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The consolidated financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest Lakhs, except otherwise indicated.

The consolidated financial statement of assets and liabilities of the Group as on 31st March, 2018, and the related financial statement of profits and losses and cash flows for the year ended 31st March, 2018 (herein collectively referred to as "Consolidated financial statements") have been compiled by the management from the Standalone financial statements of the Group for the year ended 31st March, 2018.

The Consolidated Financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate financial statements.

In respect of the Subsidiary company, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like item of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances and unrealised profits/ losses on intra-group transactions as per Ind as - 110 - "Consolidated Financial Statements".

The excess of cost to the Company of its investment in the Subsidiary Company over the Company's share of net assets of the Subsidiary Company is recognised in the financial statements as goodwill, which is tested for impairment at each balance sheet date. The excess of Company's share of net assets of the Subsidiary Company over the cost of acquisition is treated as capital reserve.

The results of operations of a Subsidiary are included in the Consolidated Financial Statements from the date on which the parent-Subsidiary relationship comes into existence.

The Notes and Significant Accounting Policies to the Consolidated Financial Statements are intended to serve as a guide for better understanding of the Group's position. In this respect, the Group has disclosed such notes and policies, which represent the requisite disclosure.

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the group has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

2.2 Use of Assumptions Judgments and Estimates

The key assumption, judgment and estimation at the reporting date, that have significant risk causing the material adjustment to the carrying amounts of assets and liabilities within the next financial year, ae describe below. The group based its assumption, judgment and estimation on parameters available on the financial statement were prepare. Existing circumstances and assumption about future development, however, may change due to market changes or circumstances arising that are beyond the control of the group. Such changes are reflected in the assumption when they occur.

Notes forming part of the Consolidated Financial Statements

Impairment of non-financial assets :

The Group 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 Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It 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. Where 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.

Defined benefit plans :

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments :

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets :

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.3 Revenue Recognition

The Group has revenue recognition policies for its various operating segments that are appropriate to the nature of each business. The revenues are recognized when the general revenue recognition criteria given in Ind AS 18 are met.

The Group measures the revenues at fair value of the consideration received or receivable after taking in to account the amount of any discount or rebates allowed to the customers. The Group presents revenues net of indirect taxes collected in its statement of profit and loss.

Advances received for services and products are reported as "Advance received against sale" until all conditions for revenue recognition are met.

Tickets:

Revenues from theme park/water park ticket sales are recognized when the tickets are issued.

The accounting policy for recognizing revenue from sale of Open Pass/Gift Passes or Open Day Tickets with all days validity which are Non-Refundable in nature are recognized when Passes/ Tickets are utilized or expired.

Food/Beverages:

Revenue is recognized when food/ drinks are supplied or served or services rendered.

Merchandise:

Retail sale are recognized on delivery of the merchandise to the customer, when the property in goods and significant risk and rewards are transferred for a price and no effective ownership control is retained.

Room Revenue:

Revenue recognized upon rendering of services.

Notes forming part of the Consolidated Financial Statements

Barter:

When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction which generates revenue.

When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction which generates revenue. The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the goods or services received cannot be measured reliably, the revenue is measured at the fair value of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred

Others:

The revenue is recognized on accrual basis and when significant risk and rewards are transferred. Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sale price and carrying value of the investment. Lease rentals are recognized ratably on a straight line basis over the lease term.

2.4 Taxes on Income

Taxes on Income comprises of current tax and deferred tax. Current tax and deferred tax are recognized in profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax expense is also recognized in other comprehensive income or directly in equity, respectively.

Current Tax:

Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax:

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

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

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Group have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

2.5 Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group.

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognizes the replaced part and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized 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 recognized in the statement of profit and loss as incurred.

Capital work in progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as "Capital Advances" under other non-current assets. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment are eliminated from financial statement on disposal. Gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Notes forming part of the Consolidated Financial Statements

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

Depreciation is charged on Straight Line Method over the usefull life of the assets as specified in Schedule II of the Companies Act, 2013 or on the basis of useful lives of the assets as estimated by management, whichever is lower. Useful life of the assets is tabulated below.

Sr. No	Nature of Asset	Estimated Useful Life
1.	**Building**	
	RCC Frame Structure (Other than factory building)	60 Years
	Other than RCC Frame Structure (Other than factory building)	30 Years
2.	Roads	5 Years
3.	Plant and Machinery	15 Years
4.	**Furniture and fittings**	
	General furniture and fittings	10 Years
	Furniture and fittings used in hotels and restaurants.	8 Years
5.	**Motor Vehicles**	
	Motor cycles	8 Years
	Motor buses and motor cars.	8 Years
	Electrically operated vehicles including battery powered or fuel cell powered vehicles.	8 Years
6.	Office equipments	5 Years
7.	**Computers and data processing units**	
	Servers and networks	6 Years
	End user devices, such as, desktops, laptops, etc.	3 Years
8.	Electrical Installations and Fittings	10 Years
9.	Pipes & Fittings	15 Years
10.	Trees & Nursery	3 Years to 30 Years

2.6 Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. 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.

Intangible assets with finite lives are amortised over the estimated useful economic life of the assets by using straight line method and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets are amortised as follows:

Sr. No	Nature of asset	Estimated Useful Life
1.	Trademarks and Logos	10 Years
2.	Softwares	6 Years
3.	Films	10 Years

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 derecognized.

2.7 Inventories

Inventories are valued at lower of cost and net realizable value. Cost is arrived in the following manner:

Food items	:	Weighted Average Basis
Merchandise	:	Cost
Consumable & Spare Parts	:	Cost
Land (Work in Progress)	:	Cost

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. Slow and non-moving material, obsolesces, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet.

Notes forming part of the Consolidated Financial Statements

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Construction work in progress:		
Opening work in progress - (a)	9,949.19	9,885.31
Add: Cost incurred during the year		
Land Cost	-	-
Stamp Duty expense	-	-
Municipal charges and taxes	19.96	0.76
Legal and Professional Fees	70.67	21.50
Other Expenses	40.07	41.62
Cost incurred during the year- (b)	130.70	63.88
Total Cost of Construction at the year end - (a+b)	**10,079.89**	**9,949.19**
Less: Cost Transfer to the statement of profit and loss	-	-
Closing work in progress	**10,079.89**	**9,949.19**

2.8 Fair value measurement

The Group measures financial instruments such as derivatives and certain investments, 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 Group.

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.

The Group 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 balance sheet on a recurring basis, the Group 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 Group 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.

2.9 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Assets and liabilities classified as held for distribution are presented separately from other assets and liabilities in the balance sheet.

Notes forming part of the Consolidated Financial Statements

A disposal group qualifies as discontinued operation if it is a component of the Group that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or
- is a subsidiary acquired exclusively with a view to resale.

An entity shall not depreciate (or amortise) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

2.10 Financial instruments

(i) 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.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement:

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Group business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

Notes forming part of the Consolidated Financial Statements

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or

(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group continuing involvement. In that case, the Group 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 Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Investment in subsidiaries:

The Company has accounted for its investment in subsidiaries at cost.

Impairment of financial assets:

The Group assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income (FVTOCI)

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

- Trade receivables or contract revenue receivables and
- All lease receivables

Under the simplified approach, the Group does not 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 Group determines that whether there has been a significant increase in the credit risk since initial recognition.

For assessing increase in credit risk and impairment loss, the Group 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.

(ii) Financial liabilities:

Initial recognition and measurement

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 Group financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Notes forming part of the Consolidated Financial Statements

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR 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 recognized in the statement of profit and loss.

(iii) 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.

2.11 Impairment of Asset

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An Impairment Loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. The impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of recoverable amount.

Impairment of financial assets:

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

Impairment of non- financial assets:

As at each balance sheet date, the Group assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Group determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. 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.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (the 'OCI'). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

2.12 Provisions, Contingent Liabilities and Contingent assets

A provision is recognized if, as a result of a past event, the group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economics benefits is remote. A contingent asset is neither recognized nor disclosed.

Notes forming part of the Consolidated Financial Statements

2.13 Foreign Currency Transactions

Functional currency:

The functional currency of the group is Indian Rupees ('INR'). These financial statements are presented in Indian Rupees and the all values are rounded to the nearest Lakh, except otherwise indicated.

Transactions and translations:

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. Gains and losses, if any, at the year-end in respect of monetary assets and monetary liabilities not covered by the forward contracts are transferred to Profit & Loss Account except for Long Term Foreign Currency Monetary Items. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

The Group has opted for exemption given under para D13AA of Appendix D to Ind AS 101 – First time adoption of Indian Accounting Standards. In accordance with this exemption opted, the Group has continued the policy of adding to/ deleting from the cost of Property, Plant and Equipment, all foreign exchange fluctuations arising on translating of Long Term Foreign Currency Monetary Item utilized for acquiring the said Property, Plant and Equipment. The amount of Exchange Difference adjusted to Property, Plant and Equipment during the reporting year is ₹ 31.98 Lakhs (net) (Previous year: ₹ 830.50 Lakhs).

2.14 Borrowing Cost

Borrowing costs that are attributable to acquisition and construction of qualifying assets are capitalized till the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. The Group has capitalized borrowing costs of ` Nil Lakhs (Previous year: ` 865.83 Lakhs).

All other borrowing costs are recognized as expenditure in the year in which they are incurred.

2.15 Earnings per equity share

Basic earnings per share:

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.16 Employee Benefit

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

Notes forming part of the Consolidated Financial Statements

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits:

Termination benefits are recognised as an expense in the period in which they are incurred.

2.17 Cash flow Statement

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

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highlyliquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.19 Lease

Operating Lease

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Group expected inflationary cost increases.

As a lessor:

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the excepted inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.20 Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.21 Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

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

All other liabilities are classified as non-current.

Notes forming part of the Consolidated Financial Statements

NOTE 3 : TANGIBLE ASSETS

(₹ in Lakhs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2017	Additions during the Year	Deductions/ Decapitalized during the Year	**As at 31st March, 2018**	As at 1st April, 2017	Depreciation for the Year	Deduction during the Year	**As at 31st March, 2018**	**As at 31st March, 2018**	As at 31st March, 2017
Land (refer note no. 45)	15,065.42	-	-	15,065.42	-	-	-	-	15,065.42	15,065.42
Servers and networks	1,289.39	-	-	1,289.39	665.81	214.88	-	880.69	408.70	623.58
End user devices	368.29	0.09	-	368.38	300.55	38.55	-	339.10	29.28	67.74
Electrical Installation	9,243.14	74.71	2.81	9,315.04	2,918.46	928.68	-	3,847.14	5,467.90	6,324.68
Furniture & Fixtures	10,687.41	130.30	239.33	10,578.38	3,299.22	1,196.32	178.72	4,316.82	6,261.56	7,388.19
Office Equipments	3,456.60	12.95	43.25	3,426.30	1,960.93	676.09	40.57	2,596.45	829.85	1,495.67
Plant & Machinery (refer note no.2.5)	60,124.45	18.89	2.99	60,140.35	13,260.78	3,891.93	-	17,152.71	42,987.64	46,863.67
Building	43,929.71	158.29	20.15	44,067.85	4,263.07	1,356.19	-	5,619.26	38,448.59	39,666.64
Building Road	1,019.09	31.50	-	1,050.59	548.75	208.77	-	757.52	293.07	470.34
Pipes and Fitting	1,330.45	1,272.11	-	2,602.56	248.09	152.36	-	400.45	2,202.11	1,082.36
Vehicles	248.64	5.80	38.07	216.37	139.20	31.09	26.89	143.40	72.97	109.44
Electrical Vehicle	39.18	-	-	39.18	16.73	4.90	-	21.63	17.55	22.45
Nursery	441.51	-	3.22	438.29	362.31	57.98	-	420.29	18.00	79.20
Nursery - Tree	80.28	0.75	-	81.03	8.98	2.69	-	11.67	69.36	71.30
Rides & Attraction - Bandit of Robinhood (refer note no. 43)	1,174.38	-	-	1,174.38	32.97	-	-	32.97	1,141.41	1,141.41
Total- A	**1,48,497.94**	**1,705.39**	**349.82**	**1,49,853.51**	**28,025.85**	**8,760.43**	**246.18**	**36,540.10**	**1,13,313.41**	**1,20,472.09**

NOTE 4 : INTANGIBLE ASSETS

(₹ in Lakhs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2017	Additions during the Year	Deductions/ Decapitalized during the Year	**As at 31st March, 2018**	As at 1st April, 2017	Depreciation for the Year	Deduction during the Year	**As at 31st March, 2018**	**As at 31st March, 2018**	As at 31st March, 2017
Software	1,201.41	15.02	8.62	1,207.81	615.33	184.86	-	800.19	407.62	586.08
Logo and Trade Mark	69.58	-	-	69.58	24.65	6.96	-	31.61	37.97	44.93
Film	3,059.06	-	-	3,059.06	1,009.14	305.91	-	1,315.05	1,744.01	2,049.92
Goodwill	125.15	1.25	-	126.40	-	-	-	-	126.40	125.15
Total- B	**4,455.20**	**16.27**	**8.62**	**4,462.85**	**1,649.12**	**497.73**	**-**	**2,146.85**	**2,316.00**	**2,806.08**
Grand Total A+B	**1,52,953.14**	**1,721.66**	**358.44**	**1,54,316.36**	**29,674.97**	**9,258.16**	**246.18**	**38,686.95**	**1,15,629.41**	**1,23,278.17**

Notes forming part of the Consolidated Financial Statements

NOTE 3 : TANGIBLE ASSETS

(₹ in Lakhs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2016	Additions during the Year	Deductions/ Decapitalized during the Year	As at 31st March, 2017	As at 1st April, 2016	Depreciation for the Year	Deduction during the Year	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
Land (refer note no. 45)	15,065.42	-	-	15,065.42	-	-	-	-	15,065.42	15,065.42
Servers and networks	1,289.26	0.13	-	1,289.39	450.81	215.00	-	665.81	623.58	838.45
End user devices	361.33	6.96	-	368.29	224.53	76.02	-	300.55	67.74	136.81
Electrical Installation	9,183.56	59.58	-	9,243.14	1,994.81	923.65	-	2,918.46	6,324.68	7,188.75
Furniture & Fixtures	10,568.39	120.64	1.62	10,687.41	2,127.99	1,171.74	0.51	3,299.22	7,388.19	8,440.40
Office Equipments	3,449.30	7.93	0.63	3,456.60	1,281.90	679.34	0.31	1,960.93	1,495.67	2,167.39
Plant & Machinery (refer note no.2.5)	60,037.71	86.75	-	60,124.46	9,159.33	4,101.45	-	13,260.78	46,863.68	50,878.37
Building	43,799.78	129.93	-	43,929.71	2,910.27	1,352.80	-	4,263.07	39,666.64	40,889.52
Building Road	1,005.33	13.75	-	1,019.08	346.80	201.95	-	548.75	470.33	658.54
Pipes and Fitting	1,330.45	-	-	1,330.45	159.39	88.70	-	248.09	1,082.36	1,171.07
Vehicles	275.78	9.15	36.29	248.64	125.16	32.89	18.85	139.20	109.44	150.62
Electrical Vehicle	39.18	-	-	39.18	11.83	4.90	-	16.73	22.45	27.34
Nursery	438.77	2.74	-	441.51	245.82	116.49	-	362.31	79.20	192.94
Nursery - Tree	80.28	-	-	80.28	6.30	2.68	-	8.98	71.30	73.98
Rides & Attraction - Bandit of Robinhood (refer note no. 43)	1,174.38	-	-	1,174.38	32.97	-	-	32.97	1,141.41	1,141.41
Total- A	**1,48,098.92**	**437.56**	**38.54**	**1,48,497.94**	**19,077.91**	**8,967.61**	**19.67**	**28,025.85**	**1,20,472.08**	**1,29,021.01**

NOTE 4 : INTANGIBLE ASSETS

(₹ in Lakhs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2016	Additions during the Year	Deductions/ Decapitalized during the Year	As at 31st March, 2017	As at 1st April, 2016	Depreciation for the Year	Deduction during the Year	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
Software	1,112.49	88.92	-	1,201.41	427.64	187.69	-	615.33	586.08	684.85
Logo and Trade Mark	69.58	-	-	69.58	17.69	6.96	-	24.65	44.93	51.89
Film	3,059.06	-	-	3,059.06	703.23	305.91	-	1,009.14	2,049.92	2,355.83
Goodwill	125.15	-	-	125.15	-	-	-	-	125.15	125.15
Total- B	**4,366.28**	**88.92**	**-**	**4,455.20**	**1,148.56**	**500.56**	**-**	**1,649.12**	**2,806.08**	**3,217.72**
Grand Total A+B	**1,52,465.20**	**526.48**	**38.54**	**1,52,953.14**	**20,226.47**	**9,468.17**	**19.67**	**29,674.97**	**1,23,278.16**	**1,32,238.73**

Notes forming part of the Consolidated Financial Statements

NOTE 5 : OTHER

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Bank deposits		
Fixed deposits (pledge with banks)	52.54	46.08
Total	**52.54**	**46.08**

NOTE 6 : OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

			As at 31st March, 2018	As at 31st March, 2017
Capital Advances				
Advance for land at Khalapur			667.64	667.64
(Unsecured, considered good,)				
Advances other than capital advances				
Security deposits				
Unsecured, considered good			273.69	313.15
	F.Y. 18	F.Y. 17		
Unsecured, considered doubtful debts	-	₹ 2.13		
Less:- Provision for bad and doubtful debts	-	₹ 1.13		1.00
Deposits with government authorities			30.37	28.57
Total			**971.70**	**1,010.36**

NOTE 7 : INVENTORIES

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Raw material		
Food Items	201.28	137.15
Trading goods		
Merchandise	493.61	537.89
Stores and spares	733.89	662.63
Land Work in Progress	10,079.89	9,949.19
Total	**11,508.67**	**11,286.86**

NOTE 8 : TRADE RECEIVABLES

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Over six months		
Considered good	27.77	12.46
Less : Provision for doubtful debts	0.14	0.29
	27.63	12.17
Considered doubtful	23.33	16.43
Less : Provision for doubtful debts	23.33	16.43
	-	-
Total (A)	**27.63**	**12.17**
Other		
Considered good	486.02	349.05
Less : Provision for doubtful debts	2.03	3.30
	483.99	345.75
Considered doubtful	3.53	6.11
Less : Provision for doubtful debts	3.53	6.11
	-	-
Total (B)	**483.99**	**345.75**
Total (A+B)	**511.62**	**357.92**

Notes forming part of the Consolidated Financial Statements

NOTE 9 : CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Cash and cash equivalents		
Balance with banks	163.90	668.69
Cash on hand	126.65	43.17
Total	**290.55**	**711.86**

NOTE 10 : BANK BALANCES OTHER THAN ABOVE

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Fixed deposits (pledge with banks)	3.46	9.98
Total	**3.46**	**9.98**

NOTE 11 : LOANS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Unsecured		
Loan to employees	5.21	5.47
Total	**5.21**	**5.47**

NOTE 12 : OTHERS ADVANCES

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Custom duty refund receivable	-	3.15
Deposit- others	297.64	1.08
Balance with government authorities	50.58	35.15
Receivable from Gratuity Trust	19.63	-
Capital Advances	309.17	0.62
Total	**677.02**	**40.00**

NOTE 13 : OTHERS CURRENT ASSETS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Advances to suppliers	1,345.81	294.49
Prepaid expenses	141.76	257.63
Other receivables	43.09	47.70
Income Accured but not due	10.88	-
Prepaid Gratuity (refer note no.35)	1.57	-
Total	**1,543.11**	**599.82**

Notes forming part of the Consolidated Financial Statements

NOTE 14 : EQUITY SHARE CAPITAL

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Authorised Capital		
20,00,00,000 (Previous Year: 20,00,00,000)		
Equity shares of ₹ 10/- each	20,000.00	20,000.00
Total	**20,000.00**	**20,000.00**
Issued, Subscribed and Fully Paid up		
8,80,62,123 (Previous Year: 7,98,97,810)		
Equity shares of ₹ 10/- each, fully paid up	7,989.78	7,989.78
Add:- Issued during the year	816.43	-
Total	**8,806.21**	**7,989.78**

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

	31st March, 2018		31st March, 2017	
	Number of shares	(₹ in Lakhs)	Number of shares	(₹ in Lakhs)
Shares outstandings at the beginning of the year	7,98,97,810	7,989.78	7,98,97,810	7,989.78
Add:- Issued during the year	81,64,313	816.43	-	-
Outstanding at the end of the year	8,80,62,123	8,806.21	7,98,97,810	7,989.78

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shares held by holding Company

Name of the Shareholder	No of Shares	No of Shares
	31st March, 2018	31st March, 2017
Equity Shares Thrill Park Limited	4,20,00,087	4,11,50,087

Note: *Thrill Park Limited ceased to be the Holding Company of the Company w.e.f. 15th December, 2017.*

(d) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	31st March, 2018		31st March, 2017	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Thrill Park Limited	4,20,00,087	47.69	4,11,50,087	51.50
India Advantage Fund S3 I	1,04,34,779	11.85	1,04,34,779	13.06
Shaan Agro And Realty India Private Limited	69,15,629	7.85	-	-

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

Notes forming part of the Consolidated Financial Statements

NOTE 15 : BORROWINGS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Term Loans		
From banks (refer note no.38)	89,270.31	89,400.01
From financial institutions (refer note no.38)	9,801.63	10,733.92
Buyers credit from banks	-	213.43
	99,071.94	**1,00,347.36**
Less:- Amount disclosed under the head "Other current liabilities"	9,956.95	1,665.46
Total	**89,114.99**	**98,681.90**
The above amount includes		
Secured	99,071.94	1,00,347.36
Note : Loan guaranteed by promoters	99,071.94	1,00,347.36

NOTE 16 : PROVISIONS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Provision for gratuity	-	182.23
Provision for leave encashment	138.65	141.82
Total	**138.65**	**324.05**

NOTE 17 : BORROWINGS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Current Liabilities		
From banks (Secured)	3,500.00	1,000.00
Loan from promoters (Unsecured) (refer note no. 36)	4,876.61	5,138.29
Total	**8,376.61**	**6,138.29**

NOTE 18 : OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Interest accrued and due	2,942.56	2,343.96
Current maturity of long term borrowings	9,956.95	1,665.46
Total	**12,899.51**	**4,009.42**

NOTE 19 : OTHER CURRENT LIABILITIES

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
IPO Expense Payable	73.00	73.00
Other liabilities for		
Advance received against sales	764.86	458.79
Statutory dues	351.03	448.85
Security deposits from sales agents	26.60	27.60
Sundry creditors for land purchase	273.46	273.46
Advance received against Sale of Hotel	1,500.00	-
Sundry creditors for capital goods and services	992.03	1,530.83
Total	**3,980.98**	**2,812.53**

Notes forming part of the Consolidated Financial Statements

NOTE 20: PROVISIONS

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Provisions for employee benefits		
Provision for gratuity	-	2.14
Provision for leave travel allowance	17.78	8.57
Provision for leave encashment	7.68	7.11
Total	**25.46**	**17.82**

NOTE 21 : REVENUE FROM OPERATIONS

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Sale of product	22,238.42	22,845.95
Other operating revenue	1,390.35	1,061.70
Revenue from operations (Net)	**23,628.77**	**23,907.65**
Details of Product sold		
Tickets sales	13,008.31	14,334.42
Food & beverages	5,201.89	4,533.33
Merchandise sales	1,983.65	1,841.66
Room Revenue	2,044.57	2,136.54
Total	**22,238.42**	**22,845.95**
Details of Other operating revenue		
Income from parking services	145.81	129.55
Income from third party logistic services	489.41	379.81
Income from space on hire	353.49	282.20
Income from lockers	182.94	145.53
Misc. Income	218.70	124.61
Total	**1,390.35**	**1,061.70**
Details of Barter Transaction		
Tickets sales	1,939.36	94.22
Food & beverages	26.40	13.66
Room Revenue	9.56	6.69
Total	**1,975.32**	**114.57**

NOTE 22 : OTHER INCOME

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Income from liquid fund investments	13.89	45.62
Interest Income	4.07	5.54
Foreign exchange gain (Net)	-	0.42
Gain on Sale of Assets	33.51	0.16
Other Income	81.28	0.07
Total	**132.75**	**51.81**

Notes forming part of the Consolidated Financial Statements

NOTE 23 : COST OF MATERIAL CONSUMED

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Cost of food & beverage, others	1,395.87	1,352.30
Cost of liquor	132.86	92.05
Total	**1,528.73**	**1,444.35**

NOTE 24 : CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Stock in trade at the beginning of the year		
Merchandise	537.89	491.61
Less: Stock in trade at the end of the year		
Merchandise	493.61	537.89
Total	**44.28**	**(46.28)**

NOTE 25 : EMPLOYEE BENEFIT EXPENSE

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Salaries, wages and bonus	4,063.06	4,395.71
Contribution to provident fund	241.93	264.46
Employee welfare and other amenities	572.77	915.07
Total	**4,877.76**	**5,575.24**

NOTE 26 : FINANCE COST

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Interest	12,501.84	11,999.39
Funds raising expenses	222.01	41.87
Bank charges	26.40	21.02
Total	**12,750.25**	**12,062.28**

Notes forming part of the Consolidated Financial Statements

NOTE 27 : OTHER EXPENSES

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Consumables & spares parts	62.63	52.98
Rent	179.55	213.34
Rates and taxes	294.33	377.74
Repairs and Maintenance	910.77	1,056.24
Power, fuel and water	1,692.49	1,594.40
Freight and forwarding expenses	5.08	7.24
House keeping expenses	692.37	664.02
Event & entertainment expenses	61.06	109.58
Advertisement, sales and marketing expenses	2,839.02	3,017.01
Insurance expense	96.81	125.84
Communication expenses	48.76	77.49
Travelling and conveyance expenses	718.49	636.79
Payment to auditors (refer note 32)	19.78	21.95
Legal and professional fees	333.56	324.16
Provision for Doubtful Debts and Advances	7.74	24.26
Foreign exchange loss (net)	1.01	-
Commission	1,115.09	932.24
Security and safety expenses	315.65	370.55
Printing and stationery expenses	62.33	73.49
Directors sitting fees	26.79	15.08
Loss of Sale of Assets	4.06	9.82
Other operating expenses	419.94	144.46
Total	**9,907.31**	**9,848.68**

NOTE 28 :EARNINGS PER SHARE (EPS) (IND AS -33)

Sr. No		For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
1	Face Value per equity share in Rupees	10.00	10.00
2	Weighted Average number of equity shares outstanding	8,29,00,131	7,98,97,810
3	Net (Loss) as per Profit and Loss Account (Continuing Operation) Rupees in Lakhs	(15,629.02)	(11,823.10)
4	Weighted Average earning per share (Basic and Diluted) in Rupees	(18.85)	(14.80)
5	Net Profit/ (Loss) as per Profit and Loss Account (Discontinued Operation) Rupees in Lakhs	-	-
6	Weighted Average earning per share (Basic and Diluted) in Rupees	-	-
7	Net (Loss) as per Profit and Loss Account (Continuing and Discontinued Operation) Rupees in Lakhs	(15,629.02)	(11,823.10)
8	Weighted Average earning per share (Basic and Diluted) in Rupees	(18.85)	(14.80)

Notes forming part of the Consolidated Financial Statements

NOTE 29 : CONTINGENT LIABILITIES

Claim against the Group not acknowledged as debts for the year ended 31st March, 2018 are as follows:

Name of Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which it Relates	Forum where dispute is Pending
Custom Act, 1962	Special Additional Duty (SAD)	77.49*	June – 2012 to September -2013	CESTAT
Custom Act, 1962	Penalty	1,118.49	June – 2012 to September -2013	CESTAT

[* Total demand ₹ 1,118.49 Lakhs – amount deposited ₹ 1,041.00 Lakhs.]

NOTE 30 : CAPITAL COMMITMENT

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 428.39 Lakhs as on 31st March, 2018.

NOTE 31 : DEFERRED TAX ASSET (NET)

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Assets		
On account of Business Loss	22,937.05	22,937.05
On account of Other Items	0.47	0.47
Expenditure allowed on Payment basis	116.98	116.98
Gross Deferred Tax Assets (A)	**23,054.50**	**23,054.50**
Deferred Tax Liabilities		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books.	6,513.95	6,513.95
Gross Deferred Tax Liabilities (B)	**6,513.95**	**6,513.95**
Deferred Tax Asset (Net) (A-B)	**16,540.55**	**16,540.55**

The timing differences result in a net deferred asset, relating mainly to unabsorbed depreciation and carried forward losses under the Income Tax Act, 1961.

The management of the Group expects following business changes

- 171 hotels rooms (balance 60% of Total rooms) shall be operational in FY 2018-19 and will result in higher revenues in the coming years and ahead.
- The aggressive cost reduction efforts by the Group have resulted in lower fixed costs compared to previous year.
- The Group has chalked out a comprehensive plan to ramp up footfalls for FY 2018-19 onwards, which is expected to result in a revenue growth.

NOTE 32 : AUDITORS REMUNERATION:

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Audit Fees	14.50	14.65
Reimbursement of expenses	0.33	0.16
Taxation Matters	0.45	0.10
Income Tax Scrutiny Fees	1.00	3.02
Limited Review Fees	2.00	2.01
Tax Audit Fees	2.00	2.01
Total	**20.28**	**21.95**

Notes forming part of the Consolidated Financial Statements

NOTE 33 : DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2nd October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises (MSME). On the basis of the information and records available with the Group, the following disclosures are made for the amounts due to the Micro and Small enterprises.

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Principal amount due to any supplier as at the year end	12.25	11.22
Interest due on the principal amount unpaid at the period end to any supplier	0.93	5.84
Amount of Interest paid by the group in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period	-	-
Payment made to the enterprises beyond appointed date under Section 16 of MSMED	-	-
Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the period, but without adding the interest specified under MSMED	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period; and	0.93	5.84
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above is actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED.	-	-

NOTE 34 : LEASE

(a) Where the Group is a Lessee:

The Group has taken certain assets like Land, Office premises, furniture and fixtures and apartments on lease. They are on rental lease term which range between 10 months to 7 years. The lease rentals paid during the year amount to ₹ 140.74 Lakhs.

The future minimum lease payments in respect of such operating leases as at 31st March, 2018 are summarized below.

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Amount payable within one year from the balance sheet date	129.99	39.27
Amount payable in the period between one year and five years	118.44	51.73
Amount payable beyond five years	-	-
Total	**248.43**	**91.00**

The above lease payments are exclusive of service tax / GST

(b) Where the Group is a Lessor:

The Group has given on lease three premises/place for period of 5 years to 15 years. The lease rentals received during the reporting year amount to ₹ 13.66 Lakhs

The future minimum lease receipts of such operating leases as at 31st March, 2018 are summarized as below.

(₹ in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Amount receivable within one year from the balance sheet date	19.78	13.66
Amount receivable in the period between one year and five years	36.20	36.36
Amount receivable beyond five years	41.48	56.42
Total	**97.46**	**106.44**

The above lease receipts are exclusive of service tax / GST

Notes forming part of the Consolidated Financial Statements

NOTE 35 : POST RETIREMENT BENEFIT PLANS

Defined Benefits Plan

Gratuity:

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The gratuity plan is funded through an 'Approved Trust'. The Trust has taken a Policy from the HDFC Life Insurance and the management / investment of the fund is undertaken by the insurer.

The Company Contributes all ascertained liabilities towards gratuity to the " Adlabs Entertainment Limited Employee's Gratuity Trust " Trustee Administer contributions made to the trust as of 31st March, 2018 and 31st March, 2017, the plan assets have been primarily invested in insurer –managed funds.

As per Actuarial Valuation as on 31st March, 2018 and 31st March, 2017 and recognised in the financial statements in respect of Employee Defined Benefit Schemes:

(₹ in Lakhs)

Change in Defined Benefit Obligation during the year	**For the Year ended 31st March, 2018**	For the Year ended 31st March, 2017
Defined Benefit Obligation, Beginning of year	184.37	184.77
Net Current Service Cost	71.61	61.37
Interest Cost on DBO	16.28	16.63
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	(31.16)	2.38
Changes in Foreign Currency Exchange Rates	-	-
Acquisition/Business Combination/Divestiture	-	-
Benefits Paid	(54.68)	(80.78)
Past Service Cost	18.73	-
Losses / (Gains) on Curtailments/Settlements	-	-
Defined Benefit Obligation, End of year	**205.15**	**184.37**

Amount Recognized in Statement of Financial Position at year end	**For the Year ended 31st March, 2018**	For the Year ended 31st March, 2017
Present Value of Unfunded Defined Benefit Obligation	205.15	184.37
Fair value of Plan Assets	206.72	-
Net Defined Benefit (Asset)/Liability Recognised in Statement of Financial Position	**(1.57)**	**184.37**

Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at year end	**For the Year ended 31st March, 2018**	For the Year ended 31st March, 2017
Service Cost	71.61	61.37
Net Interest Cost	13.69	16.63
Past Service Cost	18.73	-
Total Defined Benefit Cost/(Income) included in Profit & Loss	**104.03**	**78.00**

Analysis of Amounts Recognised in Other Comprehensive (Income) Loss at year end	**For the Year ended 31st March, 2018**	For the Year ended 31st March, 2017
Amount recognized in OCI, Beginning of year	(3.84)	(6.22)
Remeasurements due to :		
Effect of Change in financial assumptions	(12.08)	9.83
Effect of change in demographic assumption	-	(0.24)
Effect of experience adjustments	(19.07)	(7.21)
Return on plan assets (excluding interest)	4.98	-
Total remeasurements recognized in OCI	(26.18)	2.38
Amount recognized in OCI, End of year	**(30.01)**	**(3.84)**

Notes forming part of the Consolidated Financial Statements

(₹ in Lakhs)

Maturity Profile of defined benefit obligation	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Within the next 12 months	6.86	1.99
Between 2 to 5 years	37.49	29.36
Between 6 to 10 years	66.65	68.36

Sensitivity Analysis	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Defined Benefit Obligation - Discount Rate + 100 basis points	(24.96)	(21.00)
Defined Benefit Obligation - Discount Rate - 100 basis points	26.83	21.85
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	19.70	16.09
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(19.51)	(15.92)

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

Financial Assumptions Used to Determine the Defined Benefit	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Discount Rate	7.87%	7.43%
Salary Escalation Rate	6.00%	6.00%
Expected Return on Plan Assets	N.A	N.A.
Demographic Assumptions Used to Determine the Defined Benefit		
Withdrawal Rate	2.00%	2.00%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Retirement Age	58 years	58 & 62 years (as provided by the Company)

NOTE 36 : RELATED PARTY DISCLOSURES (AS IDENTIFIED BY THE MANAGEMENT)

a) **Related Party Relationship:**

i) **Holding Company**

- Thrill Park Ltd. (up to 15/12/2017)

ii) **Key Managerial Personnel**

- Mr. Manmohan Shetty
- Mr. Kapil Bagla (up to 31/08/2017)
- Mr. Harjeet Chhabra (up to 15/07/2016)
- Mr. Rakesh Khurmi (up to 26/10/2016)
- Mr. Dhimant Bakshi
- Mr. Mayuresh Kore
- Mr. Ashutosh Kale
- Mr. Sitanshu Satapathy

iii) **Relatives**

- Ms. Pooja Deora
- Ms. Aarti Shetty

iv) **Entities Controlled by KMP**

- Thrill Park Ltd. (w.e.f. 16/12/2017)

Notes forming part of the Consolidated Financial Statements

b) Transaction with Related Parties (Excluding Reimbursements):

(₹ in Lakhs)

Sr. No	Nature of Transaction	Holding Company	Key Managerial Personnel	Relatives	Entities Controlled by KMP
1	**Loan**				
	Received During the year	-	1,811.00	-	-
		(1,669.96)	(969.00)	(-)	(-)
	Repaid During the year	-	1,806.61	-	1,089.99
		(709.75)	(1,410.95)	(-)	(-)
2	**Expenses**				
	Rent	-	105.53*	-	-
		-	(116.29*)	-	(-)
	Fees	-	49.56*	46.75*	-
		(-)	(-)	(120.65*)	(-)
	Remuneration	-	268.08	-	-
		(-)	(318.85)	(-)	(-)
	Royalty	-	1.18*	-	-
		(-)	(1.15*)	(-)	(-)
	Interest	-	515.54	-	-
		(-)	(878.68)	(-)	(-)

c) Outstanding as at 31st March, 2018:

(₹ in Lakhs)

Sr. No	Nature of Transaction	As at 31st March, 2018	Maximum o/s bal. during the year	As at 31st March, 2017	Maximum o/s bal during the year
1	**Long Term Borrowing**				
	Thrill Park Ltd.	-	-	-	1.04
2	**Short Term Borrowing**				
	Mr. Manmohan Shetty	4,876.61	4,876.61	4,058.05	4,500.00
	Thrill Park Ltd.	-	1,080.24	1,080.24	1,150.00
3	**Trade Payable**				
	Mr. Manmohan Shetty	81.59	81.59	31.55	31.55
	Ms. Pooja Deora	-	13.18	13.18	13.18
	Ms. Aarti Shetty	19.10	31.70	28.88	28.88
	Mr. Mayuresh Kore	11.21	11.21	2.63	2.63
	Mr. Kapil Bagla	31.07	31.07	-	-
	Mr. Dhimant Bakshi	17.21	17.21	4.81	4.81
	Mr. Ashutosh Kale	12.25	12.25	4.36	4.36
4	**Other Current Assets**				
	Thrill Park Ltd.	9.75	-	-	-

* The amount includes service tax / GST.

1. Figures in the bracket represent previous year figures
2. The Group has paid the Consultancy fees to Ms. Aarti Shetty ₹ 35.18 Lakhs (P.Y. ₹ 60.32 Lakhs), and Ms. Pooja Deora ₹ 11.58 Lakhs (P.Y. ₹ 60.33 Lakhs).
3. The Group has paid the Remuneration to Mr. Kapil Bagla ₹ 91.08 Lakhs (P.Y. ₹ 134.32 Lakhs), Mr Harjeet Chhabra ₹ Nil (P.Y. ₹ 52.99 Lakhs), Mr Ashutosh Kale ₹ 52.57 Lakhs (P.Y. ₹ 36.53 Lakhs), Mr Rakesh Khurmi ₹ Nil (P.Y. ₹ 35.74 Lakhs), Mr. Dhimant Bakshi ₹ 71.36 Lakhs (P.Y. ₹ 33.15 Lakhs)and Mr. Mayuresh Kore ₹ 53.06 Lakhs (P.Y. ₹ 26.12 Lakhs)
4. The Group has paid Rent for use of office premises located at 9th floor, Lotus Business Park, New Link Road, Andheri-West, Mumbai-400053. to Mr. Manmohan Shetty amounted to ₹ 105.53 Lakhs (P.Y. ₹ 116.29 Lakhs).
5. The Group has paid royalty of ₹ 1.18 Lakhs (P.Y. ₹ 1.15 Lakhs) to Mr. Manmohan Shetty
6. The Group has paid Interest of ₹ 515.54 Lakhs (P.Y. ₹ 878.68 Lakhs) on Loan taken from Mr. Manmohan Shetty.

Notes forming part of the Consolidated Financial Statements

NOTE 37 : FAIR VALUE MEASUREMENT

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are 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.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for Non-Current borrowings, loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(₹ in Lakhs)

	Carrying Amount as at 31st March, 2018	Fair value		
		Level 1	Level 2	Level 3
Financial Assets at Amortised cost				
Security Deposits	273.69	-	-	258.23
Trade receivables	511.62	-	-	-
Cash and cash equivalents	290.55	-	-	-
Other bank balances	3.46	-	-	-
Loans and Advances (Current)	5.21	-	-	-
Others (Current)	2,220.13	-	-	-
Total	**3,304.66**	**-**	**-**	**258.23**
Financial Liabilities at Amortised cost				
Long Term Borrowings	89,114.99	-	-	89,210.42
Short Term Borrowings	8,376.61	-	-	-
Trade payables	2776.32	-	-	-
Other financial liabilities	12,899.51	-	-	-
Other current liabilities	3,980.99	-	-	-
Provisions	25.47	-	-	-
Total	**1,17,173.89**	**-**	**-**	**89,210.42**

Notes forming part of the Consolidated Financial Statements

(₹ in Lakhs)

	Carrying Amount as at 31st March, 2017	Fair value		
		Level 1	Level 2	Level 3
Financial Assets at Amortised cost				
Security Deposits	313.15	-	-	312.05
Trade receivables	357.92	-	-	-
Cash and cash equivalents	711.86	-	-	-
Other bank balances	9.98	-	-	-
Loans and Advances (Current)	5.47	-	-	-
Others (Current)	639.82	-	-	-
Total	**2,038.20**	**-**	**-**	**312.05**
Financial Liabilities at Amortised cost				
Long Term Borrowings	98,681.90	-	-	98,798.91
Short Term Borrowings	6,138.29	-	-	-
Trade payables	3,081.32	-	-	-
Other financial liabilities	4,009.42	-	-	-
Other current liabilities	2,812.53	-	-	-
Provisions	17.82	-	-	-
Total	**1,14,741.28**	**-**	**-**	**98,798.91**

During the reporting period ending 31st March, 2018 and 31st March, 2017, there were no transfer between Level 1 and Level 2 fair value measurement.

NOTE 38 : FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES AND CAPITAL RISK MANAGEMENT

The Group financial risk management is an integral part of how to plan and execute its business strategies. The Group financial risk management policy is set by the Management Board.

Market Risk is the risk of loss of future earning, fair values or future cash flow that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, equity prices and other market changes that effect market risk sensitive instruments. Market Risk is attributable to all market risk sensitive financial instruments including investment and deposits , foreign currency receivables, payables and loans and borrowings.

The Group manages market risk through its Finance department, which evaluate and exercises independent control over the entire process of market risk management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest Rate Risk:

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk:

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Floating Rate Borrowings	1,02,571.94	1,00,133.93

Notes forming part of the Consolidated Financial Statements

Interest rate sensitivity

A change of 1% in interest rates would have following impact on profit before tax

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
1% increase in interest rate – Decrease in Profit	(1,015.11)	(914.02)
1% decrease in interest rate – increase in Profit	1,015.11	914.02

Foreign Currency Risk:

The Group is not exposed to significant foreign currency risk as at the respective reporting dates.

Liquidity Risk:

Liquidity Risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group net liquidity through rolling forecasts on the basis of expected cash flows.

Repayment of Term Loan as per below

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Within the next 12 months	9,956.95	1,665.50
Between 2 to 5 years	80,554.10	62,167.50
5 years and above	21,300.00	40,200.00

Credit Risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligation as agreed. To manage this, the group periodically assesses the financial reliability of customers, taking in to account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limit are set accordingly.

NOTE 39 : CAPITAL RISK MANAGEMENT

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Group may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

NOTE 40 : RATIOS OF CONSOLIDATION FOR NET ASSETS AND PROFIT AND LOSS ACCOUNT ARE AS FOLLOWS

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or (loss)	Amount (₹ in Lakhs)
1	2	3	4	5
Parent Company				
1. Adlabs Entertainment Limited	74.00%	29,175.09	(99.29%)	(15,543.60)
Indian Subsidiary Company				
2. WalkWater Properties Pvt Ltd.	26.00%	10,250.77	(0.71%)	(111.59)
3. Blue Haven Entertainment Ltd.	0.00%	(0.33)	(0.00%)	(0.81)

Notes forming part of the Consolidated Financial Statements

NOTE 41: SEGMENTAL REPORTING

DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 108 OPERATING SEGMENTS

Operating Segments:

Tickets	:	Theme Park, Water Park and Snow Park
Food and Beverage	:	Park Restaurant and Hotel Restaurant
Merchandise	:	Park Merchandise and Hotel Merchandise
Rooms	:	Hotel Accommodation
Other Operations	:	Parking, Lockers, Sponsorship, SPA, Revenue Sharing agreements & Lease Rentals

Identifications of Segments :

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure & income.

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Summary of the Segmental Information as at and for the year ended 31st March, 2018 is as follows:

(₹ in Lakhs)

	Tickets	Food and Beverage	Merchandise	Rooms	Other Operations	Unallocated	Total
Net Revenue	13,008.31	5,201.89	1,983.65	2,044.57	1,390.35	-	23,628.77
Segment Result before Interest and Taxes	(4,431.28)	1,889.39	409.23	(725.91)	716.49	132.75	(2,142.08)
Less: Finance Cost	-	-	-	-	-	(891.57)	(891.57)
Add: Interest and dividend income	-	-	-	-	-	(12750.25)	(12750.25)
Profit before Tax	(4,431.28)	1,889.39	409.23	(725.91)	716.49	(13,509.07)	(15,651.15)
Deferred Tax	-	-	-	-	-	-	-
Profit after tax	(4,431.28)	1,889.39	409.23	(725.91)	716.49	(13,509.07)	(15,651.15)
Other Information							
Segment assets	84,900.35	5,331.93	2,230.85	18,835.38	82.01	45,357.15	1,56,737.67
Segment liabilities	1,717.51	252.58	178.97	976.49	132.62	1,14,053.98	1,17,312.15
Capital Expenditure during the year	1,657.47	-	-	(59.41)	-	1.25	1,598.06
Depreciation and amortisation	7,817.95	434.52	102.92	886.97	-	15.36	9,258.15

Notes forming part of the Consolidated Financial Statements

Summary of the Segmental Information as at and for the year ended 31st March, 2017 is as follows:

(₹ in Lakhs)

	Tickets	Food and Beverage	Merchandise	Rooms	Other Operations	Unallocated	Total
Net Revenue	14,334.42	4,533.33	1,841.67	2,136.54	1,053.01	-	23,898.97
Segment Result before Interest and Taxes	(3,623.58)	1,168.99	329.27	(870.30)	455.79	(859.55)	(3,399.41)
Less: Finance Cost	-	-	-	-	-	(12,062.28)	(12,062.28)
Add: Interest and dividend income	-	-	-	-	-	51.81	51.81
Profit before Tax	(3,623.58)	1,168.99	329.27	(870.30)	455.79	(12,870.05)	(15,409.88)
Deferred Tax	-	-	-	-	-	3,586.78	3,586.78
Profit after tax	(3,623.58)	1,168.99	329.27	(870.30)	455.79	(9,283.27)	(11,823.10)
Other Information							
Segment assets	91,081.67	5,698.00	2,445.59	19,213.32	43.03	45,182.47	1,63,664.08
Segment liabilities	1,336.38	293.41	182.87	1,007.54	-	1,12,245.43	1,15,065.63
Capital Expenditure during the year	392.20	1.84	125.14	-	-	7.30	526.48
Depreciation and amortisation	7,798.93	440.50	103.72	1,104.10	-	20.92	9,468.17

NOTE 42:

The Term Loan and the Corporate Loan facility availed by the Group is secured by pari passu first charge on movable and immovable fixed assets of the Group including mortgage of 298 acres of land to consortium lead by Union Bank of India in favour of IDBI Trusteeship Services Ltd.

The said loan is also secured by first pari passu charge on Current assets of the Group.

Term Loan availed from Banks will be repaid over period of 5 to 10 years in unequal monthly installments starting from April, 2017.

Term Loan availed from Financial Institutions will be repaid over period of 10 years in unequal monthly installments starting from April, 2015.

Interest rate on term loan taken from Banks and Financial institutions varies from one year MCLR plus 2.25 to 2.50.

NOTE 43:

The Group has entered into settlement agreement with I.E Park, whereby the Company has settled dispute for EURO 4,50,000 being EURO 1,50,000 as compensation and EURO 3,00,000 in the form of discount on future purchase of rides/equipment.

The Compensation received (net of expenses incurred) is grouped under the head Other Income.

NOTE 44:

The Group has entered into a Share cum Warrant Subscription Agreement dated 19th June, 2017 with BENNETT COLEMAN AND COMPANY LIMITED (BCCL) to subscribe to,

- 12,48,684 equity shares for ₹ 95/- per share for an aggregate consideration of ₹ 1,186.25 Lakhs.
- 5 (Five) Warrants for ₹ 2,37,25,000/- per Warrant.

On 20th June, 2017, Company has allotted 12,48,684 equity shares at ₹ 95/- per share (Premium ₹ 85/- per share) and 5 (Five) Warrants for ₹ 2,37,25,000/- per Warrant (Premium ₹ 2,37,24,990/- per Warrant).

Utilisation of funds received through preferential issue of Equity Shares and Warrants in the following table:

A) For Issue of Equity Shares on Preferential Basis:

(₹ in Lakhs)

	Amount
Actual Funds received from issue of shares (100%)	1,186.25
Utilised : Advance Payment for advertising in the print and non-print media.	(1,186.25)

B) For Issue of Convertible Warrants on preferential basis:

(₹ in Lakhs)

	Amount
Actual Funds received from Warrant Subscription (25%)	296.56
Utilised : Towards deposit for Brand building through advertising in the print & non print media	(296.56)

NOTE 45:

On 15th December, 2017, Group has allotted 69,15,629 equity shares of FV ₹ 10 each at a price of ₹ 72.30/- per share (Premium ₹ 62.30/- per share) to Shaan Agro and Realty India Private limited for an aggregate consideration of ₹ 5,000.00 Lakhs

Utilisation of funds received through preferential issue of Equity Shares:

(₹ in Lakhs)

	Amount
Actual Funds received from issue of shares (100%)	5,000.00
Utilised:	
Towards Repayment of secured/unsecured debt	(2,345.00)
Towards General Corporate Purpose	(2,655.00)

As per our report of even date
For A. T. JAIN & CO.
Chartered Accountants
Firm Registration No : 103886W

Sushil T Jain
Partner
Membership No: 033809

Place: Mumbai
Date : 17th May, 2018

For and on behalf of the Board of Directors of
ADLABS Entertainment Limited

Manmohan Shetty
Chairman

Ashutosh Kale
Executive Director & Jt. CEO

Dhimant Bakshi
Jt. CEO

Mayuresh Kore
Chief Financial Officer

Madhulika Rawat
Company Secretary

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

(₹ In Lakhs)

S. No.	Particulars	Details	Details
1.	Name of the subsidiary	Walkwater Properties Private Limited	Blue Haven Entertainment Private Limited
2.	The date since when subsidiary was acquired	September 11, 2014	November 16, 2017
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding company	Same as holding company
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
5.	Share capital	2,156.63	1.00
6.	Reserves & surplus	8,057.10	(1.34)
7.	Total assets	11,630.93	0.66
8.	Total Liabilities	1,417.19	0.99
9.	Investments	0.00	0.00
10.	Turnover	42.61	0.00
11.	Profit before taxation	(112.31)	(0.81)
12.	Provision for taxation	0.00	0.00
13.	Profit after taxation	(112.31)	(0.81)
14.	Proposed Dividend	0.00	0.00
15.	Extent of shareholding (In percentage)	100.00	100.00

ADLABS ENTERTAINMENT LIMITED

Registered office: 30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 203
Tel.: +91 2192 669 900 | Fax: +91 22 4068 0088 | Website: www.adlabsimagica.com
E-mail: compliance@adlabsentertainment.com | CIN: L92490MH2010PLC199925

PROXY FORM - MGT 11

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

Name of the Member(s): ______________________ E-mail ID: ______________________

Registered Address : ______________________ Folio No./ Client ID: ______________________

DP ID:______________________

I/We being the Member(s) of ______________ equity shares of ₹ 10 each of Adlabs Entertainment Limited, hereby appoint:

1. Name : ______________________
   E-mail Id : ______________________
   Address : ______________________
   Signature : ______________________ or failing him
2. Name : ______________________
   E-mail Id : ______________________
   Address : ______________________
   Signature : ______________________ or failing him
3. Name : ______________________
   E-mail Id : ______________________
   Address : ______________________
   Signature : ______________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 9th Annual General Meeting of the Company, to be held on the 3rd day of August, 2018 at 11.30 a.m. at Imagica Theme Park, Imagica Capital, Adlabs - Imagica, 30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 203 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Resolutions	For	Against
1.	To consider and adopt: a) the audited financial statements of the Company for the financial year ended March 31, 2018, the reports of the Board of Directors and Auditors' thereon; and b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2018, the report of the Auditors' thereon.		
2.	To appoint a Director in place of Ms. Pooja Deora (DIN: 00013027), who retires by rotation and being eligible, offers herself for re-appointment.		
3.	To re-appoint Mr. Manmohan Shetty (DIN: 00013961) as a Chairman of the Company.		
4.	Sale of investments or shareholding of the Company in Walkwater Properties Private Limited, wholly owned subsidiary company and Surplus Land of approximately 65 acres of the Company.		
5.	Issue of securities to the Qualified Institutional Buyers.		

Signed this……………………………………………………… day of……………………………………… 2018

Affix Revenue Stamp

Signature of shareholder ______________ Signature of Proxy holder(s) ______________

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.

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ADLABS ENTERTAINMENT LIMITED

Registered office: 30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 203
Tel.: +91 2192 669 900 | Fax: +91 22 4068 0088 | Website: www.adlabsimagica.com
E-mail: compliance@adlabsentertainment.com | CIN: L92490MH2010PLC199925

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional attendance slip on request.

DP. Id*		Regd. Folio No.	
Client Id*		No. of Share(s) held	

NAME AND ADDRESS OF THE SHAREHOLDER

I/We hereby record my/our presence at the 9^{th} **ANNUAL GENERAL MEETING** on Friday, August 3, 2018 at 11:30 AM, at Imagica Theme Park, Imagica Capital, 30/31, Sangdewadi, Khopoli-Pali Road, Taluka Khalapur, District Raigad 410 203.

*Applicable for investors holding share(s) in electronic form.

Signature of the shareholder or proxy : ____

E-VOTING PARTICULARS

Event No.	User ID	*Default PAN/Sequence No.
180075		

* Only Members who have not updated their PAN with the Company / Depository participant shall use the default PAN in the PAN Field.

Note: Please read instructions given at Note No. 18 (Procedure for Voting through electronic means) to the Notice of the 9^{th} Annual General Meeting carefully before voting electronically. The voting time commences from July 31, 2018 (9:00 am) and ends on August 2, 2018 (5:00 pm). The voting module shall be disabled by LIIPL for voting thereafter.