



25 ANNUAL REPORT AND ACCOUNTS 2018



PRITISH NANDY COMMUNICATIONS LTD

www.pritishnandycom.com

THE CONTENT COMPANY.

BOARD OF DIRECTORS



PRITYSH NANDY
CHAIRMAN



UDAYAN BOSE
INDEPENDENT DIRECTOR



NABANKUR GUPTA
INDEPENDENT DIRECTOR



HEMA MALINI
INDEPENDENT DIRECTOR



RINA PRITYSH NANDY
NON-EXECUTIVE DIRECTOR



RAGHU PALAT
INDEPENDENT DIRECTOR



PALLAB BHATTACHARYA
WHOLETIME DIRECTOR & CEO



RANGITA PRITYSH NANDY
CREATIVE DIRECTOR

**PRITISH NANDY COMMUNICATIONS LTD
25 ANNUAL REPORT AND ACCOUNTS 2018**

BOARD OF DIRECTORS

Pritish Nandy | Chairman
Udayan Bose
Nabankur Gupta
Hema Malini
Rina Pritish Nandy
Raghu Palat
Pallab Bhattacharya | Wholetime Director & CEO
Rangita Pritish Nandy | Creative Director

COMPANY SECRETARY

Santosh Gharat

AUDITORS

BD Jokhakar & Co
Chartered Accountants

PRINCIPAL BANKER

Yes Bank
Nariman Point Mumbai 400021

REGISTERED OFFICE

87/88 Mittal Chambers Nariman Point Mumbai 400021

CORPORATE LEADERSHIP TEAM

Pallab Bhattacharya | Director & CEO, Chairman **Rangita Pritish Nandy | Creative Director**
Ishita Pritish Nandy | Chief Brand Strategist **Santosh Gharat | Company Secretary**
Yatender Verma | Vice President, Finance, Compliances & Legal Affairs **Anoop Kumar | Chief Production Officer**
Kishor Palkar | Chief Manager, Accounts **Imtiaz Chougale | Manager, Accounts**

THE CHAIRMAN'S STATEMENT

I welcome you all to your Company's 25th Annual General Meeting. It is a pleasure to be with you here today, on our 25th anniversary, and to share a few interesting insights with you.

This Company was founded on September 28, 1993 and here we are in another September, 25 years later, reflecting on how the content business has transformed over the past quarter century. We originally began with making news content. Our election shows on the national terrestrial broadcaster, Doordarshan were widely appreciated. Then came *The Pritish Nandy Show*, India's first signature show, another successful milestone. When satellite television came to India, we grew our portfolio successfully to include many different kinds of shows, including scripted entertainment content.

As the 21st century arrived, we saw an opportunity in making filmed content. Your Company was one of the first to corporatize what was then known as a risky and opaque business and we produced some memorable movies which defined our status as one of the most respected film makers. Our movies covered multiple genres and won many awards at festivals across the world. They did well at the box office too. And satellite channels like Star, which premiered most of them, found them popular.

Over the past two years, even as we continue to plan new movies, we have made yet another shift. We have re-engineered our content making skills to take advantage of the shift to streaming platforms that is taking place worldwide. Our first show, the first season of a serialized fiction show for Amazon Prime Video called *Four More Shots Please!* will premiere soon. With the positive research findings on the show, which is yet to stream, we have been commissioned to develop the next two seasons, a rare privilege.

Apart from this show, we are in discussion with different delivery systems for three new shows, one of which has been commissioned and another has been green lit and is about to shortly go into development. The third is being conceptualised. We are also looking at unscripted shows. As a content Company, the key assets of which lie in creativity and production excellence, we see the digital revolution as a wonderful new opportunity to take our business ahead and, at the same time, alter our risk profile from that of a purely filmed entertainment Company. We are not the only ones doing this but we are certainly one of the first to explore this new business opportunity with some success.

It may interest you to know that the Obamas too-- Barack and Michelle-- have now entered the same business. This has brought much excitement to the streamed content business and made it the fastest growing segment of the news and entertainment business globally.

At the same time, the motion picture business is also changing and new streaming platforms are actually putting movies out directly without going through an intermediate theatrical release. This is an interesting innovation and, for content makers like us, makes the business much less dependent on distribution and exhibition risks. However, your Company intends to continue making movies for theatres as well as hone its skills to meet the expectations of the new generation of millennial and Gen Z viewers who are driving the increasing consumption of digital content at home and on cell phones and laptops.

Our existing film library is still in demand and we have again during the year leased out satellite and streaming rights of our existing films to Star and Hotstar. The library has also been leased out to three more streaming platforms—Jio, Sony and Spuul—and we are talking to others as well, which demonstrates the keen interest satellite and streaming platforms have in our filmed content.

Last year, I spoke to you about how we are now emerging as a diversified maker of content for filmed entertainment, television shows and streaming—the fastest growing segment of our business. Content is the new powerhouse of the future and all major global players in emerging technologies are slowly recognizing the importance of original content, scripted and unscripted, to drive their businesses. As more and more data is consumed, more and more of your Company's content products will be viewed by larger and larger audiences across the world, localized in different languages.

The FAANG economy continues to derive its enormous strength from the power of creative content and your Company is stepping out of its old playbook and looking at new opportunities that are opening up as technology makes news and entertainment accessible to millions of more people across the globe.

The next two to three years will be exciting for us. More movies will be made on new themes. More serialized shows will explore new concepts in news and entertainment. And the sharp divide between fiction and nonfiction will blur as the market enlarges to accommodate audiences expecting to see more innovation. Barriers are breaking down as new media explores artificial intelligence, predictive analytics, machine learning algorithms, cybernetics and robotics, all coalescing to shape a new future for the world of content. And India is emerging as the new playground for innovative digital ideas.

Your Company will continue to play an important role in the emerging scenario. And as the digital marketplace grows larger and wider, more opportunities will open up for content makers like us who are initiating and leading the change today.

We are a 25 year old Company that is forever ready to demonstrate the agility of a start up.

We constantly hear about gender issues in our business. So it may be pertinent to point out that our Board of Directors has three women and there is equal gender representation among the working directors, and pay parity. Among the four top officers of the Company, two are women and there is no difference in what they get paid in comparison to the other two. PNC has always believed in gender equality and equal pay. In fact, our first streaming show on Amazon Prime Video has a predominantly woman crew and cast. It not only features four women in the main roles but also has a woman director, two women show runners, a woman cinematographer, two women writers, a woman editor and a woman creator of the show. I am sure you will agree this is quite a feat.

This statement will be incomplete without thanking all of you, our stakeholders. You have stayed with us for years and shared our vision for content that can challenge the best in the world. This is now happening. And your Company will seize the advantage now and grow as we go along the path of change. Thank you for bearing with us, for understanding how the nature and scope of our business is constantly evolving. As we try to stay ahead of the technology curve, I thank you for your support.

I thank our bankers, business associates, clients, consumers, and all members of Team PNC who have worked hard to keep pace in a swiftly changing world. We look forward to bettering our performance as we go ahead. The coming years will however continue to be challenging.

Thank you for being here today and for being part of this annual occasion when we meet, talk, share ideas. If there is anything more you want to know, please feel free to get in touch with our Vice President Yatender Verma at verma@prishnandy.com. The Company's website will also continue to keep you informed of all developments on a regular basis.

May I also recommend, in keeping with the general shift to online, that you provide us with your email ID so that we can directly inform you from time to time about all the interesting things we do?

It will also ensure that this Annual Report always reaches you in time.

To
The Members
Pritish Nandy Communications Limited

Your Directors have the pleasure of presenting the 25th Annual Report on the Company's business and operations together with audited financial statements for the financial year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

Total income for this year was ₹ 2,005.21 lakh as compared to ₹ 478.17 lakh for the earlier year. The Company made a profit of ₹ 157.59 lakh before tax as compared to a loss of ₹ 155.34 lakh before tax in the preceding year. Profit after deferred tax is ₹ 210.33 lakh.

Particulars	Standalone		In ₹ lakh
	Year ended March 31, 2018	Year ended March 31, 2017	
Income from operations	1,955.54	221.79	
Other income	49.67	256.38	
Total income	2,005.21	478.17	
Total expenditure	1,847.62	633.51	
Profit/ (loss) before exceptional and extra ordinary items and tax	157.59	(155.34)	
Current tax	20.00	0.19	
Profit/ (loss) after current tax	137.59	(155.53)	
Deferred tax	(72.74)	(18.16)	
Profit/ (loss) after deferred tax	210.33	(137.37)	
Dividend (%)	0	0	
Transfer to reserves	0	0	
Balance in statement of profit and loss	(280.00)	(488.03)	
Paid up capital	1,446.70	1,446.70	
Earnings per share (₹)	1.45	(0.95)	
Book value per share (₹)	56.04	54.60	

PRESENT ECONOMIC SITUATION AND PERFORMANCE OF THE COMPANY

A positive and upward trend in the media and entertainment sector and the increasing demand for content—filmed entertainment and serialized television and streaming shows—provides opportunities to your Company to grow its business. Your Company is well aligned with the audience's new content preferences and is clearly focussed on what appeals to younger viewers who are today's the largest consumers of content across different platforms.

As digital OTT platforms battle for mindshare of new age audiences, content makers like your Company see an increasing opportunity for creating innovative shows that can appeal to such platforms. Your Company is currently producing the first season of a 10-part fictional show set in Mumbai called Four More Shots Please! for Amazon Prime Video. Principal photography for the series is complete and post-production, quality check and the final delivery process is now on. With the positive research findings on the show, which is yet to screen its first season, your Company has already been commissioned to develop seasons two and three. Your Company is also engaged in discussions with other OTT players for developing scripted and unscripted shows.

Your Company continues to remain engaged in the development and production of filmed entertainment content. Three new feature film projects are in progress including one to be directed by Remo D'Souza and another by Anu Menon.

Your Company has also reissued the satellite broadcasting and digital streaming rights of its film library to Star and Hotstar. The film library is also being streamed on a non-exclusive basis on OTT platforms like Jio, Sony and Spuul.

In its 25th year of operations, your Directors believe that your Company has positioned itself as one of the more innovative multi-platform content production house in India with global reach and recognition. Its filmed entertainment products are widely respected. Its serialized content will soon be available across the globe, localized in different languages.

DIVIDEND

To conserve cash resources your Directors do not recommend any dividend for this year.

LISTING WITH THE STOCK EXCHANGES

The equity shares of the Company continue to remain listed with the Bombay Stock Exchange Ltd (BSE) and National Stock Exchange of India Ltd (NSE). The listing fees payable to both the stock exchanges for the year 2018-2019 have been paid.

TRANSFER TO RESERVES

Your Company has not transferred any amount to the general reserve.

DEPOSIT FROM PUBLIC

The Company has not accepted any deposits within the meaning of Sections 73, 74 and 76 of the Companies Act, 2013 (the Act) and the rules framed thereunder.

SUBSIDIARIES

The Company has two subsidiaries: PNC Digital Ltd and PNC Wellness Ltd. There are no associate companies within the meaning of Section 2(6) of the Act. There has been no material change in the nature of the business of its subsidiaries.

Pursuant to Section 129(3) of the Act, in addition to the financial statements provided under Section 129 (2) of the Act, consolidated financial statements of the Company and its subsidiaries in the same form and manner as that of its own shall also be laid before the Annual General Meeting of the Company. A statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is appended as Annexure 1.

Pursuant to the provisions of Section 136 of the Act the financial statements and consolidated financial statements of the Company along with relevant documents and separate audited accounts in respect of its subsidiaries are available on the Company's website.

PNC Digital Limited

There has been no material change in the nature of the business of this subsidiary. Its principal business is sourcing content for digital streaming, setting up delivery systems for digital streaming and running the business of content aggregation as well as any other technology business using the internet as its primary delivery platform. Efforts till date have not translated into revenue generation but this subsidiary will continue its efforts. Essentially this subsidiary will function as a bridge between content producers and digital distributors. There is no revenue generated in the year 2017-18 resulting in a loss.

PNC Wellness Limited

There has been no material change in the nature of the business of this subsidiary. It is in dialogue with other business enterprises to expand the wellness business through the digital medium. This subsidiary owns several wellness brands like Moksh, Power Yoga, Passion Yoga, Cool Yoga, Couple Yoga, etc. and is exploring avenues to commercialise its aforesaid brands by introducing them into a joint venture wellness enterprise. Considering that there was no revenue generation during the year, your Company has made further provision for diminution in values of its investments by 1/5th of its book value. The holding Company is facilitating and supporting the revival of this subsidiary's business.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- they 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 of the Company for that period;
- they 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;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and such internal financial controls were adequate and operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and Articles of Associations of the Company, Rina Pritish Nandy, Director of the Company, retires by rotation at the ensuing Annual General Meeting, and being eligible, offers herself for re-appointment.

COMPLIANCE ON CRITERIA OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent Director under Section 149(7) of the Act, that he/ she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

During the year, except for the sitting fees, the independent Directors of the Company had no other pecuniary relationship or transactions with the Company.

PARTICULARS OF EMPLOYEES

This disclosure required to be furnished pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure II.

BOARD MEETINGS HELD DURING THE YEAR

As required under the Act and Listing Regulations, during the year 4 meetings of the Board of Directors were held and one meeting of independent Directors was also held. The details of the meetings of the Board are furnished in the Corporate Governance Report.

ANNUAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors including independent Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed in the Listing Regulations.

Further, the independent Directors, at their exclusive meeting held during the year on March 28, 2018, reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF FINANCIAL YEAR TILL THE DATE OF REPORT

There has been no material change and commitment, affecting the financial performance of the Company occurred between the end of the financial year of the Company to which the financial statements relate till the date of this report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of this Directors' report.

AUDITORS

The term of existing Statutory Auditors BD Jokhakar and Co, Chartered Accountants (FRN 104345W), is coming to an end at the conclusion of the forthcoming Annual General Meeting. Your Directors recommend re-appointment of BD Jokhakar and Co, Chartered Accountants, (FRN 104345W) to hold office for four more financial years from the conclusion of the forthcoming Annual General Meeting till the conclusion of 29th Annual General Meeting to be held for the year ending on March 31, 2022.

AUDITORS' REPORT

The Auditors' Report does not contain any qualifications, reservations or adverse remarks.

In the Emphasis of Matter paragraph, the auditors have stated:

"We draw attention to Note 37(a) on the standalone Ind AS financial statements which relates to investment in wholly owned subsidiary company "PNC Wellness Ltd.". The investment in this subsidiary stands at ₹ 174.60 lakh whereas the net worth of the subsidiary is ₹ 72.38 lakh as at March 31, 2018. Considering that company has made provision for diminution in value of investment in this subsidiary by 1/5th of its book value and considers the balance retained book value as fully realizable no further provision is made for the diminution in book value of investment which is considered as temporary.

We further draw attention to Note 37(b) on the standalone Ind AS financial statements which relates to investment in subsidiary company "PNC Digital Ltd.". The investment in this subsidiary stands at ₹ 70.20 lakh whereas the net worth of the subsidiary is ₹ 8.37 lakh as at March 31, 2018. The Company has agreed to provide its films to this subsidiary to explore revenue opportunities on the digital platform and exploit it to its commercial advantage. In view of the fact that this subsidiary has unfettered access to the film content of the Holding company and requires no additional substantive capital deployment to generate revenue no provision for diminution in value of investment, which is considered temporary, has been made in the accounts.

We further draw attention to Note 39(a) on the standalone Ind AS financial statements which describe the facts related to the legal proceedings initiated by the Company for the recovery of an advance of ₹ 150.00 lakh. The management considers the same as good and fully recoverable. The legal opinion obtained by the Company supports this. We have relied on the opinion and consequently the Company has not made provision of any amount there against.

We further draw attention to Note 39(b) on the standalone Ind AS financial statements which describes that the Company has received an award of ₹ 352.00 lakh in its favour in the arbitration case filed against White Feather Films. The Company has also received a revised order for the amount of interest, which the Company has not found satisfactory and hence it has moved an appeal with the Bombay High Court. White Feather Films has gone in appeal against the above said award and has been directed to deposit an amount of ₹ 300.00 lakh by the Bombay High Court. Proceedings are ongoing.

We further draw attention to Note 40 on the standalone Ind AS financial statements which describes the facts related to the arbitration proceedings initiated by the Company against Prasara Bharati on account of wrongful encashment of bank guarantee of ₹ 750.50 lakh. The Company has obtained legal opinion from Justice AM Ahmadi, former Chief Justice of Supreme Court of India, which supports the Company's stand that the amount is fully recoverable and hence no provision is made there against.

Our opinion is not modified in respect of the above matters."

Your Directors confirm that the matters referred to in the segment relation to Emphasis of Matter by the independent auditors in their report have been clarified in Notes 37(a), 37(b), 39(a), 39(b) and 40 to the financial statements forming part of the Balance Sheet and Statement of Profit and Loss and are self-explanatory and reproduced below:

NOTE – 37

a. Investment in subsidiary – PNC Wellness Limited

The Company has an investment of ₹ 174.60 lakh (L Y ₹ 232.80 lakh) in equity shares of wholly owned subsidiary viz. PNC Wellness Limited. The net worth of this subsidiary is ₹ 72.38 lakh as on March 31, 2018. This subsidiary, which owns several wellness brands like Moksh, Power Yoga, Passion Yoga, Cool Yoga, Couple Yoga, etc is exploring avenues to commercialise its aforesaid brands. This subsidiary is in the process of realigning its business by making efforts to commercialise and lease its various brands through collaborative arrangements with other parties. The Company is facilitating and supporting the revival of this subsidiary's business. There was no revenue generation by this subsidiary during the year under review. Considering that there was no revenue generation during the year under review the management has made provision for diminution in value of investment in this subsidiary by 1/5th of its book value and considers the retained book value as fully realizable. No further provision is made for the diminution in book value of investment which is considered as temporary.

b. Investment in subsidiary – PNC Digital Limited

The Company has an investment of ₹ 70.20 lakh (L Y ₹ 70.20 lakh) in equity shares of subsidiary viz. PNC Digital Limited. The net worth of this subsidiary is ₹ 8.37 lakh as on March 31, 2018.

The Company has agreed to provide its films to this subsidiary to explore revenue opportunities on the digital platform and exploit it to its commercial advantage but this subsidiary Company was not able to generate income from its operational activities in the year gone by. This subsidiary will continue its efforts. In view of the fact that this subsidiary has unfettered access to the film content of the holding company and requires no additional substantive capital deployment to generate revenue, no provision for diminution in value of investment, which is considered temporary, has been made in the accounts. This Company will leverage its market standing to facilitate other smaller production houses to gain access to large digital content distributors to facilitate them getting better prices and commercial terms for their content.

NOTE – 39

a. The Company has initiated legal proceedings for recovery of an advance of ₹ 150.00 lakh which was given against the music, Asian and Indian satellite rights of a film, where the Company has lien over the exploitation of the said rights. The management considers the same as good and fully recoverable. Legal opinion obtained by the Company supports this.

Auditors have relied on the opinion and consequently no provision has been made in the accounts at this stage. Legal proceedings are ongoing.

b. The Company has received an award of ₹ 352.00 lakh in its favour in the arbitration case filed against White Feather Films. The Company has also received a revised order for the amount of interest, which the Company has not found satisfactory and hence it has moved an appeal with the Bombay High Court. White Feather Films has gone in appeal against the above said award and has been directed to deposit an amount of ₹ 300.00 lakh by the Bombay High Court. Proceedings are ongoing and in view of the same, outstanding of ₹ 317.53 lakh is considered as fully recoverable.



DIRECTORS' REPORT

PRITISH NANDY COMMUNICATIONS LTD
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NOTE – 40

Arbitration proceedings initiated by the Company against Prasar Bharati on account of wrongful encashment of bank guarantee of ₹ 750.50 lakh. The Company has obtained legal opinion from Justice AM Ahmadi, former Chief Justice of Supreme Court of India, which supports the Company's stand that the amount is fully recoverable and hence no provision is made there against.

SECRETARIAL AUDITOR'S REPORT

VN Deodhar and Company, Practicing Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for the year 2017-18, as required under Section 204 of the Act and rules thereunder.

The Secretarial Auditor's Report is given as Annexure III which forms part of this report. The Secretarial Auditor's Report states that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned therein except in the following case:

1. The Company has not appointed Chief Financial Officer as required under the provisions of Section 203(iii) of the Act, 2013 and the Listing Agreements with Stock Exchanges

Your Directors state that:

1. Your Company had already advertised in newspapers to fill up the vacancy of Chief Financial Officer (CFO). No suitable candidate was found. Hence, appointment of CFO could not be made. Your Company is continuing with its advertisement on the Company's website to identify and appoint a suitably qualified person.

MANAGEMENT DISCUSSIONS AND ANALYSIS

A detailed report on Management Discussion and Analysis is enclosed with this report.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the organization. To maintain its objectivity and independence, the Internal Auditor submits his report to the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of the internal control system of the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of the Internal Auditor, officers undertake corrective action in their respective areas and thereby strengthen control. Significant audit observations and corrective actions suggested are presented to the Audit Committee of the Board.

RISK MANAGEMENT

The Company has adopted a Risk Management Policy, pursuant to the provisions of Section 134 of the Act, which enables identification and evaluation of business risks and opportunities. This policy seeks to create transparency, minimize adverse impacts on business objectives and enhance the Company's competitive advantage. The Company has constituted a Business Process and Risk Management Committee to monitor the risks and their mitigating actions continuously.

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

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

TRANSACTIONS WITH RELATED PARTIES

All Related Party Transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. Details of Related Party Transactions are disclosed in Note 34 of the Audited Financial Statements of the Company.

EXTRACT OF ANNUAL RETURN

Under Section 92(3) of the Act, the extract of annual return is given in Annexure IV in the prescribed form MGT-9, which forms part of the report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, your Company has constituted an Internal Complaints Committee (ICC). While maintaining the highest governance norms, the Company has appointed an external independent person who has worked in this area and has the requisite experience in handling such matters.

During the year, no complaint of sexual harassment was received by the Company. To build awareness in this area, the Company has been conducting induction/ refresher programmes in the organisation on a continuous basis.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's CSR policy is aimed at demonstrating care for the community through its focus on education, skill development, health, wellness and research on content.

Further, in accordance with the provisions of Section 135 of the Act and rules made thereunder, the Company has adopted and constituted a CSR Committee of Directors comprising of the following:

1. Nabankur Gupta (Chairman)
2. Pallab Bhattacharya
3. Hema Malini

The detailed policy and constitution of the committee is available on the Company's website.

No CSR provision is applicable for the financial year ended on March 31, 2018 as the average net profit of the Company for the last three financial years is a loss. The Company was required to spend an amount of ₹ 0.68 lakh on CSR activities during the year 2016-17. In discharge of the aforesaid obligation, the Company has made a donation of ₹ 0.68 lakh to Shree Jagatbharati Education and Charitable Trust, Gujarat which is imparting vocational training of computer hardware and networking, handicrafts, tailoring and embroidery to deserving and underprivileged men and women.

DISCLOSURE REQUIREMENT

As per Listing Regulations, Corporate Governance Report with auditor's certificate thereon and Management Discussion and Analysis are attached, which forms part of this report.

Details of the familiarization programme of the independent Directors are available on the website of the Company.

Policy for determining material subsidiaries of the Company is available on the website of the Company.

Policy on dealing with related party transactions is available on the website of the Company.

The website of the Company is www.pritishnandy.com.

The Company has formulated and published a Whistle Blower Policy to provide vigil mechanism for employees including Directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of Section 177(9) of the Act and the Listing Regulations with stock exchanges.

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

As per Section 134(3) (m) of the Act, the particulars of Energy Conservation, Research and Development and Technology Absorption are not applicable to your Company.

Foreign Exchange Earnings and Outgo during the year are given in note 7.1, 25.1 and 31.1 of the Financial Statements of the Company.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

There are no amounts which remained unclaimed and unpaid, for a period of 7 years from the date of declaration of dividend.

ACKNOWLEDGMENT

The Board thanks all stakeholders in the Company, clients, bankers and financial institutions for their continued support during this current year. It also wishes to record its appreciation of the efforts put in by members of Team PNC and associates of the Company.

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Udayan Bose
Director
DIN: 00004533

ANNEXURE I

STATEMENT PURSUANT TO FIRST PROVISOR TO SUB-SECTION (3) OF SECTION 129 OF COMPANIES ACT, 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC - 1 RELATING TO SUBSIDIARY COMPANIES

(In ₹ lakh)

PARTICULARS		PNC Wellness Ltd	PNC Digital Ltd
Sr. No.	Name of Subsidiary Company		
1.	Reporting currency	INR	INR
2.	Exchange rate	NA	NA
3.	Share capital	66.00	50.00
4.	Reserves and surplus	6.38	(41.63)
5.	Total assets	90.22	16.05
6.	Total liabilities (except share capital and reserve and surplus)	17.84	7.68
7.	Investments	0.00	0.00
8.	Turnover (including other income)	0.00	0.58
9.	Profit/ (loss) before taxation	(5.72)	(3.82)
10.	Provision for taxation (including deferred tax)	7.80	0.00
11.	Profit/ (loss) after taxation	(13.52)	(3.82)
12.	Proposed dividend	Nil	Nil
13.	% of shareholding	100%	99.78%

Note: 1. Reporting period for all the Subsidiaries is March 31, 2018.

ANNEXURE II

THE INFORMATION REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE GIVEN BELOW

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year

Description	Ratio of median remuneration
Wholetime Directors	
Pallab Bhattacharya	5.57
Rangita Prithish Nandy	5.45

b. The percentage increase in remuneration of Wholetime Director and CEO, Creative Director and Company Secretary in the financial year

Name	% increase in remuneration in the financial year
Pallab Bhattacharya, Wholetime Director and CEO	Nil
Rangita Prithish Nandy, Creative Director	Nil
Santosh Gharat, Company Secretary	17.65

c. The percentage increase in the median remuneration of employees in the financial year: 35.26%.

The number of permanent employees on the rolls of Company: 16

d. The explanation on the relationship between average increase in remuneration and Company Performance

The increment in remuneration during the year 2017-2018 was 15.87%. However, no increment in remuneration were given to Pallab Bhattacharya, Rangita Nandy and Ishita Prithish Nandy.

e. Comparison of the remuneration of the key managerial personnel against the performance of the Company

Aggregate remuneration of Key Managerial Personnel (KMP): for the year 2017-18	Amount (In ₹ lakh)
Revenue	2,005.21
Remuneration of KMP (as % of revenue)	3.10
Profit/ (loss) before tax (PBT)	157.59
Remuneration of KMP (as % of PBT)	39.45

f. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year

Particulars	March 31, 2018	March 31, 2017	% Change
Market Capitalization (in ₹ lakh)	2,126.65	3,052.54	(30.33)
Price Earnings Ratio	10.14	(22.21)	145.64

g. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer

Particulars	March 31, 2018	IPO	% Change
Market Price (BSE)	14.70	155	(90.52)
Market Price (NSE)	14.55	155	(90.61)

h. 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

There was no increment to Executive Directors during the year.

i. Comparison of remuneration of each key managerial personnel against the performance of the Company

This year was devoted to finishing and producing the first season of a 10-part fictional show set in Mumbai called Four More Shots Please! for Amazon Prime Video. Principal photography for the series is complete and post-production, quality check and the final delivery process is now on. Therefore, the aforesaid comparison is not applicable.

j. The key parameters for any variable component of remuneration availed by the Directors: The Company does not have any variable component of remuneration availed by the Directors.

k. The ratio of the remuneration of the highest paid director to that of the employees who are Not Directors but receive remuneration in excess of the highest paid Director during the year

There is no employee drawing remuneration which exceeds the remuneration of the highest paid Director.

l. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms that remuneration is as per the remuneration policy of the Company.

m. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

There was no employee drawing remuneration of rupees sixty lakh per annum or rupees five lakh per month.



ANNEXURE TO DIRECTORS' REPORT

BRITISH NANDY COMMUNICATIONS LTD
THE 25TH ANNUAL REPORT AND ACCOUNTS 2018

ANNEXURE III

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 PERSONNEL) RULES, 2014]

To
The Members
British Nandy Communications Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by British Nandy Communications Limited (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 verification of the British Nandy Communications Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, 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, minute books, forms and returns filed and other records maintained by British Nandy Communications Limited ("the Company") 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 there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit period); and
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi. We have been informed that the management has identified and confirmed the following law as specifically applicable to the Company:
 - a. The Cinematograph Act, 1952
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 Bombay Stock Exchange and National Stock Exchange in respect of Issue and Listing of Securities;

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

1. The Company has not appointed Chief Financial Officer as required under the provisions of Section 203(iii) of the Act, 2013 and the Listing Agreements with Stock Exchanges.

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.

Adequate notice is 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.

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

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 VN Deodhar and Co

Vinayak N Deodhar
Proprietor
FCS number 1880
CP number 898

Mumbai, July 18, 2018

ANNEXURE A TO THE SECRETARIAL AUDIT REPORT

To
The Members
British Nandy Communications Limited

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

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial Records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the Compliance of Laws, Rules and Regulations and happening of events, etc.
5. The Compliance of provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedure on 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.

For VN Deodhar and Co

Vinayak N Deodhar
Proprietor
FCS number 1880
CP number 898

Mumbai, July 18, 2018

ANNEXURE IV

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

- i. CIN - L22120MH1993PLC074214
- ii. Registration Date - September 28, 1993
- iii. Name of the Company – Pritish Nandy Communications Ltd
- iv. Category/ sub-Category of the Company – Company limited by Shares
- v. Address of the registered office and contact details
Pritish Nandy Communications Ltd
87/88 Mittal Chambers, Nariman Point, Mumbai 400021
Tel : 91-22-42130000
Fax: 91-22-42130033
Website :www.pritishnandycom.com
- vi. Whether listed company: Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any
Link Intime India Private Ltd
C-121, 247 Park, LBS Marg
Vikhroli (West)
Mumbai 400 083
Tel : 91-22-49186000
Fax: 91-22-49186060
Website: www.linkintime.co.in

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:

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Film production and media consultancy	921	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	PNC Digital Ltd Address: 87/88 Mittal Chambers, Nariman Point, Mumbai 400021	U22110MH1994PLC076934	Subsidiary	99.78	2(87)
2.	PNC Wellness Ltd Address: 87/88 Mittal Chambers, Nariman Point, Mumbai 400021	U55100MH1999PLC120196	Subsidiary	100.00	2(87)

IV. STATEMENT SHOWING SHAREHOLDING PATTERN

a. Category-wise share holding

Category of Shareholders		No. of Shares held at the beginning of the year (i.e. as on April 1, 2017)				No. of Shares held at the end of the year (i.e. as on March 31, 2018)			
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
A.	Promoters								
1.	Indian								
	a. Individual/ HUF	3,896,307	0	3,896,307	26.93	3,896,307	0	3,896,307	26.93
	b. Central Government	0	0	0	0	0	0	0	0
	c. State Government (s)	0	0	0	0.00	0	0	0	0
	d. Bodies Corporate	2,098,232	0	2,098,232	14.51	2,098,232	0	2,098,232	14.51
	e. Banks/ Financial Institutions	0	0	0	0.00	0	0	0	0
	f. Any Other	0	0	0	0.00	0	0	0	0
	Sub-total (A)(1)	5,994,539	0	5,994,539	41.44	5,994,539	0	5,994,539	41.44
2.	Foreign								
	a. NRIs – Individuals	0	0	0	0.00	0	0	0	0
	b. Others – Individuals	0	0	0	0.00	0	0	0	0
	c. Bodies Corporate	0	0	0	0.00	0	0	0	0
	d. Banks/ Financial Institutions	0	0	0	0.00	0	0	0	0
	e. Any Other	0	0	0	0.00	0	0	0	0
	Sub-total (A)(2)	0	0	0	0.00	0	0	0	0
	Total Shareholding of Promoters/ Promoter Group (A) = (A)(1)+(A)(2)	5,994,539	0	5,994,539	41.44	5,994,539	0	5,994,539	41.44

Category of Shareholders			No. of Shares held at the beginning of the year (i.e. as on April 1, 2017)				No. of Shares held at the end of the year (i.e. as on March 31, 2018)			
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
B.		Public Shareholding								
1.	a.	Institutions								
	b.	Mutual Funds	0	0	0	0.00	0	0	0	0.00
	c.	Banks/ Financial Institutions	217,334	0	217,334	1.50	192,653	0	192,653	1.33
	d.	Central Government	0	0	0	0.00	0	0	0	0.00
	e.	State Government (s)	0	0	0	0.00	0	0	0	0.00
	f.	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00
	g.	Insurance Companies	25,000	0	25,000	0.17	25,000	0	25,000	0.17
	h.	Foreign Institutional Investors	1,424,239	0	1,424,239	9.85	0	0	0	0.00
	i.	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00
	j.	Others (specify)	0	0	0	0.00	0	0	0	0.00
Sub-total (B)(1)			1,666,573	0	1,666,573	11.52	217,653	0	217,653	1.50
2.		Non-Institutions								
	a.	Bodies Corporate								
	1.	Indian	424,399	1	424,400	2.93	1,704,013	1	1,704,014	11.78
	2.	Overseas	475,000	0	475,000	3.28	475,000	0	475,000	3.28
	b.	Individuals								
	1.	Individual shareholders holding nominal share capital upto ₹ 1 Lakh	2,369,461	4,280	2,373,741	16.41	2,245,059	4,280	2,249,339	15.55
	2.	Individual shareholders holding nominal share capital in excess ₹ 1 Lakh	3,048,620	0	3,048,620	21.07	3,121,040	0	3,121,040	21.57
	c.	Others (specify)								
	1.	Trusts	3,000	0	3,000	0.02	3,000	0	3,000	0.02
	2.	Clearing members	131,568	0	131,568	0.91	153,501	0	153,501	1.06
	3.	HUFs	243,142	0	243,142	1.68	405,030	0	405,030	2.80
	4.	Non resident Indians (Non Repat)	6,100	0	6,100	0.04	6,700	0	6,700	0.05
	5.	Other directors	70,000	0	70,000	0.48	50,000	0	50,000	0.35
	6.	Non resident Indians (Repat)	30,317	0	30,317	0.21	87,184	0	87,184	0.60
Sub-total (B)(2)			6,801,607	4,281	6,805,888	47.04	8,250,527	4,281	8,254,808	57.06
Total Shareholding (B)= (B) (1)+(B)(2)			8,468,180	4,281	8,472,461	58.56	8,468,180	4,281	8,472,461	58.56
Total (A) + (B)			14,462,719	4,281	14,467,000	100.00	14,462,719	4,281	14,467,000	100.00
C.		Share held by Custodian for GDRs and ADRs Public	0	0	0	0.00	0	0	0	0
Grand total (A+B+C)			14,462,719	4,281	14,467,000	100.00	14,462,719	4,281	14,467,000	100.00

b. Shareholding of promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (i.e. as on April 1, 2017)			Shareholding at the end of the Year (i.e. as on March 31, 2018)			% Change in Share holding during the years
		No. of Shares	% of total shares of the Company	% of Share Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Share Pledged / encumbered to total shares	
1.	Pritish Nandy	2,952,197	20.41	0.00	2,952,197	20.41	0.00	0.00
2.	Artinvest India Pvt Ltd	1,394,789	9.64	0.00	1,394,789	9.64	0.00	0.00
3.	Ideas.com India Pvt Ltd	703,443	4.86	0.00	703,443	4.86	0.00	0.00
4.	Rina Pritish Nandy	625,000	4.32	0.00	625,000	4.32	0.00	0.00
5.	Rangita Pritish Nandy	193,500	1.34	0.00	193,500	1.34	0.00	0.00
6.	Ishita Pritish Nandy	125,610	0.87	0.00	125,610	0.87	0.00	0.00
	Total	5,994,539	41.44	0.00	5,994,539	41.44	0.00	0.00

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

	Shareholding at the beginning of the year (i.e. as on April 1, 2017)		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year				
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	No Change			
At the end of the year				

d. Shareholding pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the year April 1, 2017		Transactions during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date of transaction	No. of shares	No. of shares	% of total shares of the Company
1	Kamal M Morarka	1,495,659	10.34	NA	0	1,495,659	10.34
2	Gannon Dunkerley Finance Ltd	0	0.00				
				April 14, 2017	924,214	924,214	6.39
				April 28, 2017	25	924,239	6.39
				May 5, 2017	478,338	1,402,577	9.70
				March 2, 2018	265	1,402,842	9.70
3	MCPI Holdings Limited	475,000	3.28	NA	0	475,000	3.28
4	Chandra Prakash Bharech	5,000	0.03				
				May 5, 2017	300	5,300	0.04
				May 12, 2017	9,700	15,000	0.10
				June 2, 2017	38,437	53,437	0.37
				June 9, 2017	1,424	54,861	0.38
				June 23, 2017	(7,412)	47,449	0.33
				July 7, 2017	11,781	59,230	0.41
				July 14, 2017	5,000	64,230	0.44
				July 21, 2017	(5,000)	59,230	0.41
				July 28, 2017	19,420	78,650	0.54
				August 11, 2017	10,000	88,650	0.61
				August 18, 2017	1,718	90,368	0.62
				August 25, 2017	5,156	95,524	0.66
				September 1, 2017	8,750	104,274	0.72
				September 8, 2017	726	105,000	0.73
				September 15, 2017	10,000	115,000	0.79
				October 13, 2017	16,297	131,297	0.91
				November 10, 2017	8,649	139,946	0.97
				November 17, 2017	6,546	146,492	1.01
				November 24, 2017	(11,468)	135,024	0.93
				December 8, 2017	(6,920)	128,104	0.89
				December 15, 2017	(67,957)	60,147	0.42
				December 22, 2017	(586)	59,561	0.41
				December 29, 2017	15,522	75,083	0.52
				January 5, 2018	20,938	96,021	0.66
				January 12, 2018	25,600	121,621	0.84
				January 19, 2018	14,737	136,358	0.94
				January 26, 2018	1,300	137,658	0.95
				February 16, 2018	20,000	157,658	1.09
				March 9, 2018	5,000	162,658	1.12
				March 16, 2018	8,650	171,308	1.18
5	Parag Suresh Kamat	134,866	0.93	NA	0	134,866	0.93
				June 9, 2017	125	134,991	0.93
				June 30, 2017	260	135,251	0.93
				July 7, 2017	995	136,246	0.94
				July 21, 2017	600	136,846	0.95
				August 11, 2017	200	137,046	0.95
				August 18, 2017	500	137,546	0.95
				August 25, 2017	530	138,076	0.95
				September 15, 2017	250	138,326	0.96
				October 6, 2017	500	138,826	0.96
				October 13, 2017	700	139,526	0.96
				November 17, 2017	510	140,036	0.97
				November 24, 2017	1,660	141,696	0.98
				December 15, 2017	17	141,713	0.98
				February 2, 2018	868	142,581	0.99
				February 9, 2018	3,977	146,558	1.01
				February 23, 2018	171	146,729	1.01
				March 2, 2018	759	147,488	1.02
				March 9, 2018	1,800	149,288	1.03
6	Naminder Singh Dhir	142,433	0.98	NA	0	142,433	0.98
7	Poonamchand Ramnarayan Rathi	125,676	0.87	April 14, 2017	7,321	132,997	0.92
8	Sushma Daga	127,000	0.88	NA	0	127,000	0.88

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the year April 1, 2017		Transactions during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date of transaction	No. of shares	No. of shares	% of total shares of the Company
9	Sonal Parag Kamat	88,460	0.61	NA	0	88,460	0.61
				June 30, 2017	125	88,585	0.61
				July 21, 2017	400	88,985	0.62
				September 15, 2017	250	89,235	0.62
				November 10, 2017	240	89,475	0.62
				November 17, 2017	9,744	99,219	0.69
				November 24, 2017	7,870	107,089	0.74
				December 1, 2017	312	107,401	0.74
				December 8, 2017	1,902	109,303	0.76
				December 15, 2017	197	109,500	0.76
				January 19, 2018	2,200	111,700	0.77
				January 26, 2018	1,517	113,217	0.78
				February 2, 2018	100	113,317	0.78
				February 9, 2018	1,000	114,317	0.79
		March 2, 2018	100	114,417	0.79		
10	Hasmukh Parekh	0	0.00	February 23, 2018	100,000	100,000	0.69
11	Mustafa Rajkotwala	90,331	0.62	NA	0	90,331	0.62
12	APMS Investment Fund Ltd	904,239	6.25	April 14, 2017	924,239	0	0.00
13	Elara India Opportunities Fund Ltd	500,000	3.46	April 28, 2017	500,000	0	0.00

e. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Folio/Beneficiary Account no	Name of the Shareholders	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	IN300126-10509983	Pallab Bhattacharya	At the beginning of the year	50,000	0.34	50,000	0.34
			At the end of the year	50,000	0.34	50,000	0.34
2.	IN301151-23126481	Nabankur Gupta	At the beginning of the year	26,702	0.18	20,000	0.14
			At the end of the year	20,000	0.14	20,000	0.14

V. INDEBTEDNESS

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

In ₹ lakh

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal amount	577.45	0.00	0.00	577.45
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not due	0.00	0.00	0.00	0.00
Total	577.45	0.00	0.00	577.45
Change in Indebtedness during the financial year				
i. Addition	8.36	0.00	0.00	8.36
ii. Reduction	(152.37)	0.00	0.00	(152.37)
Net change	(144.01)	0.00	0.00	(144.01)
Indebtedness at the end of the financial year				
i. Principal amount	433.44	0.00	0.00	433.44
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not due	0.00	0.00	0.00	0.00
Total	433.44	0.00	0.00	433.44

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Remuneration to Managing Director, Wholtime Directors and/ or Manager:

In ₹ lakh

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Pallab Bhattacharya WTD and CEO	Rangita Nandy Creative Director	
1.	Gross salary			
	a. Salary as per provisions contained under Section 17(1) of the Income Tax Act, 1961	20.91	20.43	41.34
	b. Value of perquisites under Section 17(2) Income Tax Act, 1961	0.00	0.00	0.00
	c. Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0.00	0.00	0.00
2.	Stock option	0.00	0.00	0.00
3.	Sweat equity	0.00	0.00	0.00
4.	Commission	0.00	0.00	0.00
	- as % of profit			
	- others, specify...			
5.	Others, please specify	8.07	8.13	16.20
	Total (a)	28.98	28.56	57.54
	Ceiling as per the Act	Not Applicable		

b. Remuneration to other Directors:

In ₹ lakh

Sr. No.	Particulars of Remuneration	Name of Directors		Amount
		Fee for attending Board/ Committee Meetings	Commission/ Others, please specify	
1.	Independent, Non-Executive Directors			
	a. Udayan Bose	3.60	0.00	3.60
	b. Nabankur Gupta	3.60	0.00	3.60
	c. Hema Malini	0.40	0.00	0.40
	d. Raghu Palat	2.80	0.00	2.80
	Total (1)	10.40	0.00	10.40
2.	Other Non-Executive Directors			
	a. Pritish Nandy	1.60	0.00	1.60
	b. Rina Pritish Nandy	1.20	0.00	1.20
	Total (2)	2.80	0.00	2.80
	Total managerial remuneration (1+2)	13.20	0.00	13.20
	Overall ceiling as per the Act	Ceiling as is not applicable since only sitting fees are paid to Independent and Non-executive Directors.		

c. Remuneration to key managerial personnel other than Managing Director/ Manager/ Wholetime Director

In ₹ lakh

Sr. No.	Particulars of Remuneration	Company Secretary
1.	Gross salary	
	a. Salary as per provisions contained under Section 17(1) of the Income Tax Act, 1961	3.30
	b. Value of perquisites under Section 17(2) Income Tax Act, 1961	0.00
	c. Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0.00
2.	Stock option	0.00
3.	Sweat equity	0.00
4.	Commission	0.00
	- as % of profit	
	- others, specify...	
5.	Others, please specify	1.33
	Total	4.63

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment, or compounding of offence during the year ended March 31, 2018.

OVERVIEW

Internet enabled platforms for exploiting content are emerging today as significant streams of revenue generation for content of all types.

The Company is well aligned with the audience's new content preferences and is clearly focused on what appeals to younger viewers who are, today, the largest consumers of content across different platforms. As OTT platforms battle for the mindshare of such new age audiences, content makers see an opportunity for creating innovative shows that can appeal to them.

1. INDUSTRY, SEGMENT-WISE PERFORMANCE, OPPORTUNITIES AND OUTLOOK

a. CONTENT

The Company is currently producing the first season of a 10-part fictional show set in Mumbai called *Four More Shots Please!* for Amazon Prime Video. Principal photography for the series is complete and post-production, quality check and final delivery process is now on. With the positive research findings on the show, which is yet to screen its first season, the Company has already been commissioned to develop seasons two and three. The Company is also engaged in discussions with other OTT players for developing scripted and unscripted shows.

The Company continues to remain engaged in the development and production of entertainment content across all formats. Apart from the above digital TV series, three new feature film projects are in development including one to be directed by Remo D'Souza and another by Anu Menon.

The Company has reissued the satellite broadcasting and digital streaming rights of its film library to Star and Hotstar. The film library is also being streamed on a non-exclusive basis on OTT platforms like Jio, Sony and Spuul. The Company is in discussions with other OTT players for streaming of its film library.

The Company has also licensed archival footage, part of its existing film library, to Hindustan Unilever for advertising spots.

The Company has positioned itself as one of the more innovative multi-platform content production houses in India with global reach and recognition. Its filmed entertainment products are widely respected. Its serialized content will soon be available across the globe, localized in different languages.

b. DIGITAL AND WELLNESS: The Company has two subsidiaries viz. PNC Digital Ltd and PNC Wellness Ltd.

PNC Digital Limited

There has been no material change in the nature of the business of this subsidiary. Its principal business is sourcing content for digital streaming, setting up delivery systems for digital streaming and running the business of content aggregation as well as any other technology business using the internet as its primary delivery platform. Efforts till date have not translated into revenue generation but this subsidiary will continue its efforts.

PNC Wellness Limited

There has been no material change in the nature of the business of this subsidiary. It is in dialogue with other business enterprises to expand the wellness business through the digital medium. This subsidiary owns several wellness brands like Moksh, Power Yoga, Passion Yoga, Cool Yoga, Couple Yoga, etc. and is exploring avenues to commercialise its aforesaid brands by introducing them into a joint venture wellness enterprise. The Company is facilitating and supporting the revival of this subsidiary's business.

2. RISKS, CONCERNS AND THREATS

The content business is risk-prone. Shifting audience tastes has made the market unpredictable with films having shorter windows for generating revenues at the time of their first theatrical release. Distributors are risk averse and are reluctant to pay minimum guarantees upfront. The Company is therefore focusing on strategies for recovering its investment in content prior to or at the time of a film's release. The Company however plays a vital role in designing the marketing and exploitations of its films.

Providing content to OTT players is perceived to be safe since these are commissioned programmes and therefore, no major risk exists.

Digital piracy is a serious risk in this business. The Company continues its multi-product portfolio approach to minimize and manage the inherent risks of the business. The Company is also constantly researching the audience's likes and dislikes by creating innovative products that can meet the challenge of audience preferences and expectations through ever changing technology.

The negatives of the Company's archived filmed content are ageing and in the current digital scenario, can become technology-obsolete. To counter this and continue to generate income from these films, the Company has digitized its entire film archives.

3. INTERNAL CONTROL SYSTEMS, THEIR ADEQUACY AND RISK MANAGEMENT

The Company has adequate internal control systems in place. These systems constantly assess and generate creative ideas. There is collective responsibility at every stage of decision making and a Corporate Leadership Team including all the department heads examines and clears each project for implementation. The Company has in place an adequate system of internal controls with documented procedures covering all corporate functions. Systems of internal controls are designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations.

Adequate internal control measures are in the form of various policies and procedures issued by the management covering all critical and important activities viz. revenue management, production operations, purchase, finance, compliances, human resources, safety, etc. These policies and procedures are updated from time to time and compliance is monitored during internal audit. The effectiveness of internal controls is reviewed through the internal audit process, which is undertaken for every operational activity. The focus of these reviews is as follows:

- Identify weakness and areas of improvement
- Compliance with defined policies and processes
- Safeguarding of tangible and intangible assets
- Management of business and operational risks
- Compliance with the PNC Code of Conduct
- Compliance with applicable statutes

The Business Process and Risk Management Committee under the supervision of the Audit Committee of the Board oversees the adequacy of internal control environment through regular reviews of the Internal Audit Report and monitoring implementations of internal audit recommendations through the compliance reports submitted to them. The Company is faced with different types of risks which need different approaches for mitigation.

On a primary basis the Company has identified and categorized the following risks:

Operational risks like injury to lead actor/s and/ or workmen, loss by fire, high personnel turnover ratio, piracy, delay in production cycle, censor certification, litigation, negative public perception, box office failure and realization of payments due, environmental risks, technological changes like new emerging trends and statutory and legal compliances. Financial risk like shortage of working capital, diminution of asset values, data loss, inventory loss, bad debts and theft/ loss of cash and valuables. Intangible asset risks such as misuse of intellectual property rights and deterioration of brand image.

Depending on the nature, impact and probability of the risk to the Company, it has devised various mitigating solutions like providing for contingencies, taking insurance cover wherever necessary, making quality films, devising appropriate marketing strategies, matching pay scale at par with the industry standards, staff training and offering growth opportunities, providing for leisure, installing proper payment systems, maintaining healthy relationships, lodging complaints with antipiracy organizations, making audiences aware of the benefit of original print quality, ensuring proper project management, forming multiple teams with experienced team leaders, ensuring film content complies with guidelines, ensuring proper contractual documentation of rights to copyright and other film rights, ensuring clarification/ true facts are disseminated swiftly, identifying new platforms, acquiring sponsors, tying up with distributors and exhibitors, dealing with established and reputed dealers, ensuring staff familiarity with latest technology, identifying trends, carrying out research, ensuring proper filing of statutory documents / returns, etc., ensuring proper budgetary planning and cash flow, complying with the applicable accounting standards, initiating legal action as and when required, monitoring fund position, investing surplus funds in fixed deposits, registering intellectual property with appropriate authorities and monitoring and managing brand imaging continuously.

4. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's financial performance has improved as compared to last year and it is focusing on enhancing growth along with profitability.

5. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company is continuously building its talent base. Its Corporate Leadership Team has qualified and experienced members drawn from different specializations. The middle management cadre has been developed and strengthened. However, the Company, as a policy, sees its core content making business essentially as project management. It prefers to assemble talent teams for each content project and these teams are disbanded once the project is complete. The highly qualified professional team that the Company has access to remain independent and is yet available to the Company at short notice.

The Company enjoys cordial relationships with its employees and the professional talent that it hires on a project basis.

6. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives and expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied.

The Company is committed to maintaining high standards of Corporate Governance. It believes in fair dealing, ethical conduct and best practices that recognize the importance of all stakeholders.

This means ensuring accountability, efficiency and compliance. The Company believes that its action must reflect a sense of social responsibility and incorporate the importance of values in all transactions. Therefore, a systematic approach has been followed for proper internal controls, timely dissemination of information to investors and compliance with listing norms. Information to investors is being provided through the website of the Company and the stock exchanges, as well as by publication of quarterly financial results in newspapers and through the annual report and accounts to shareholders.

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy is to maintain high levels of transparency, accountability and equity in all areas of its operations and in all interaction with its stakeholders. It believes that it must attain the objective of enhancing stakeholder value on a continuing and sustainable basis.

The Company is in compliance with the requirements stipulated under Regulation 27 and Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) as applicable, with regard to Corporate Governance.

At the core of the Company's Corporate Governance practice is the Board, which oversees how the management serves and protects the long-term interests of its stakeholders. Your Company believes an active, well-informed, independent Board is crucial to ensure high standards of Corporate Governance.

The Company's Corporate Governance policy is meant to assist the Board in the exercise of its responsibilities. This policy is subject to future changes as may be required in the light of the amendments in various regulations. To ensure that stakeholders are aware of all such changes, these are posted on the Company website: www.pritishnandy.com.

2. BOARD OF DIRECTORS

The composition of the Board of Directors of the Company is governed by the Companies Act, 2013 (the Act) and the Listing Regulations entered into with the stock exchanges where the securities issued by the Company are listed. The Board has 8 Directors as on March 31, 2018, of who 2 are Promoter Non-Executive Directors, 2 are Wholtime Directors and 4 are Independent, Non-executive Directors. All the Directors are eminent professionals with broad experience. Wholtime Directors in the Company have grown from the ranks.

None of the Directors on the Board hold directorships* in more than 10 public companies. Further, none of them is a member of more than 10 committees or chairman of more than 5 committees viz. Audit Committee and Stakeholders Relationship Committee, across all the public companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2018 have been made by the Directors.

During 2017-2018, the Board met 4 times: on May 24, 2017, August 10, 2017, November 10, 2017, and February 9, 2018. The time gap between any 2 meetings was not more than 120 days or more than 4 calendar months. The following table gives details of Directors, their attendance at Board Meetings and at the last Annual General Meeting, number of memberships held by Directors on the board and committees of various companies as on March 31, 2018.

Director (Designation)	Category	Number of Board Meetings attended	Whether last AGM attended	Number of other Company's Directorships*, Committee+ memberships and Chairmanship			Shareholding Equity share of ₹ 10 each
				Director	Committee Member	Committee Chairman	
Pritish Nandy** (Chairman)	Promoter, Non-Executive Director	4	Yes	-	-	-	2,952,197
Udayan Bose	Independent, Non-Executive Director	4	Yes	2	-	1	-
Nabankur Gupta	Independent, Non-Executive Director	4	Yes	6	9	7	20,000
Hema Malini	Independent, Non-Executive Director	1	Yes	-	-	-	-
Raghu Palat	Independent, Non-Executive Director	3	Yes	-	-	-	-
Rina Pritish Nandy**	Promoter, Non-Executive Director	3	Yes	-	-	-	625,000
Pallab Bhattacharya (Wholtime Director and CEO)	Executive Director	4	Yes	2	-	-	50,000
Rangita Pritish Nandy** (Creative Director)	Promoter, Executive Director	1	Yes	1	-	-	193,500

*Other Company's directorships do not include directorship in private limited companies, foreign companies and companies registered under Section 8 of the Act.

+Committee includes only four committees: Audit Committee and Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee of other Public Companies.

**Relationship among Directors: Pritish Nandy and Rina Pritish Nandy are husband and wife and Rangita Pritish Nandy is their daughter.

All Directors have made necessary disclosures regarding committee positions occupied by them in other companies. The membership and chairmanship of committees of other companies in which the Directors of the Company are member or chairman are in compliance with Regulation 27 of the Listing Regulations.

3. AUDIT COMMITTEE

The constitution of the Audit Committee meets with the requirements of Section 177 of the Act, and the Listing Regulations with the stock exchange. The terms of reference specified by the Board to the Audit Committee are as per Listing Regulations and the same is part of the Corporate Governance policy adopted by the Board.

As on March 31, 2018, the Audit Committee consists of Udayan Bose, Chairman, Nabankur Gupta and Raghu Palat as members. All members of the Audit Committee including the Chairman are Independent Directors and financially literate. Santosh Gharat, Company Secretary acts as Secretary of the Audit Committee.

During the year 2017-2018, the Audit Committee met 4 times: on May 24, 2017, August 10, 2017, November 10, 2017 and February 9, 2018. Attendance of Committee members during the year 2017-2018 is as under:

Name of member	Attendance	May 24, 2017	August 10, 2017	November 10, 2017	February 9, 2018
Udayan Bose (Chairman)	4	Yes	Yes	Yes	Yes
Nabankur Gupta	4	Yes	Yes	Yes	Yes
Raghu Palat	3	Yes	No	Yes	Yes

4. HUMAN RESOURCES, NOMINATION AND REMUNERATION COMMITTEE (HRNR Committee)

The Human Resources, Nomination and Remuneration Committee (HRNR Committee) has been constituted with the duty to assist the Board of Directors in fulfilling their roles and responsibility to rationalize all employees related issues, while adhering to the requirements of Section 178 and Schedule V of the Act and Listing Regulations as amended from time to time.

Remuneration Committee consists of Nabankur Gupta as Chairman, Udayan Bose and Raghu Palat as members. Santosh Gharat, Company Secretary acts as Secretary of the Committee.

Directors' Remuneration

- Advisory fees: Non-Executive Chairman's advisory fees is ₹ 96.00 lakh per annum. The necessary approval has been obtained under Section 197(1) of the Act.
- Sitting fees: Sitting fees are paid to Non-Executive Directors for attending Board and Audit Committee Meetings. All Non-Executive Directors are paid sitting fees of ₹ 40,000 each for attending Board Meetings and Audit Committee Meetings.
- Remuneration: Details of current remuneration paid to Wholtime directors are as under

Pallab Bhattacharya, was re-appointed as Wholtime Director and CEO of the Company for further period of 5 years with effect from February 18, 2015 to February 17, 2020 on the remuneration and other terms and conditions as set out in the agreement executed with him, the broad terms whereof are given herein below:

- Salary: Not exceeding ₹ 241,500 per month, subject to annual increment.
- Perquisite: Company car with a driver.
- Gratuity is payable as per rules of the Company at the end of service.
- Reimbursement of traveling, hotel and other reasonable expenses actually incurred by him for Company work.

Rangita Pritish Nandy, was re-appointed as Creative Director of the Company for a further period of 5 years with effect from January 31, 2015 to January 30, 2020 on the remuneration and other terms and conditions as set out in the agreement executed with her, the broad terms whereof are given herein below

- Salary: Not exceeding ₹ 238,000 per month, subject to annual increment.
- Perquisite: Company car with a driver.
- Gratuity is payable as per rules of the Company at the end of service.
- Reimbursement of traveling, hotel and other reasonable expenses actually incurred by her for Company work.

Wholtime Directors of the Company are entitled to annual increments, as decided by the Board. Annual increments are merit based and taking into account the Company's performance. If in any financial year, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites will be subject to the provisions of Schedule V of the Act.

Shareholdings of the Non-Executive Directors of the Company as on March 31, 2018 are as follows:

Of the 2 Non-Executive Directors, Promoter Directors Pritish Nandy and Rina Pritish Nandy hold 2,952,197 (20.41%) and 625,000 (4.32%) equity shares of the Company respectively. Nabankur Gupta, Independent Non-Executive Director holds 20,000 shares of the Company.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Your company has a Stakeholder's Relationship Committee in accordance with the provisions of the Act and Listing Regulations.

This Stakeholders Relationship Committee is constituted under the chairmanship of Independent Director, Nabankur Gupta, Udayan Bose and Pallab Bhattacharya as its members. Santosh Gharat, Company Secretary acts as Secretary to this Committee.

This Committee reviews and redresses the grievances related to securities such as transfer of securities, dividend and any other investor grievances like non-receipt of Annual Report and non-receipt of dividends. The Committee also oversees the performance of the Registrar and Share Transfer Agents and recommends measures for overall improvement of the quality of investor services. The Board of Directors has delegated the power for approving transfer of securities to this Committee.

No investor's complaint was received during the year 2017-2018.

6. GENERAL BODY MEETINGS

Year	Location	Date and Time
Annual General Meeting(s)		
2014-2015	Walchand Hirachand Hall, Mumbai 400020	September 21, 2015 at 3.00 PM
2015-2016	Walchand Hirachand Hall, Mumbai 400020	September 21, 2016 at 3.00 PM
2016-2017	Walchand Hirachand Hall, Mumbai 400020	September 21, 2017 at 3.00 PM

7. OTHER COMMITTEES

RISK MANAGEMENT COMMITTEE: The Risk Management Policy which includes procedures for assessment and minimization of risk is adopted by the Board. The said policy is also put it up on the website of the Company: www.pritishnandy.com. The Board has constituted the Business Process and Risk Management Committee consisting of Pallab Bhattacharya, Executive Director as Chairman and Yatender Verma, Vice President – Finance, Compliances and Legal Affairs as member.

The terms of reference of the Risk Management Committee inter alia, include the following:

- To ensure that all the current and future materials risk exposure of the Company are identified, assessed, quantified, appropriately mitigated and managed.
- To establish a framework for the Company's risk management process and to ensure implementation.
- Improve decision making, planning and prioritization by comprehensive and structured understanding of business activities, volatility and opportunities/ threats.
- Contribute towards more efficient use/ allocation of the resources within the organization.
- Protect and enhance Company's assets and goodwill/ brand/ image.
- To enable compliance with appropriate regulations, whenever applicable, through the adoption of best practices.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE: The Company has constituted a CSR Committee as required under Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company has framed the CSR Policy and also put it up on the website of Company: www.pritishnandy.com.

INTERNAL COMPLAINTS COMMITTEE (ICC): The Company has formed and constituted a Complaints Committee for redressal of sexual harassment complaints and for ensuring time bound redressal of such complaints in the manner provided by law.

The Complaints Committee will comprise of the following four members:

- Ishita Pritish Nandy, Chairperson
- Arshneet Bhumra, Member
- Anoop Kumar, Member
- Ambika Hiranandani, Representative of NGO

The Complaints Committee is responsible for:

- Investigating every formal written complaint of sexual harassment.
- Taking appropriate remedial measures to respond to any substantiated allegations of sexual harassment.
- Discouraging and preventing employment-related sexual harassment.

During the year under review, no complaint was received.

8. DISCLOSURES

- Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, Directors, management, their relatives and subsidiaries etc. that may have potential conflict with the interests of the Company at large.
None of the transactions with any related party were in conflict with the interests of the Company.
- Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years.
There were no instances of non-compliance on any matter related to the capital markets during the last 3 years.
- The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and Directors to report genuine concerns about unethical behavior. No person has been denied access to the chairman of the Audit Committee. The said policy is also put up on the website of the Company.
- The Board has adopted policies to establish transparency and good governance. These policies are the Board Diversity Policy, Code of Conduct of directors and senior management, Policy on Material Subsidiary, Related Party Transaction Policy, Succession Policy and Insider Trading Policy. These policies are put up on the website of the Company.

9. SUBSIDIARY COMPANIES

The audit committee reviews the Standalone and Consolidated financial statements and the investments made by its unlisted subsidiary companies. The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

The Company does not have material non-listed Indian subsidiary.

10. MEANS OF COMMUNICATION

- The un-audited quarterly financial statements, audited annual financial statements, quarterly shareholding pattern and corporate governance reports are posted on the website of the Company. The website also carries official news about the Company's upcoming activities.
- The quarterly unaudited and annual audited financial statements are usually published in all editions of the Financial Express and Dainik Sagar, Mumbai, a vernacular Marathi daily. All the material information about the Company including the financial results are immediately submitted to Stock Exchanges, where the shares of the Company are listed to enable them to upload the same on their website.
- The Company also makes presentations to investors from time to time.
- Management Discussion and Analysis forms part of this Annual Report.

11. GENERAL SHAREHOLDER INFORMATION

11.1 Annual General Meeting

Date and time	: September 24, 2018 at 3:00 P.M.
Venue	: Walchand Hirachand Hall, 4th floor, IMC Building, IMC Marg Churchgate, Mumbai 400020

11.2 Financial calendar (tentative) for financial year April 1, 2018 to March 31, 2019

a. Board meetings to consider financial results	
Before August 14, 2018	: Results for the first quarter
Before November 14, 2018	: Results for the second quarter
Before February 14, 2019	: Results for the third quarter
Before May 30, 2019	: Results for the fourth quarter and year ending March 31, 2019

b. Annual General Meeting	: September, 2019
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11.3 Date of book closure : September 14, 2018 to September 24, 2018 (both days inclusive)

11.4 Dividend payment date : Not applicable

- 11.5 Listing on stock exchanges :
- Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400023
 - National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai 400051
- 11.6 Stock code and other information : Bombay Stock Exchange – 532387
National Stock Exchange – PNC
Market lot – 1 share
ISIN: INE 392B01011 (Equity)
Equity shares of the Company are traded only in dematerialized form.

11.7 Company's share price performance in comparison to broad based indices – BSE Sensex and NSE Nifty

Period (As on March 31, 2017 and March 31, 2018)	% change in Company's share price	% change in Indices
BSE-Sensex	14.05	16.88
NSE-Nifty	21.10	18.54

11.8 Market price data:

	NSE		BSE	
	Month's high price (₹)	Month's low price (₹)	Month's high price (₹)	Month's low price (₹)
April 2017	16.10	14.00	17.50	13.35
May 2017	15.25	13.05	17.92	12.50
June 2017	17.40	14.40	17.80	14.20
July 2017	20.70	14.90	20.75	15.00
August 2017	16.95	14.30	16.30	14.00
September 2017	20.00	14.05	20.74	13.18
October 2017	28.00	18.20	27.85	17.85
November 2017	24.30	17.75	24.50	15.50
December 2017	20.90	18.55	28.60	17.30
January 2018	27.00	22.15	26.40	21.85
February 2018	27.45	23.50	27.75	21.55
March 2018	23.10	20.35	23.20	19.80

11.9 Registrar and transfer agents : Link Intime India Private Ltd

11.10 Share transfer system : Share transfer requests received in physical form are registered within 30 days from the date of receipt and demat requests are normally confirmed within an average of 15 days from the date of receipt.

11.11 Distribution of shareholding as on March 31, 2018

Shares of nominal value of ₹	Equity shares of face value of ₹ 10 each				
	Number of shareholders	%	Number of shares	Share amount in (₹)	%
Up to 5,000	4,141	78.98	645,096	6,450,960	4.46
5,001 to 10,000	512	9.77	431,227	4,312,270	2.98
10,001 to 20,000	253	4.83	399,186	3,991,860	2.76
20,001 to 30,000	99	1.89	257,573	2,575,730	1.78
30,001 to 40,000	40	0.76	143,111	1,431,110	0.99
40,001 to 50,000	38	0.72	176,610	1,766,100	1.22
50,001 to 100,000	79	1.51	587,612	5,876,120	4.06
100,001 and above	81	1.54	11,826,585	118,265,850	81.75
Total	5,243	100.00	14,467,000	144,670,000	100.00

Distribution of shareholding as on March 31, 2018 (Category wise)	%
Promoters holding	: 41.44
Mutual Funds and Unit Trust of India	: 0.00
Banks and Financial Institutions	: 1.33
Foreign Institutional Investors	: 3.28
Insurance Companies	: 0.17
Clearing Member	: 1.06
Trust	: 0.02
Public and private corporate bodies	: 11.78
NRIs/ OCBs	: 0.65
Indian public and others	: 40.27
Total	: 100.00

11.12 Dematerialization of shares and liquidity

About 14,462,719 equity shares of the Company are held in dematerialized form which constitutes 99.97% of the total number of equity shares dematerialized as on March 31, 2018. Trading in the equity shares of the Company is permitted only in dematerialized form. The equity shares of the Company are actively traded on BSE and NSE.

11.13 Outstanding GDR/ADRs warrants or convertible instruments : The Company has no outstanding instruments convertible into equity shares.

11.14 Plant locations : The Company has no plant.

11.15 Address for investor correspondence

Registrar and share transfer agent	Company
Link Intime India Pvt Ltd	The Company Secretary
Unit: Pritish Nandy Communications Ltd	Pritish Nandy Communications Ltd
C-101, 247 Park	87/88, Mittal Chambers
LBS Marg, Vikhroli (West)	Nariman Point
Mumbai 400083	Mumbai 400021
Tel : 91-22-49186000	Tel : 91-22-42130000
Fax : 91-22-49186060	Fax : 91-22-42130033
Email : rnt.helpdesk@linkintime.co.in	Email : investorgrievance@prishnandycom.com
Website : www.linkintime.co.in	Website : www.pritishnandycom.com

OTHER INFORMATION

a. Listing fees for the financial year 2018-2019 have been paid to both the exchanges.

b. Code of conduct for Board of Directors

The Board has adopted a Code of Conduct for its Directors and Senior Management of the Company. This code of conduct has been followed by all. The code is available on the website of the Company www.pritishnandycom.com.

c. PNC's code for prevention of insider trading

The Board has adopted a code of conduct in accordance with the model code of conduct prescribed by SEBI. The code, besides other relevant matters, prohibits an insider from dealing in the shares of the Company while in possession of unpublished price sensitive information in relation to the Company. The Company Secretary has been appointed as the Compliance Officer for monitoring implementation of the Code. The Code of Conduct is applicable to all employees who have access to unpublished price sensitive information relating to the Company as well as the directors; they have complied with the code and the Company has received confirmation to that effect. During the time of declaration of results, dividend and other material events, the trading window is closed as per the code.

d. CEO/ CFO Certification

A certificate from the Wholtime Director and CEO and the Vice President, Finance, Compliances and Legal Affairs on the financial statement of the Company was placed before the Board.

For and on behalf of the Board

Mumbai, May 25, 2018

Pallab Bhattacharya
Wholtime Director and CEO

Yatender Verma
Vice President, Finance, Compliances and Legal Affairs

Santosh Gharat
Company Secretary

DECLARATION BY CEO

I, Pallab Bhattacharya, Wholtime Director and CEO of Pritish Nandy Communications Limited, confirm that the Company has adopted a Code of Conduct of its Directors including Non-Executive directors and senior management.

This code is available on our Company's website www.pritishnandycom.com. I further confirm that the Company has received a declaration of compliance with the Code of Conduct for the year ended March 31, 2018 from Members of its Board and senior management personnel.

Mumbai, May 25, 2018

Pallab Bhattacharya
Wholtime Director and CEO

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Pritish Nandy Communications Limited

We have examined the compliance of conditions of Corporate Governance by Pritish Nandy Communications Limited ('the Company'), for the year ended March 31, 2018, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

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

Practitioner's Responsibility

- We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

Restrictions on use

This certificate has been issued on the request of the Company pursuant to regulations as stipulated in the Listing Regulations and is not intended to be used for any other purpose. Accordingly, we state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For BD Jokhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

INDEPENDENT AUDITOR'S REPORT

To
The Members
Pritish Nandy Communications Limited

REPORT ON THE STANDALONE INDIAN ACCOUNTING STANDARDS (IND AS) FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of Pritish Nandy Communications Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and 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 IND AS 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 of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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 (Ind AS) prescribed 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

We conducted our audit of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to Note 37(a) on the standalone Ind AS financial statements which relates to investment in wholly owned subsidiary company "PNC Wellness Ltd." The investment in this subsidiary stands at ₹ 174.60 lakh whereas the net worth of the subsidiary is ₹ 72.38 lakh as at March 31, 2018. Considering that Company has made provision for diminution in value of investment in this subsidiary by 1/5th of its book value and considers the balance retained book value as fully realizable no further provision is made for the diminution in book value of investment which is considered as temporary.

We further draw attention to Note 37(b) on the standalone Ind AS financial statements which relates to investment in subsidiary company "PNC Digital Ltd.". The investment in this subsidiary stands at ₹ 70.20 lakh whereas the net worth of the subsidiary is ₹ 8.37 lakh as at March 31, 2018. The Company has agreed to provide its films to this subsidiary to explore revenue opportunities on the digital platform and exploit it to its commercial advantage. In view of the fact that this subsidiary has unfettered access to the film content of the holding company and requires no additional substantive capital deployment to generate revenue no provision for diminution in value of investment, which is considered temporary, has been made in the accounts.

We further draw attention to Note 39(a) on the standalone Ind AS financial statements which describe the facts related to the legal proceedings initiated by the Company for the recovery of an advance of ₹ 150.00 lakh. The management considers the same as good and fully recoverable. The legal opinion obtained by the Company supports this. We have relied on the opinion and consequently the Company has not made provision of any amount there against.

We further draw attention to Note 39(b) on the standalone Ind AS financial statements which describes that the Company has received an award of ₹ 352.00 lakh in its favour in the arbitration case filed against White Feather Films. The Company has also received a revised order for the amount of interest, which the Company has not found satisfactory and hence it has moved an appeal with the Bombay High Court. White Feather Films has gone in appeal against the above said award and has been directed to deposit an amount of ₹ 300.00 lakh by the Bombay High Court. Proceedings are ongoing.

We further draw attention to Note 40 on the standalone Ind AS financial statements which describes the facts related to the arbitration proceedings initiated by the Company against Prasar Bharati on account of wrongful encashment of bank guarantee of ₹ 750.50 lakh. The Company has obtained legal opinion from Justice AM Ahmadi, former Chief Justice of Supreme Court of India, which supports the Company's stand that the amount is fully recoverable and hence no provision is made there against.

Our opinion is not modified in respect of the above matters.

OTHER MATTERS

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 24, 2017 and May 26, 2016, respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

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 in terms of Section 143 (11) of the Act, we give in "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 purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and 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 Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
 - e. On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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"; 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note no 37, 39 and 40 to the standalone Ind AS financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For BD Jokhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report on standalone Ind AS financial statements of even date)

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. According to the information and explanations given to us, fixed assets have been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. We are informed that no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held by the Company. Therefore, sub clause (c) of the paragraph 3 (i) of the Order is not applicable to the Company.
- ii. As explained to us by the management, the production/ making of content requires various types, qualities and quantities of content related consumables and inputs in different denominations. Due to the multiplicity and complexity of items, it is not practicable to maintain quantitative record/ continuous stock register, as the process of making content is not amenable to it. All the purchases of content related consumables are treated as consumed. In view of this the Company does not maintain stock register, except the record of the finished content, unamortized content, unfinished content and also does not carry out physical verification of stock. However management physically verifies the finished content in the hand at the end of the year.
- iii. As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. According to the information and explanations given to us, the Company has not given any loans, made investments, provided guarantees and securities during the year as contemplated under Section 185 and 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, paragraph 3(v) of the Order is not applicable.
- vi. According to information and explanations given to us, the maintenance of cost records under Section 148 (1) of the Act is not prescribed under the Companies (Cost Records and Audit) Rules, 2014.
- vii. a. According to 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, employees' state insurance, income-tax, sales-tax, service tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable to it have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, there were no undisputed statutory dues as mentioned above in arrears as at March 31, 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, the dues in respect of income tax (including TDS), sales tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending as on March 31, 2018 are as given below

Name of the statute	Nature of the dues	Amount in ₹ lakh*	Period to which it relates	Forum where dispute is pending
Bombay Sales Tax Act, 1959	Tax	15.21 (Note 1)	FY 2003-2004	Jt. Commissioner of Sales Tax (Appeals) II, Mumbai City Division, Mumbai
Bombay Sales Tax Act, 1959	Tax	3.55	FY 2004-2005	Jt. Commissioner of Sales Tax (Appeals) II, Mumbai City Division, Mumbai

Name of the statute	Nature of the dues	Amount in ₹ lakh*	Period to which it relates	Forum where dispute is pending
MVAT Act, 2002	Tax and Interest	27.24	FY 2005-2006	Deputy Commissioner of Sales Tax Appeals – I, Mumbai
MVAT Act, 2002	Tax, Interest and Penalty	2.86	FY 2006-2007	Deputy Commissioner of Sales Tax Appeal, Mumbai
MVAT Act, 2002	Interest	37.88	FY 2007-2008	Deputy Commissioner of Sales Tax Appeals – II, Mumbai
MVAT Act, 2002	Interest	0.99	FY 2008-2009	Deputy Commissioner of Sales Tax Appeals – I, Mumbai

*Interim Stay has been granted in these matters till disposal of respective first appeals.

Note 1: An amount of ₹ 1.00 lakh is paid under protest against the said demand.

- viii. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions. The Company did not have any outstanding debentures, dues to banks and Governments.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the explanations given to us, on an overall basis, the term loans were applied for the purposes for which those were raised.
- x. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our 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.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details have been disclosed in Note 34 on the standalone Ind AS financial statements as required by the applicable Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, no preferential allotment or private placement of shares or fully or partly convertible debentures has been made by the Company during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable.
- xv. 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 any non-cash transactions with directors or persons connected with him as specified under Section 192 of the Act. Therefore, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and therefore the provisions of paragraph 3(xvi) of the Order is not applicable.

For BD Jekhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditor's Report on standalone Ind AS financial statements of even date)

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

We have audited the internal financial controls over financial reporting of Prithi Nandy Communications Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

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 March 31, 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 BD Jekhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

	Note No	As at March 31, 2018	As at March 31, 2017	(In ₹ lakh) As at April 1, 2016
I. ASSETS				
Non-current assets				
a. Property, plant and equipment	3	110.25	117.09	63.37
b. Financial assets				
i. Investments	4	244.80	303.57	362.17
ii. Trade receivables	5	65.48	65.96	69.96
iii. Other financial assets	6	1,147.40	1,146.20	1,143.68
c. Other non-current assets	7	1,803.54	1,680.92	1,929.96
Total non-current assets		<u>3,371.47</u>	<u>3,313.74</u>	<u>3,569.14</u>
II. Current assets				
a. Inventories	8	5,802.99	5,966.02	5,083.32
b. Financial assets				
i. Trade receivables	9	58.35	236.63	27.53
ii. Cash and cash equivalents	10	310.52	1.71	2.16
iii. Bank balances other than (ii) above	11	468.00	458.56	491.39
iv. Other financial assets	12	120.95	39.13	656.02
c. Current tax assets (net)	13	85.39	10.76	82.39
d. Other current assets	14	17.17	81.46	236.59
Total current assets		<u>6,863.37</u>	<u>6,794.27</u>	<u>6,579.40</u>
TOTAL ASSETS		<u>10,234.84</u>	<u>10,108.01</u>	<u>10,148.54</u>
EQUITY AND LIABILITIES				
EQUITY				
a. Equity share capital	15	1,446.70	1,446.70	1,446.70
b. Other equity	16	6,660.94	6,452.91	6,386.24
Total equity		<u>8,107.64</u>	<u>7,899.61</u>	<u>7,832.94</u>
LIABILITIES				
I. Non-current liabilities				
a. Financial liabilities				
i. Borrowings	17	62.64	65.27	12.60
ii. Trade payables	18	168.57	168.57	168.57
iii. Other financial liabilities	19	31.62	31.62	31.62
b. Deferred tax liabilities (net)	20	1,125.69	1,198.43	1,495.64
Total non-current liabilities		<u>1,388.52</u>	<u>1,463.89</u>	<u>1,708.43</u>
II. Current liabilities				
a. Financial liabilities				
i. Borrowings	21	370.79	512.18	46.52
ii. Trade payables	22	140.37	50.80	430.59
iii. Other financial liabilities	23	10.22	37.45	46.52
b. Other current liabilities	24	217.30	144.08	83.54
Total current liabilities		<u>738.68</u>	<u>744.51</u>	<u>607.17</u>
TOTAL LIABILITIES		<u>2,127.20</u>	<u>2,208.40</u>	<u>2,315.60</u>
TOTAL EQUITY AND LIABILITIES		<u>10,234.84</u>	<u>10,108.01</u>	<u>10,148.54</u>
Significant accounting policies	2			
Notes to accounts form an integral part of financial statements	1 to 44			

As per our attached report of even date
For BD Jekhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Yatender Verma
VP, Finance, Compliances and Legal Affairs
Mumbai, May 25, 2018

Udayan Bose
Director
DIN: 00004533

Santosh Gharat
Company Secretary

STATEMENT OF PROFIT AND LOSS

PRITISH NANDY COMMUNICATIONS LTD
THE 25TH ANNUAL REPORT AND ACCOUNTS 2018

23

(In ₹ lakh)

	Note No	For the year ended March 31, 2018	For the year ended March 31, 2017
INCOME			
I. Revenue from operations	25	1,955.54	221.79
II. Other income	26	49.67	256.38
III. Total income (I+II)		<u>2,005.21</u>	<u>478.17</u>
IV. EXPENSES			
Cost of content	27	1,202.51	976.64
Changes in inventories of content	28	163.03	(882.69)
Employee benefits expenses	29	111.40	115.87
Finance costs	30	65.87	62.76
Depreciation and amortization expense	3	17.80	19.73
Other expenses	31	287.01	341.20
Total expenses (IV)		<u>1,847.62</u>	<u>633.51</u>
V. Profit/ (loss) before tax (III-IV)		157.59	(155.34)
VI. Tax expense			
Current tax		20.00	0.19
Deferred tax		(72.74)	(18.16)
Total tax expense (VI)		<u>(52.74)</u>	<u>(17.97)</u>
VII. Profit/ (loss) for the period (V-VI)		210.33	(137.37)
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss (net of deferred tax)		(2.31)	1.90
Total other comprehensive income, net of tax (VIII)		<u>(2.31)</u>	<u>1.90</u>
Total comprehensive income for the period (VII+VIII)		<u>208.02</u>	<u>(135.47)</u>
IX. Earnings per equity share (Face value of ₹ 10)			
Basic and diluted		1.45	(0.95)
Significant accounting policies	2		
Notes to accounts form an integral part of financial statements	1 to 44		

As per our attached report of even date
For BD Jokhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Yatender Verma
VP, Finance, Compliances and Legal Affairs
Mumbai, May 25, 2018

Udayan Bose
Director
DIN: 00004533

Santosh Gharat
Company Secretary

(In ₹ lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	157.59	(155.34)
Adjustment for		
Advances written off	3.09	0.00
Depreciation and amortisation	17.80	19.73
Finance cost	65.87	62.76
Diminution in value of investments	58.77	58.60
Loss on sale of assets	3.23	18.16
Property, plant and equipment written off	1.27	0.00
Cenvat credit of service tax/ VAT written off	4.99	12.13
Sundry creditors balances written back	(15.73)	(203.82)
Interest income	(32.06)	(52.27)
Operating profit before working capital changes	264.82	(240.05)
Adjusted for		
Trade receivables non current	0.48	3.99
Other non-current financial assets	(1.20)	(2.52)
Other non-current assets	(122.62)	174.04
Cinematic and television content	163.03	(882.69)
Current trade receivables	178.28	(209.09)
Other financial assets	(84.91)	616.89
Current tax assets	(94.63)	71.63
Other current assets	56.98	142.98
Bank balance other than cash and cash equivalent	(9.44)	32.83
Trade payables	105.31	(175.97)
Other financial liabilities current	(27.23)	(9.07)
Other current liabilities	73.21	60.55
Cash generated from operations	502.08	(416.48)
Direct taxes paid	0.00	(0.19)
Net cash flow from/ (used in) operating activities	502.08	(416.67)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment to acquire property, plant and equipments	(18.40)	(118.12)
Proceeds from sale of property, plant and equipments	2.95	26.50
Interest income	32.06	52.27
Net cash from/ (used in) investing activities	16.61	(39.35)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from non current borrowing	8.36	78.66
Repayment of non current borrowing	(10.98)	(25.99)
Proceeds from current borrowing	10.98	476.02
Repayment of current borrowing	(152.37)	(10.36)
Finance and other charges paid	(65.87)	(62.76)
Net cash from/ (used in) financing activities	(209.88)	455.57
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	308.81	(0.45)
Cash and cash equivalents at the beginning of the financial year	1.71	2.16
Cash and cash equivalents at the end of the financial year	310.52	1.71

Notes:

- The above statement of cash flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on statement of cash flows as notified under Companies (Indian Accounting Standards) Rules, 2015.
- Refer Note 17 (I) for a reconciliation of changes in liabilities arising from financing activities
- Figures in brackets represents deductions/ outflows.
- Previous year's figures have been regrouped wherever necessary.

As per our attached report of even date

For BD Jokhakar and Co.

Chartered Accountants

Firm Registration number 104345W

Pramod Prabhudesai

Partner

Membership number 032992

Mumbai, May 25, 2018

For and on behalf of the Board of Directors

Pallab Bhattacharya

Wholtime Director and CEO

DIN: 00008277

Yatender Verma

VP, Finance, Compliances and Legal Affairs

Mumbai, May 25, 2018

Udayan Bose

Director

DIN: 00004533

Santosh Gharat

Company Secretary

STATEMENT OF CHANGES IN EQUITY

PRITISH NANDY COMMUNICATIONS LTD
THE 25TH ANNUAL REPORT AND ACCOUNTS 2018

25

for the year ended March 31, 2018

A. Equity share capital

(In ₹ lakh)

Particulars	Note No	Amount
As at April 1, 2016		1,446.70
Changes in equity share capital during the year 2016-17		0.00
As at March 31, 2017		1,446.70
Changes in equity share capital during the year 2017-18		0.00
As at March 31, 2018	15	1,446.70

B. Other Equity

(In ₹ lakh)

Particulars	Reserves and surplus				Total
	Capital reserve	Securities premium reserve	General reserves	Retained earnings	
Balance at the beginning of the reporting period on April 1, 2016	0.37	6,719.59	220.98	(479.70)	6,461.24
Expected credit Loss	0.00	0.00	0.00	75.00	75.00
Restated balance at the beginning of the reporting period on April 1, 2016	0.37	6,719.59	220.98	(554.70)	6,386.24
Profit for the year ended March 31, 2017	0.00	0.00	0.00	(137.37)	(137.37)
Other comprehensive income	0.00	0.00	0.00	1.90	1.90
Total comprehensive income for the year ended March 31, 2017	0.00	0.00	0.00	(135.47)	(135.47)
Deferred tax liability	0.00	0.00	0.00	279.04	279.04
Ind AS impact on gratuity expense	0.00	0.00	0.00	(1.90)	(1.90)
Expected credit Loss	0.00	0.00	0.00	75.00	75.00
As at March 31, 2017	0.37	6,719.59	220.98	(488.03)	6,452.91
Profit for the year ended March 31, 2018	0.00	0.00	0.00	210.33	210.33
Other comprehensive income	0.00	0.00	0.00	(2.31)	(2.31)
Total comprehensive income for the year ended March 31, 2018	0.00	0.00	0.00	208.02	208.02
As at March 31, 2018	0.37	6,719.59	220.98	(280.00)	6,660.94

As per our attached report of even date
For BD Jokhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

For and on behalf of the Board of Directors

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VP, Finance, Compliances and Legal Affairs
Mumbai, May 25, 2018

Udayan Bose
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DIN: 00004533

Santosh Gharat
Company Secretary

CORPORATE INFORMATION

Pritish Nandy Communications Limited ("the Company") is a public company incorporated and domiciled in India.

It was one of the first media and entertainment Company to go public in the year 2000, when it was listed on India's two best known stock exchanges, Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is situated at 87/88 Mittal Chambers, Nariman Point, Mumbai 400021.

The Company is a media and entertainment company. The Company is engaged in the business of production and exploitation of content including cinematographic films, TV serials and Digital Series etc. for worldwide exploitation in all formats.

The Company produces cinematographic films, TV serials and Digital Series etc. The Company, through its subsidiary, PNC Digital Ltd, is engaged in creating content for digital streaming, setting up delivery system for digital streaming, running the business of content streaming, and other technology business using the Internet as its primary delivery platform, and through its subsidiary, PNC Wellness Ltd, is engaged in wellness business and owns several wellness brands like Moksh, Power Yoga, Passion Yoga, Cool Yoga and Couple Yoga.

These financial statements were authorised for issue by the Board of Directors on May 25, 2018.

1. BASIS OF PREPARATION

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

1.1 Compliance with Ind AS

The financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to the year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) ("Previous GAAP") and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company prepared in accordance with Ind AS. Refer note 36 for an explanation of how the transition from Previous GAAP to Ind AS has affected financial position, financial performance and cash flows of the Company.

a. Historical cost convention

The Financial Statements have been prepared on a historical cost basis except for the following:

- i. Certain financial assets and liabilities that are measured at fair value
- ii. Defined benefit plans: plan assets measured at fair value

b. The financial statements have been prepared on accrual basis of accounting.

Rounding of amounts

The financial statements are presented in INR and all values are rounded to the nearest lakh, except when otherwise indicated.

1.2 Significant estimates, judgements and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the end of the financial statements and reported amounts of income and expense during the year.

The management believes that these estimates are prudent and reasonable and are based on management's best knowledge of current events and actions. Actual results could differ from these estimates and difference between actual results and estimates are/ shall be recognised in the period in which results are known or materialised.

1.3 Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (12 months) and other criteria set out in the Schedule III to the Act.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Property, plant and equipment

All items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment, if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on property, plant and equipment

Depreciable amount for property, plant and equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment is provided on the straight line method over the useful lives of assets as prescribed under para C of Schedule II of the Companies Act, 2013.

Depreciation is calculated on a pro-rata basis from the date of acquisition/ installation till the date, the assets are sold or disposed off. Depreciation on improvement to leave and license premises is calculated over the period of leave and license.

The useful life is for the whole of the asset, except where cost of the part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part ("Component") is determined separately and the depreciable amount of the said component is allocated on systematic basis to each accounting period during the useful life of the asset.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted if appropriate.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.2 Impairment of property, plant and equipment

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Impairment is recognised in statement of profit and loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price i.e. fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current assessment of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

2.3 De-recognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is de-recognised.

2.4 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of liability.

Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with policy on the borrowing costs.

Operating Lease payments are recognised on straight line basis over the lease period in the statement of profit and loss account unless increase is on account of inflation.

2.5 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank, cash in hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft as they are considered as an integral part of Company's cash management.

2.6 a. Cinematic content

The cinematic content has been valued on the following basis

- i. Incomplete cinematic content : at lower of allocated/ identified cost or net realizable value.
- ii. Abandoned/ shelved cinematic content : at lower of cost or net realizable value.
- iii. Completed cinematic content : at lower of unamortized allocated cost as estimated by the management depending on the genre, nature and contents of the cinematic content or net realizable value.

The Company allocates cost of production amongst music rights, exhibition rights, other rights and residual rights on an equitable basis.

Basis of amortisation of allocated costs

- i. Music rights are amortised at 100% on the basis of release of music/ exploitation contract.
- ii. All rights other than music and residual rights are amortised as under:

First release	Second release	Third release
50%	30%	20%

- iii. Residual rights are amortized on an equitable basis. The Company estimates useful life of the cinematic content at 20 years.

Notes

- i. The production/ acquiring costs are amortised on the above basis by the Company. The production costs are revenue costs and are treated as such for the purposes of taxation.
- ii. No unamortized costs are retained once the entire rights in respect of the cinematic content are sold out on an outright basis.

b. Television content

The television content has been valued on the following basis

- i. Unexploited television content : at lower of average of allocated cost or net realizable value.
- ii. Unfinished television content : at lower of average of allocated cost or net realizable value.
- iii. Production property : at lower of allocated cost or net realizable value.
- iv. Exploited television content is amortised at lower of unamortized cost as estimated by the management on the following basis or net realizable value

Particulars	1st Telecast	2nd Telecast	3rd Telecast	Residual value
Entertainment content	50%	30%	15%	5%
Current affairs and news based content	95%	-	-	5%
Commissioned content	100%	-	-	-

No unamortized costs shall be carried forward beyond a period of 10 years.

Notes

- i. The Company amortises production costs in respect of television content once telecast and further retelecastable on the basis of the nature and contents of the television content and the expected number of telecast as per the chart depicted above.
- ii. The production costs are amortised as per the above referred policy followed by the Company.
- iii. The Company retains one copy of its own television content for record purpose.

2.7 Financial instruments-Financial asset

a. Classification

The Company classifies its financial assets in the following measurement categories:

- i. Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)
- ii. Those measured at amortised cost.

The classification depends on the business model of the Company for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Other Comprehensive Income or profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, method of recognition will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

b. Recognition and measurement

i. Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. 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. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

ii. Subsequent measurement

After initial recognition, financial assets are measured at

- i. Financial assets carried at amortized cost
- ii. Financial assets at fair value through other comprehensive income
- iii. Financial assets at fair value through profit and loss;

c. Debt instrument

Measured at amortized cost

Financial assets that are held for collection of contractual cash flow where those cash flows represent solely payment of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the Effective Interest Rate (EIR) method the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income (FVTOCI).

Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

On de-recognition, cumulative gain/ (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at Fair Value Through Profit or Loss (FVTPL).

A financial asset not classified as either amortised cost or FVTOCI, is classified as Fair Value through Profit or Loss (FVTPL). Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

d. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an Company is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.

e. De-recognition of financial assets

A financial asset is de-recognised only when the Company

- i. has transferred the rights to receive cash flows from the financial asset or
- ii. retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised.

Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

f. Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

g. Other financial liabilities

i. Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii. Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii. Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

iv. De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

h. Off-setting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

i. Equity instruments

The Company subsequently measures all investments in equity instruments other than those in subsidiary companies, at fair value. The management of the Company has elected to present fair value gains and losses on such equity investments in other comprehensive income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss.

Dividends from such investments continue to be recognized in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Investment in subsidiaries are carried at cost less impairment loss in accordance with Ind AS 27 on "Separate Financial Statements".

2.8 Borrowings and borrowing costs

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit and loss over the period of borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and consideration paid, including non cash asset transferred or liabilities assumed, is recognised as profit or loss as other income/ (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

2.9 Revenue recognition

Revenue is the gross inflows of economic benefits received/ receivable by the Company on its own account.

Revenue is recognised to the extent, it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. It is measured at the fair value of the consideration received or receivable.

Amounts disclosed as revenue are net of returns, trade allowances, value added taxes and amount collected on behalf of third party.

The following criteria apply in respect of various revenue

Content produced/ acquired	Criteria for Revenue recognition
a. Commissioned content	On the date of delivery of contracted deliverables.
b. Sponsored content	When the relevant content is delivered.
c. Cinematic content	
i Under production	No income is recognised.
ii Complete but not released	To the extent of so much of the estimated income on release as bears to the whole of the estimated income in the same proportion as the actual recoveries/ realisations/ confirmed contracts bear to the total expected realisations.
iii Completed and released during the year	On release/ delivery of release prints except income, if any, already recognised as c (ii) above
iv. Complete but not released- other than theatrical release	On the basis of contracts/ deal memo and delivery of deliverables.
d. Music rights	On its release or exploitation contract.

Other income	Revenue recognition
Dividend	When the right to receive the payment is established and no significant uncertainty as to measurability or controllability exists.
Interest income	On accrual basis, using the effective interest method for financial assets measured at amortized cost and at FVTOCI
Consultancy services	When services are actually rendered resulting in enforceable claim.

2.10 Income tax

Tax expense comprises of current and deferred tax.

a. Current tax

Current tax is the amount of income tax payable in respect of taxable profit for a period. 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 at the balance sheet date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity.

b. Deferred tax

Deferred tax assets and liabilities are recognized using the balance sheet approach for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

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 at the balance sheet date and are expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled.

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

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

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

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

c. Minimum alternate tax (MAT)

MAT paid in a year is charged to the Statement of profit and loss as current tax. MAT credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, which is the period for which MAT credit is allowed to be carried forward. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.11 Earnings per share

Earnings per share (EPS) is calculated by dividing the net profit or loss (excluding other comprehensive income) for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders is adjusted for after income tax effect of interest and other finance costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.12 Foreign currency transactions

Functional and presentation currency

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("functional currency"). The Financial Statements of the Company are presented in Indian currency (INR), which is also the functional and presentation currency of the Company.

Transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary items denominated in foreign currencies at the year-end are restated at closing rates.

Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain/ (loss).

Foreign exchange gain/ (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain/ (loss) are presented in the Statement of Profit and Loss on a net basis within other income/ (expense).

2.13 Employee benefits: Retirement and other employee benefits

a. Short-term employee benefits

All employee benefits are payable within 12 months of service such as salaries, wages, bonus, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations. Termination benefits are recognised as and when expense incurred.

Short term employee benefits are provided at undiscounted amount during the accounting period based on service rendered by the employees. Compensation payable under voluntary retirement scheme is being charged to the statement of profit and loss in the year of settlement.

b. Defined contribution plan

The Company's contributions paid or payable during the year to the provident fund are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services.

c. Defined benefit plans

The Company contributes to Employees Group Saving Linked Insurance Scheme with Life Insurance Corporation of India to cover its liability towards employee gratuity. The expense is recognised at the present value of the amount payable determined using actuarial gratuity report.

Gratuity liability is a defined benefit obligation and is computed on the basis of present value of amount payable determined using actuarial valuation techniques as per projected unit credit method at the end of each financial year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

It is recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services.

Re-measurement cost of net defined benefit liability, which comprises of actuarial gain and losses, return on plan assets(excluding interest), and the effect of the asset ceiling (if any, excluding interest) are recognized in other comprehensive income in the period in which they occur. The Company does not have any policy for leave encashment.

2.14 Provisions, contingent liabilities and contingent assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not recognized for future operating losses.

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

3. PROPERTY, PLANT AND EQUIPMENT

(In ₹ lakh)

Particulars	Property, plant and equipment					
	Improvement to lease hold premises	Furniture and fixtures	Vehicles	Office equipments	Computer, printer and software	Total
Gross carrying value, at cost						
Opening as on April 1, 2016	7.24	4.83	83.98	28.18	24.03	148.26
Additions during 2016-17	0.00	0.79	115.18	0.70	1.44	118.11
Disposal/ transfer during 2016-17	0.00	0.87	69.08	4.07	1.80	75.82
As at March 31, 2017	7.24	4.75	130.08	24.81	23.67	190.55
Additions during 2017-18	0.00	0.00	11.21	5.68	1.51	18.40
Disposal/ transfer during 2017-18	0.00	1.89	14.91	18.45	5.32	40.57
As at March 31, 2018	7.24	2.86	126.38	12.04	19.86	168.38
Accumulated depreciation/ amortisation						
Opening as on April 1, 2016	7.24	3.03	30.34	22.55	21.73	84.89
Charge for the year 2016-17	0.00	0.31	16.70	1.93	0.79	19.73
Disposal/ transfer during 2016-17	0.00	0.58	25.30	3.57	1.71	31.16
As at March 31, 2017	7.24	2.76	21.74	20.91	20.81	73.46
Charges for the year 2017-18	0.00	0.28	15.01	1.68	0.83	17.80
Disposal/ transfer during 2017-18	0.00	1.80	8.86	17.42	5.05	33.13
As at March 31, 2018	7.24	1.24	27.89	5.17	16.59	58.13

Net book value						
As at March 31, 2018	0.00	1.62	98.49	6.87	3.27	110.25
As at March 31, 2017	0.00	1.99	108.34	3.90	2.86	117.09
As at April 1, 2016	0.00	1.80	53.64	5.63	2.30	63.37

4. INVESTMENT

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investments in equity instruments			
Investments measured at fair value through other comprehensive income			
a. Quoted			
Moving Picture Company (India) Limited			
95,000 shares @ ₹ 70 each (Face value ₹ 10)	66.50	66.50	66.50
Less: Impairment in the value of investment till beginning of the year	(65.93)	(65.53)	(65.53)
Less: Impairment in the value of investment for current year	(0.57)	(0.40)	0.00
Total - (a)	0.00	0.57	0.97
b. Unquoted			
Investments carried at cost			
i. Wholly owned subsidiaries			
PNC Wellness Ltd			
60,000 shares @ ₹ 85 each (Face value ₹ 10)	51.00	51.00	51.00
600,000 shares @ ₹ 40 each (Face value ₹ 10)	240.00	240.00	240.00
	291.00	291.00	291.00
Less: Impairment in the value of investment till beginning of the year	(58.20)	0.00	0.00
Less: Impairment in the value of investment for current year	(58.20)	(58.20)	0.00
Total - (i)	174.60	232.80	291.00
ii. In Subsidiaries			
PNC Digital Ltd			
110,000 shares @ ₹ 47 each (Face value ₹ 10)	51.25	51.25	51.25
388,900 equity shares @ ₹ 10 each (Face value ₹ 10)	38.95	38.95	38.95
(Extent of holding 99.78%)	90.20	90.20	90.20
Less: Impairment in the value of investment till beginning of the year	(20.00)	(20.00)	(20.00)
Less: Impairment in the value of investment for current year	0.00	0.00	0.00
Total - b (i+ii)	70.20	70.20	70.20
Total (a+b)	244.80	303.57	362.17
Aggregate amount of quoted investments and market value thereof	0.00	0.57	0.97
Aggregate amount of unquoted investments	244.80	303.00	361.20
Aggregate amount of impairment in the value of investments	202.90	154.13	85.53

5. TRADE RECEIVABLES

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good	65.48	65.96	69.96
Total	65.48	65.96	69.96

6. OTHER FINANCIAL ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security deposits for utilities and premises			
a. Unsecured, considered good	25.75	24.55	22.03
b. Others	1,121.65	1,121.65	1,121.65
Total	1,147.40	1,146.20	1,143.68

7. OTHER NON CURRENT ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances other than capital advances			
Other advances			
a. Balance with government Authority VAT refund receivable	30.00	22.00	15.36
b. Other receivable			
Deferred rent expenses	1.24	2.40	3.97
c. Advance for content	1,772.30	1,731.52	1,985.63
Less: Expected credit loss allowance	0.00	75.00	75.00
Net advance for content	1,772.30	1,656.52	1,910.63
Total (a+b+c)	1,803.54	1,680.92	1,929.96

7.1 Expenditure in foreign currency

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Traveling expenses - advance for content USD Nil (L Y USD 5,000)	0.00	3.34	0.00
	<u>0.00</u>	<u>3.34</u>	<u>0.00</u>

8. INVENTORIES

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cinematic and television content			
Unamortised content	4,232.38	4,459.12	4,525.06
Unexploited content	1,476.90	1,476.90	528.26
Unfinished content	93.71	30.00	30.00
Total	<u>5,802.99</u>	<u>5,966.02</u>	<u>5,083.32</u>

9. TRADE RECEIVABLES

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good	58.35	236.63	27.53
Total	<u>58.35</u>	<u>236.63</u>	<u>27.53</u>

10. CASH AND CASH EQUIVALENTS

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a. Balances with banks			
In current accounts	310.48	1.65	2.10
b. Cash on hand	0.04	0.06	0.06
Total	<u>310.52</u>	<u>1.71</u>	<u>2.16</u>

11. BANK BALANCES OTHER THAN ABOVE

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a. Bank balance with maturity less than 12 months	467.74	458.30	491.06
b. Balances with banks	0.26	0.26	0.33
Total	<u>468.00</u>	<u>458.56</u>	<u>491.39</u>

12. OTHER FINANCIAL ASSETS

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances other than capital advances- Unsecured, considered good			
a. Security deposits	0.96	0.00	1.00
b. Advances to related parties			
PNC Wellness Ltd	16.88	9.99	4.26
PNC Digital Ltd	0.00	0.00	586.57
c. Other Advances	103.11	29.14	64.19
Total	<u>120.95</u>	<u>39.13</u>	<u>656.02</u>

13. CURRENT TAX ASSETS (NET)

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Income tax refund receivable from A Y 2008-09 to 2016-17	0.00	0.00	127.02
Less: Provision of income tax A Y 2016-17			(44.63)
Income tax refund receivable A Y 2016-17	2.40	2.40	0.00
Income tax refund receivable A Y 2017-18	22.23	8.36	0.00
TDS from income receipt A Y 2018-19	80.76	0.00	0.00
Less: Provision of current year income tax	(20.00)	0.00	0.00
Total	<u>85.39</u>	<u>10.76</u>	<u>82.39</u>

14. OTHER CURRENT ASSETS

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other advances-unsecured, considered good	4.60	76.85	234.13
Prepaid expense	12.57	4.61	2.46
Total	<u>17.17</u>	<u>81.46</u>	<u>236.59</u>

15. EQUITY SHARE CAPITAL

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Authorised shares			
20,000,000 (March 31, 2017 and April 1, 2016 : 20,000,000) equity shares of Face value of ₹ 10 Each	2,000.00	2,000.00	2,000.00
Total	<u>2,000.00</u>	<u>2,000.00</u>	<u>2,000.00</u>
Issued, subscribed and fully paid			
14,467,000 (March 31, 2017 and April 1, 2016 : 14,467,000) equity shares of Face value of ₹ 10 Each	1,446.70	1,446.70	1,446.70
Total	<u>1,446.70</u>	<u>1,446.70</u>	<u>1,446.70</u>

a. The reconciliation of Shares

Reconciliation of number of shares (equity)	(In ₹ lakh, except no. of shares data)					
	2017-18		2016-17		2015-16	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
Number of shares outstanding as at the beginning of the year	14,467,000	1,446.70	14,467,000	1,446.70	14,467,000	1,446.70
Number of shares outstanding as at the end of the year	14,467,000	1,446.70	14,467,000	1,446.70	14,467,000	1,446.70

b. Rights, preferences, restrictions of equity shares

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

The equity shares are entitled to dividend proposed by Board of Directors subject to approval of the share holders in the Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, holder of equity shares are entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their share holding.

c. Shareholders holding more than 5 per cent of total Equity Shares of company

Name of the shareholders	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No of shares	% held	No of shares	% held	No of shares	% held
Pritish Nandy	2,952,197	20.41	2,952,197	20.41	2,952,197	20.41
Artinvest India Pvt Ltd	1,394,789	9.64	1,394,789	9.64	1,394,789	9.64
Elara India Opportunities Ltd	0	0	500,000	3.46	1,000,000	6.91
Kamal M Morarka	1,495,659	10.34	1,495,659	10.34	0	0
Gannon Dunkerley Finance Ltd	1,402,842	9.70	0	0	0	0
APMS Investment Fund Ltd	0	0	924,239	6.39	1,000,000	6.91
Eriska Investment Fund Ltd	0	0	0	0	1,000,000	6.91

As per the 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 ownership of shares.

16. OTHER EQUITY

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital reserve			
Balance at the beginning of the year	0.37	0.37	0.37
Balance at the end of the year	<u>0.37</u>	<u>0.37</u>	<u>0.37</u>
Securities premium reserve			
Balance at the beginning of the year	6,719.59	6,719.59	6,719.59
Balance at the end of the year	<u>6,719.59</u>	<u>6,719.59</u>	<u>6,719.59</u>
General reserves			
Balance at the beginning of the year	220.98	220.98	220.98
Balance at the end of the year	<u>220.98</u>	<u>220.98</u>	<u>220.98</u>

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Retained earnings			
Balance at the beginning of the year	(488.03)	(554.70)	(479.70)
Add: Profit/ (loss) for the year	210.33	(137.37)	0.00
Add: Other comprehensive income	0.00	1.90	0.00
Add: Deferred tax liability adjusted	(2.30)	279.04	0.00
Less: Ind AS impact on gratuity expenses	0.00	(1.90)	0.00
Less: Expected credit loss allowance	0.00	75.00	75.00
Balance at the end of year	(280.00)	(488.03)	(554.70)
Total	6,660.94	6,452.91	6,386.24

17. BORROWINGS

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
From other than banks			
Secured			
a. Loan from Kotak Mahindra Prime Limited	9.69	5.23	0.00
Secured against the hypothecation of vehicles.			
Repayable up to January 2020			
b. Loan from BMW Financial Services	52.96	60.03	0.00
Secured against the hypothecation of vehicles.			
Repayable up to March 2019			
c. Loan from Daimler Financial Services	0.00	0.00	12.60
Secured against the hypothecation of vehicles.			
Repayable up to November 2018			
Total	62.64	65.27	12.60

17.1 Amendment to Ind AS 7 effective from April 1, 2017 require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities, to meet disclosure requirement. Accordingly, the Company has given the said disclosure as below

(In ₹ lakh)

Particulars	Note no.	Opening balance	Financing cash flow changes	Non cash flow changes		Closing balance
				Effect of changes in foreign exchange rates	Effect of Effective Interest rate and Others	
Non-current liabilities						
Borrowings	17	65.27	(2.63)	0.00	0.00	62.64
Current liabilities						
Borrowings	21	512.18	(141.39)	0.00	0.00	370.79
Interest expense	30	0.00	65.87	0.00	0.00	65.87
Interest paid		0.00	(65.87)	0.00	0.00	(65.87)
Total		577.45	(144.02)	0.00	0.00	433.43

18. TRADE PAYABLES

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total outstanding dues to micro enterprises and small enterprises	0.00	0.00	0.00
Total outstanding dues to creditors other than micro enterprises and small enterprises	168.57	168.57	168.57
Total	168.57	168.57	168.57

Refer note 35 to the financial statements for Micro, Small and Medium Enterprises disclosures

19. OTHER FINANCIAL LIABILITIES - NON CURRENT

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances	31.62	31.62	31.62
Total	31.62	31.62	31.62

20. DEFERRED TAX LIABILITIES (NET)

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a. Deferred tax liabilities			
Depreciation on property, plant, and equipment	(21.35)	(22.13)	(16.14)
Total (a)	(21.35)	(22.13)	(16.14)
b. Reversal of deferred tax (assets)/ liabilities			
Unamortised content	1,177.16	1,235.55	1,511.78
Diminution in the value of investments	(30.12)	(14.99)	0.00
Total (b)	1,147.04	1,220.56	1,511.78
Total (a+b)	1,125.69	1,198.43	1,495.64

21. BORROWINGS

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a. Loans repayable on demand			
From banks			
Secured	361.08	504.72	40.02
(Secured against current assets)			
Total (a)	361.08	504.72	40.02
b. Term loan			
From other than banks			
Secured			
Current maturity of long term loans*	9.71	7.46	6.50
Total (b)	9.71	7.46	6.50
Total (a + b)	370.79	512.18	46.52

*Refer note 17 to the financial statements

22. TRADE PAYABLES

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total outstanding dues to micro enterprises and small enterprises	0.00	0.00	0.00
Total outstanding dues to creditors other than micro enterprises and small enterprises	140.37	50.80	430.59
Total	140.37	50.80	430.59

23. OTHER FINANCIAL LIABILITIES

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
Others	10.22	37.45	46.52
Total	10.22	37.45	46.52

24. OTHER CURRENT LIABILITIES

(In ₹ lakh)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances received from customers	0.00	10.50	0.00
Statutory dues	48.07	14.38	14.29
Others	169.23	119.20	69.25
Total	217.30	144.08	83.54

25. REVENUE FROM OPERATIONS

(In ₹ lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of owned content	405.33	173.04
Income from commissioned content	1,550.21	48.75
Total	1,955.54	221.79

25.1 Earning in foreign currency

(In ₹ lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of owned content USD Nil (L Y USD 107.53)	0.00	0.07
Sale of owned content SGD 3,618 (L Y Nil)	1.78	0.00
Total	1.78	0.07

26. OTHER INCOME

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
a. Interest income		
i. Interest on fixed deposits	32.06	37.06
ii. Interest on security deposits	1.80	1.70
iii. Interest on Income tax refund	0.00	13.51
b. Miscellaneous income	15.81	204.11
Total	49.67	256.38

27. COST OF CONTENT

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Cost of the content	1,202.51	976.64
Total	1,202.51	976.64

28. CHANGES IN INVENTORIES OF CONTENT

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
a. Opening balance		
Unamortised content	4,459.12	4,525.07
Unexploited content	1,476.90	528.26
Unfinished content	30.00	30.00
Total opening balance (a)	5,966.02	5,083.33
b. Closing balance		
Unamortised content	4,232.38	4,459.12
Unexploited content	1,476.90	1,476.90
Unfinished content	93.71	30.00
Total closing balance (b)	5,802.99	5,966.02
Total (a-b)	163.03	(882.69)

29. EMPLOYEE BENEFITS EXPENSES

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries	109.86	115.87
Contribution to gratuity funds	1.54	0.00
Total	111.40	115.87

30. FINANCE COSTS

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest expense	50.65	35.96
Other borrowing costs	15.22	26.80
Total	65.87	62.76

31. OTHER EXPENSES

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Auditor's remuneration (Refer note 44)	4.12	4.66
Business promotion expenses	8.62	6.50
Cenvat credit of service tax/ VAT written off	5.00	12.13
Communications expenses	2.42	2.62
Contract service expenses	43.53	43.97
Conveyance and motor car expenses	21.87	23.07
Directors' sitting fees	13.20	13.67
Insurance charges	3.01	5.69
Interest on service tax/ VAT/ TDS	0.06	10.69
Legal and professional expenses	11.68	21.47
Loss on assets sold, discarded or demolished	3.23	18.16
Rent	68.91	65.65
Traveling and conveyance	6.01	13.37
Establishment and administrative expenses	36.58	40.95
Impairment loss allowance in value of investments	58.77	58.60
Total	287.01	341.20

31.1 Expenditure in foreign currency

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Traveling expenses USD 2,500 (L Y Nil)	1.64	0.00
Total	1.64	0.00

32. CONTINGENT LIABILITIES

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Contingent liabilities			
a. Claims against the Company not acknowledged as debt	1,501.00	1,501.00	1,501.00
b. VAT liability	87.73	84.40	84.40
Total	1,588.73	1,585.40	1,585.40

33. EMPLOYEE BENEFITS

Defined benefit plan

Group gratuity liability is recognised on the basis of gratuity report provided by Actuary.

The disclosures as required under the Indian Accounting Standard (Ind AS 19) in respect of gratuity, is as follows

a. Expenses recognised in statement of profit or loss

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Current service cost	1.88	1.75
Net interest cost	(0.33)	(0.03)
Total	1.54	1.72

b. Income/ (expenses) recognised in other comprehensive income (OCI)

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Actuarial (gains)/ losses on obligation for the period	(2.73)	1.45
Return on plan assets excluding interest income	0.42	0.45
Total	(2.31)	1.90

c. Reconciliation of defined benefit obligation

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Defined benefit obligation at the beginning of the year	47.60	43.82
Current service cost	1.88	1.75
Interest cost	3.52	3.49
Actuarial (gain)/ loss due to change in financial assumptions	(1.51)	(1.46)
Actuarial (gain)/ loss on obligation - due to experience adjustments	4.23	0.00
Benefit paid	0.00	0.00
Defined benefit obligation at the end of year	55.72	47.60

d. Reconciliation of plan assets

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Fair value of plan assets at the beginning of the year	52.13	44.22
Interest income	3.85	3.52
Employers contribution	3.82	3.94
Benefit paid	0.00	0.00
Return on plan assets, excluding interest income	0.42	0.45
Fair value of plan assets at the end of the year	60.22	52.13

e. Net asset/ (liability) recognised in the balance sheet as at March 31, 2018

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Present value of defined benefit obligation (DBO)	(55.72)	(47.60)
Fair value of plan assets	60.22	52.13
Net asset/ (liability)	4.50	4.53

f. The significant actuarial assumptions were as follows:

Actuarial assumption	For the year ended March 31, 2018	For the year ended March 31, 2017
Discount rate	7.88%	7.39%
Attrition rate	2%	2%
Salary escalation rate	7%	7%
Rate of return on plan assets	7.88%	7.39%

Sensitivity analysis

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period.

Sensitivity analysis	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Projected benefit obligation on current assumptions	55.72	47.60
Delta effect of +1% change in rate of discounting	(2.77)	(3.82)
Delta effect of -1% change in rate of discounting	3.19	4.51
Delta effect of +1% change in rate of salary increase	1.58	4.48
Delta effect of -1% change in rate of salary increase	(1.44)	(3.87)
Delta effect of +1% change in rate of employee turnover	1.62	0.12
Delta effect of -1% change in rate of employee turnover	(1.81)	(0.14)

Note

The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Maturity analysis of the benefit payments: from the fund

Projected benefits payable in future years from the date of reporting	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
1st following year	21.24	10.90
2nd following year	1.31	0.96
3rd following year	11.87	1.01
4th following year	1.11	10.59
5th following year	1.14	0.83
Sum of years 6 to 10	6.29	4.98
Sum of years 11 and above	58.40	0.00

Note

Gratuity is payable as per Company's scheme as detailed in the report.

Actuarial gains/ losses are recognized in the period of occurrence under other comprehensive income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation and attrition rate are considered as advised by the Company; they appear to be in line with the industry practice considering promotion and demand and supply of the employees.

Maturity analysis of benefit payments is undiscounted cash flows considering future salary, attrition and death in respective year for members as mentioned above.

Average expected future service represents estimated term of post - employment benefit obligation.

Value of asset provided by the client is considered as fair value of plan asset for the period of reporting as same is not evaluated by us.

Investment details

The Company made annual contribution to LIC of India of an amount advised by them. The Company was not informed by LIC of the investments made or the break down of plan assets by investment type.

34. RELATED PARTY DISCLOSURES

Details of transactions between the Company and other related parties as disclosed below :

a. Subsidiaries of the Company	i. PNC Digital Ltd (Subsidiary Company)
	ii. PNC Wellness Ltd (wholly owned subsidiary)
b. Key Managerial personnel	i. Pallab Bhattacharya – Wholtime Director and CEO
	ii. Rangita Pritish Nandy – Creative Director
	iii. Vikas Shaw – Company Secretary (up to November 9, 2016)
	iv. Santosh Gharat – Company Secretary (w.e.f. November 9, 2016)
c. Non Executive directors and their relationships	i. Pritish Nandy – Non Executive Chairman
	ii. Rina Pritish Nandy – Non Executive Director
	iii. Udayan Bose – Non Executive, Independent Director
	iv. Nabankur Gupta – Non Executive, Independent Director
	v. Raghu Palat - Non Executive, Independent Director (w.e.f. August 9, 2016)
	vi. Vishnu Kanhere – Non Executive, Independent Director (up to May 26, 2016)
	vii. Hema Malini – Non Executive, Independent Director
	viii. Ishita Pritish Nandy – Daughter of Non Executive Chairman

Details relating to parties/ persons referred to in above items are as under

		(In ₹ lakh)	
Nature of transaction		March 31, 2018	March 31, 2017
Subsidiaries	Opening balance- receivable/ (payable)	(4.87)	575.35
	Advances related to content taken over from PNC Digital Ltd	0.00	(586.57)
	Advance paid back	4.64	0.62
	Advance given	6.88	5.73
	Balance outstanding as at year end		
	Receivable/ (payable)	6.65	(4.87)
Key managerial personnel and directors	Remuneration/ reimbursement	62.17	61.51
	Balance outstanding as at year end		
	Receivable/ (payable)	(3.92)	(3.56)
Non-executive directors and their relatives	Remuneration/ reimbursement/ sitting fees	40.62	41.09
	Professional fees	96.00	96.00
	Balance outstanding as at year end		
	Receivable/ (payable)	(171.20)	(121.09)

Related party relationship is as identified by the Company and relied upon by the Auditors.

35. MICRO, SMALL AND MEDIUM ENTERPRISES

The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures, if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act are NIL as given below. This information has been relied upon by the auditor.

Particulars	(In ₹ lakh)	
	As at March 31, 2018	As at March 31, 2017
a. The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	NIL	NIL
b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	NIL	NIL
d. The amount of interest accrued and remaining unpaid at the end of each accounting year;	NIL	NIL
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

36. FIRST TIME ADOPTION OF IND AS

For all periods upto and including the year ended March 31, 2017 the Company had prepared its financial statements in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the companies (Accounts) Rules, 2014 (Previous GAAP). This note explains the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP.

Exemptions and exceptions availed

In preparing these Ind AS Financial Statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101 First-time adoption of Indian Accounting Standards, as explained below. The resulting difference between the carrying values of the assets and liabilities in the Financial Statements as at the transition date under Ind AS and IGAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This Note explains the adjustments made by the Company in restating its IGAAP Financial Statements, including the Balance Sheet as at April 1, 2016 and the Financial Statements as at and for the year ended March 31, 2017.

36.1 Ind AS optional exemptions:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from IGAAP to Ind AS.

a. Deemed cost

Para D7 AA of Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the Financial Statements as at the date of transition to Ind AS, measured under IGAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. The Company has exercised this option of adopting deemed cost.

b. Designation of previously recognised financial instruments

Ind AS 101 allows a Company to designate investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments. Exchange differences on account of depreciable assets can be added/ deducted from the cost of the depreciable asset, which will be depreciated over the balance life of the asset. Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the Financial Statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. The Company has opted to apply this exemption.

c. Investments in equity instruments:

An Company may make an irrevocable election at initial recognition of a financial asset to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'fair value through other comprehensive income'. The Company has accordingly designated certain equity instruments as at April 1, 2016 as fair value through other comprehensive income.

d. Investments in subsidiary companies, associate company and joint venture company

Ind AS 101 permits a first-time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be its fair value at date of transition to Ind AS of the Company, or IGAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary companies, associate company and joint venture company under IGAAP carrying amount as its deemed cost on the transition date.

36.2 Ind AS mandatory exceptions:

a. Estimates

An Company's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

b. Classification and measurement of financial assets

Ind AS 101 requires an Company to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c. De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly, the Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

i. Effect of Ind AS adoption on the balance sheet as at March 31, 2017 and April 1, 2016
(In ₹ lakh)

Particulars	Notes	As at March 31, 2017			As at April 1, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet
ASSETS							
Non-current assets							
Property, plant and equipment		117.09	0.00	117.09	63.37	0.00	63.37
Financial assets							
a. Investments		303.57	0.00	303.57	362.17	0.00	362.17
b. Trade receivable	(II)	0.00	65.96	65.96	0.00	69.96	69.96
c. Other financial assets		1,276.20	(130.00)	1,146.20	1,208.68	(65.00)	1,143.68
Other non-current assets		1,693.18	(12.26)	1,680.92	2,642.38	(712.42)	1,929.96
Total non-current assets		<u>3,390.04</u>	<u>(76.30)</u>	<u>3,313.74</u>	<u>4,276.60</u>	<u>(707.46)</u>	<u>3,569.14</u>
Current assets							
Inventories		5,966.02	0.00	5,966.02	5,083.33	0.00	5,083.33
Financial assets							
a. Trade receivables		302.59	(65.96)	236.63	97.50	(69.96)	27.54
b. Cash and cash equivalents		1.81	(0.10)	1.71	2.21	(0.05)	2.16
c. Bank balances other than (b) above		458.56	0.00	458.56	491.39	0.00	491.39
d. Other financial assets		39.13	0.00	39.13	69.45	586.57	656.02
Current tax assets (net)		0.00	10.76	10.76	0.00	82.39	82.39
Other current assets		99.91	(18.45)	81.46	247.54	(10.97)	236.57
Total current assets		<u>6,868.02</u>	<u>(73.75)</u>	<u>6,794.27</u>	<u>5,991.42</u>	<u>587.98</u>	<u>6,579.40</u>
TOTAL ASSETS		<u>10,258.06</u>	<u>(150.05)</u>	<u>10,108.01</u>	<u>10,268.02</u>	<u>(119.48)</u>	<u>10,148.54</u>
EQUITY							
Equity Share capital		1,446.70	0.00	1,446.70	1,446.70	0.00	1,446.70
Other equity		6,323.92	128.99	6,452.91	6,461.24	(75.00)	6,386.24
Total equity		<u>7,770.62</u>	<u>128.99</u>	<u>7,899.61</u>	<u>7,907.94</u>	<u>(75.00)</u>	<u>7,832.94</u>
Liabilities							
Non-current liabilities							
Financial liabilities							
a. Borrowings		65.27	0.00	65.27	12.60	0.00	12.60
b. Trade payables		0.00	168.57	168.57	0.00	168.57	168.57
c. Other financial liabilities		31.62	0.00	31.62	0.00	31.62	31.62
Provisions							
Deferred tax liabilities (net)	(I)	1,477.47	(279.04)	1,198.43	1,495.64	0.00	1,495.64
Total non-current liabilities		<u>1,574.36</u>	<u>(110.47)</u>	<u>1,463.89</u>	<u>1,508.24</u>	<u>200.19</u>	<u>1,708.43</u>
Current liabilities							
Financial liabilities							
a. Borrowings		504.72	7.46	512.18	40.02	6.50	46.52
b. Trade payables		227.02	(176.22)	50.80	418.38	12.21	430.59
c. Other financial liabilities		25.36	12.09	37.45	20.83	25.69	46.52
Other current liabilities		155.98	(11.90)	144.08	328.14	(244.60)	83.54
Provisions		0.00	0.00	0.00	44.47	(44.47)	0.00
Total current liabilities		<u>913.08</u>	<u>(168.57)</u>	<u>744.51</u>	<u>851.84</u>	<u>(244.67)</u>	<u>607.17</u>
Total liabilities		<u>2,487.44</u>	<u>(279.04)</u>	<u>2,208.40</u>	<u>2,360.08</u>	<u>(44.48)</u>	<u>2,315.60</u>
TOTAL EQUITY AND LIABILITIES		<u>10,258.06</u>	<u>(150.05)</u>	<u>10,108.01</u>	<u>10,268.02</u>	<u>(119.48)</u>	<u>10,148.54</u>

The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

ii. Reconciliation of total equity as at March 31, 2017 and April 1, 2016

Particulars	Notes	(In ₹ lakh)	
		As at March 31, 2017	As at April 1, 2016
Total equity under previous GAAP		7,770.62	7,907.94
Add/ (less):- adjustments for GAAP differences			
Adjustment on account of Ind AS transition for expected credit loss	(II)	(150.00)	(75.00)
Deferred tax liability adjustment	(I)	279.04	0.00
Other adjustment		(0.05)	0.00
Total adjustments to equity		<u>128.99</u>	<u>(75.00)</u>
Total equity under Ind AS		<u>7,899.61</u>	<u>7,832.94</u>

(iii) Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2017

Particulars	Notes	(In ₹ lakh)		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet
Income				
I. Revenue from operations		221.79	0.00	221.79
II. Other income		254.67	1.71	256.38
III. Total income (I+II)		<u>476.46</u>	<u>1.71</u>	<u>478.17</u>
IV. Expenses				
Cost of content		976.64	0.00	976.64
Changes in inventories of content		(882.69)	0.00	(882.69)
Employee benefits expense	(IV)	115.87	0.00	115.87
Finance costs		62.76	0.00	62.76
Depreciation and amortization expense		19.73	0.00	19.73
Other expenses		339.44	1.76	341.20
Total expenses (IV)		<u>631.75</u>	<u>1.76</u>	<u>633.51</u>
V. Profit/ (loss) before tax (III-IV)		<u>(155.29)</u>	<u>(0.05)</u>	<u>(155.34)</u>
VI. Tax expense:				
a. Current tax		0.19	0.00	0.19
b. Deferred tax	(I)	(18.16)	0.00	(18.16)
Total tax expenses (VI)		<u>(17.97)</u>	<u>0.00</u>	<u>(17.97)</u>
VII. Profit/ (loss) for the period (V-VI)		<u>(137.32)</u>	<u>(0.05)</u>	<u>(137.37)</u>
VIII. Other comprehensive income				
i. Items that will not be reclassified to profit or loss	(III) (IV)	0.00	(1.90)	1.90
ii. Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00	0.00
Total comprehensive income for the period		<u>(137.32)</u>	<u>1.85</u>	<u>(135.47)</u>

The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

iv. Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Notes	(In ₹ lakh)
		As at March 31, 2017
Profit as per previous GAAP (Indian GAAP)		(137.32)
Adjustments :		
Other adjustment		(0.05)
Total effect of transition to Ind AS		<u>(0.05)</u>
Profit for the year as per Ind AS		<u>(137.37)</u>
Other comprehensive income for the year (net of tax)	(III) (IV)	1.90
Total comprehensive income		<u>(135.47)</u>

I. Deferred tax

The previous GAAP required deferred tax accounting using the profit and loss approach the which focused on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using balance sheet approach which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Various transitional adjustments has resulted in recognition of temporary differences.

II. Expected credit loss
Under Indian GAAP allowances of doubtful debt was provided as per management estimate whereas under Ind AS allowances are based on expected credit loss model as per Ind - AS 109 - Financial Instruments.

III. Other comprehensive income (OCI)
Ind-AS requires preparation of statement of other comprehensive income in addition to Statement of profit and loss. Re-measurement gain/ loss on defined benefit plans earlier accounted for in statement of profit and loss under Indian GAAP has been reclassified to OCI as required by Ind-AS 19 - Employee Benefits.

IV. Employee benefits expenses
As per Ind AS-19 Employee Benefits, actuarial gains and losses are recognised in other comprehensive income and not reclassified to Statement of profit and loss in a subsequent period.

V. Retained earnings
Retained earnings as at April 1, 2016 have been adjusted consequent to the above Ind AS transition adjustments.

37. INVESTMENT IN SUBSIDIARIES

a. PNC Wellness Ltd

The Company has an investment of ₹ 174.60 lakh (L Y ₹ 232.80 lakh) in equity shares of wholly owned subsidiary viz. PNC Wellness Limited. The net worth of this subsidiary is ₹ 72.38 lakh as on March 31, 2018. This subsidiary, which owns several wellness brands like Moksh, Power Yoga, Passion Yoga, Cool Yoga, Couple Yoga, etc. is exploring avenues to commercialise its aforesaid brands. This subsidiary is in the process of realigning its business by making efforts to commercialise and lease its various brands through collaborative arrangements with other parties. The Company is facilitating and supporting the revival of this subsidiary's business. There was no revenue generation by this subsidiary during the year under review. Considering that there was no revenue generation during the year under review the management has made provision for diminution in value of investment in this subsidiary by 1/5th of its book value and considers the retained book value as fully realizable. No further provision is made for the diminution in book value of investment which is considered as temporary.

b. PNC Digital Ltd

The Company has an investment of ₹ 70.20 lakh (L Y ₹ 70.20 lakh) in equity shares of subsidiary viz. PNC Digital Limited. The net worth of this subsidiary is ₹ 8.37 lakh as on March 31, 2018.

The Company has agreed to provide its films to this subsidiary to explore revenue opportunities on the digital platform and exploit it to its commercial advantage but this subsidiary Company was not able to generate income from its operational activities in the year gone by. This subsidiary will continue its efforts. In view of the fact that this subsidiary has unfettered access to the film content of the holding company and requires no additional substantive capital deployment to generate revenue, no provision for diminution in value of investment, which is considered temporary, has been made in the accounts. This Company will leverage its market standing to facilitate other smaller production houses to gain access to large digital content distributors to facilitate them getting better prices and commercial terms for their content.

38. OPERATING LEASES: (LESSEE)

a. At the reporting date the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

Particulars	(In ₹ lakh)	
	As at March 31, 2018	As at March 31, 2017
Lease rental charges for the year	68.91	65.65
Future lease rental obligation payable (under non-cancellable lease)	0.00	0.00
Not later than one year	65.71	60.95
Later than one year but not later than five years	237.22	25.19
Later than five years	20.23	0.00

b. The total of future minimum sublease payment expected to be received under non - cancellable subleases at the end of reporting period is NIL

c. Lease payments recognised as an expense in the period in which it is incurred.

39. LEGAL PROCEEDINGS

a. The Company has initiated legal proceedings for recovery of an advance of ₹ 150.00 lakh which was given against the music, Asian and Indian satellite rights of a film, where the Company has lien over the exploitation of the said rights. The management considers the same as good and fully recoverable. Legal opinion obtained by the Company supports this. Auditors have relied on the opinion and consequently no provision has been made in the accounts at this stage. Legal proceedings are ongoing.

b. The Company has received an award of ₹ 352.00 lakh in its favour in the arbitration case filed against White Feather Films. The Company has also received a revised order for the amount of interest, which the Company has not found satisfactory and hence it has moved an appeal with the Bombay High Court. White Feather Films has gone in appeal against the above said

award and has been directed to deposit an amount of ₹ 300.00 lakh by the Bombay High Court. Proceedings are ongoing and in view of the same, outstanding of ₹ 317.53 lakh is considered as fully recoverable.

40. Arbitration proceedings initiated by the Company against Prasar Bharati on account of wrongful encashment of bank guarantee of ₹ 750.50 lakh. The Company has obtained legal opinion from Justice AM Ahmadi, former Chief Justice of Supreme Court of India, which supports the Company's stand that the amount is fully recoverable and hence no provision is made there against.

41. In the absence of persuasive evidence, there is presumption that intangible assets have a useful life of 10 years. In respect of cinematic content, the Company has persuasive evidence that the useful life of cinematic content is over 20 years.

The management has considered the following factors viz. the expected usage of the asset by the enterprise, typical product life cycles, technical, technological or other types of obsolescence, expected actions by competitors or potential competitors, the level of maintenance expenditure required to obtain the expected future economic benefits from the asset, the period of control over the asset, the useful life of the asset and for reasons viz. shelf lives of movies have substantially increased since the year 2000, getting better value for longer lease in excess of ten years, emergence of channels dedicated only for featuring content more than ten years old, growth in the number of distribution channels, rapid multiplication of remaking, animation and versions etc., and hence is of the view that the useful life of the cinematic content is 20 years. Hence, amortisation of ₹ 2,103.32 lakh in respect of cinematic content having life of more than 10 years, is not required to be made.

The details of cinematic and television content is as under

Particulars	In ₹ lakh		
	Cinematic content	Television content	Total
Gross carrying amount as at April 1, 2017	19,496.57	8,175.29	27,671.87
Add: Additions during the year 2017-18	1,202.51	0.00	1,202.51
Total	20,699.09	8,175.29	28,874.38
Less: Amortised up to March 31, 2017	13,821.96	7,883.89	21,705.85
Less: Amortised during the year 2017-18	1,365.54	0.00	1,365.54
Total Amortised	15,187.50	7,883.89	23,071.39
Net carrying amount as at March 31, 2018	5,511.59	291.40	5,802.99

There is no individual content that is material to the financial statements of the Company as a whole.

There is no content whose title is restricted. The content is pledged to Yes Bank Ltd as security for working capital overdraft facility of ₹ 1,000.00 lakh.

The total cost of content as at March 31, 2018 is ₹ 5,802.99 lakh. Based on a review of estimates of future realisations taken as a whole, the management is of the view that future recoverable amount from content rights to be more than its carrying unamortised cost of content. Hence, no impairment/write down is considered necessary on this account.

42. RECONCILIATION OF TAX EXPENSE

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
a. Income tax expenses		
Current tax- in respect of the current year	20.00	0.19
Deferred tax- in respect of the current year	(72.74)	(18.16)
Total	(52.74)	(17.97)
b. Income tax recognised in other comprehensive income		
Remeasurements of the defined benefit plans	0.00	0.00
Total income tax expense recognised in the year (a + b)	(52.74)	(17.97)

43. EARNING PER SHARE

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit after tax attributable to equity shareholders of the Company (in ₹ lakh)	210.33	(137.37)
Weighted average number of equity shares (number in lakh)	144.67	144.67
Basic and diluted earning per share (in ₹)	1.45	(0.95)
Face value per equity share (in ₹)	10	10

44. AUDITOR'S REMUNERATION

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
As auditor		
Statutory audit	2.75	3.16
In other capacity		
Other services	1.37	1.50
Total	4.12	4.66

As per our attached report of even date

For BD Jekhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Yatender Verma
VP, Finance, Compliances and Legal Affairs
Mumbai, May 25, 2018

Udayan Bose
Director
DIN: 00004533

Santosh Gharat
Company Secretary

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To
The Members
Pritish Nandy Communications Limited

REPORT ON THE CONSOLIDATED INDIAN ACCOUNTING STANDARDS (IND AS) FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of Pritish Nandy Communications Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, Consolidated 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 Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS 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 (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 financial position of the Group as at March 31, 2018, and their consolidated financial performance (including other comprehensive income), their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to Note 38(a) on the consolidated Ind AS financial statements which describes the facts related to the legal proceedings initiated by the Company for the recovery of an advance of ₹ 150.00 lakh. The management considers the same as good and fully recoverable. The legal opinion obtained by the Company supports this. We have relied on the opinion and consequently the Company has not made provision of any amount there against.

We further draw attention to Note 38(b) on the consolidated Ind AS financial statements which describes that the Company has received an award of ₹ 352.00 lakh in its favour in the arbitration case filed against White Feather Films. The Company has also received a revised order for the amount of interest, which the Company has not found satisfactory and hence it has moved an appeal with the Bombay High Court. White Feather Films

has gone in appeal against the above said award and has been directed to deposit an amount of ₹ 300.00 lakh by the Bombay High Court. Proceedings are ongoing.

We further draw attention to Note 39 on the consolidated Ind AS financial statements which describes the facts related to the arbitration proceedings initiated by the Company against Prasar Bharati on account of wrongful encashment of bank guarantee of ₹ 750.50 lakh. The Company has obtained legal opinion from Justice AM Ahmadi, former Chief Justice of Supreme Court of India, which supports the Company's stand that the amount is fully recoverable and hence no provision is made there against.

We further draw attention to Note 40 to the consolidated Ind AS financial statements which relates to the retaining of deferred tax assets of ₹ 56.23 lakh created against the accumulated losses in the books by the Subsidiary "PNC Wellness", in view of the plans of revival of business as described in the note.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

OTHER MATTERS

- a. The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 24, 2017 and May 26, 2016, respectively expressed an unmodified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of the above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
 - c. The Consolidated Ind AS Balance Sheet, the Consolidated Ind AS Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group Companies is disqualified as on March 31, 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 Holding Company, its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - 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 Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 38 (a), 38 (b) and 39 to the consolidated Ind AS financial statements.
 - ii. The Group Companies did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary Company incorporated in India.

For BD Jokhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of Independent Auditors' Report on consolidated Ind AS financial statements of even date)

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

We have audited the internal financial controls over financial reporting of Prithi Nandy Communications Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") as of March 31, 2018 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary companies 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b. 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
- c. 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 Holding Company and its subsidiaries, incorporated in India has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 issued by the Institute of Chartered Accountants of India.

For BD Jekhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

				(In ₹ lakh)		
	Note No	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016		
I. ASSETS						
Non-current assets						
a. Property, plant and equipment	3	110.25	117.09	63.37		
b. Financial assets						
i. Investments	4	0.00	0.57	2.02		
ii. Trade receivables	5	65.48	65.96	69.96		
iii. Other financial assets	6	1,147.40	1,146.20	1,143.68		
c. Other non-current assets	7	1,803.54	1,680.92	2,516.53		
Total non-current assets		<u>3,126.67</u>	<u>3,010.74</u>	<u>3,795.56</u>		
II. Current assets						
a. Inventories	8	5,776.42	5,936.27	5,052.54		
b. Financial assets						
i. Trade receivables	9	58.35	236.63	27.54		
ii. Cash and cash equivalents	10	315.07	5.96	5.68		
iii. Bank balances other than (ii) above	11	468.00	458.56	493.79		
iv. Other financial assets	12	134.07	59.13	95.20		
c. Current tax assets (net)	13	85.39	10.77	82.41		
d. Other current assets	14	22.45	85.34	917.91		
Total current assets		<u>6,859.75</u>	<u>6,792.66</u>	<u>6,675.07</u>		
TOTAL ASSETS		<u><u>9,986.42</u></u>	<u><u>9,803.40</u></u>	<u><u>10,470.63</u></u>		
EQUITY AND LIABILITIES						
EQUITY						
a. Equity share capital	15	1,446.70	1,446.70	1,446.70		
b. Other equity	16	6,442.08	6,190.21	6,144.96		
Equity attributable to owners		<u>7,888.78</u>	<u>7,636.91</u>	<u>7,591.66</u>		
Non controlling interest		<u>0.08</u>	<u>0.09</u>	<u>649.58</u>		
Total equity		<u><u>7,888.86</u></u>	<u><u>7,637.00</u></u>	<u><u>8,241.24</u></u>		
LIABILITIES						
I. Non-current liabilities						
a. Financial liabilities						
i. Borrowings	17	62.64	65.27	12.60		
ii. Trade payables	18	168.57	168.57	168.57		
iii. Other financial liabilities	19	31.62	31.62	31.62		
b. Deferred tax liabilities (net)	20	1,097.62	1,162.35	1,415.60		
Total non-current liabilities		<u>1,360.45</u>	<u>1,427.81</u>	<u>1,628.39</u>		
II. Current liabilities						
a. Financial liabilities						
i. Borrowings	21	370.79	512.18	46.52		
ii. Trade payables	22	141.46	52.19	432.40		
iii. Other financial liabilities	23	7.50	30.09	38.54		
b. Other current liabilities	24	217.36	144.13	83.54		
Total current liabilities		<u>737.11</u>	<u>738.59</u>	<u>601.00</u>		
Total liabilities		<u>2,097.56</u>	<u>2,166.40</u>	<u>2,229.39</u>		
TOTAL EQUITY AND LIABILITIES		<u><u>9,986.42</u></u>	<u><u>9,803.40</u></u>	<u><u>10,470.63</u></u>		
Significant accounting policies	2					
Notes to accounts form an integral part of financial statements	1 to 45					

As per our attached report of even date
For BD Jokhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Yatender Verma
VP, Finance, Compliances and Legal Affairs
Mumbai, May 25, 2018

Udayan Bose
Director
DIN: 00004533

Santosh Gharat
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

PRITISH NANDY COMMUNICATIONS LTD
THE 25TH ANNUAL REPORT AND ACCOUNTS 2018

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		(In ₹ lakh)	
	Note No	For the year ended March, 2018	For the year ended March, 2017
INCOME			
I. Revenue from operations	25	1,955.54	221.79
II. Other income	26	50.25	256.46
III. Total income (I+II)		<u>2,005.79</u>	<u>478.25</u>
IV. EXPENSES			
Cost of content	27	1,202.51	976.64
Changes in inventories of content	28	159.85	(883.73)
Employee benefits expense	29	111.40	115.88
Finance costs	30	65.87	62.76
Depreciation and amortization expense	3	17.80	19.73
Other expenses	31	238.93	329.91
Total expenses (IV)		<u>1,796.36</u>	<u>621.19</u>
V. Profit/ (loss) before tax (III-IV)		209.43	(142.94)
VI. Tax expense			
Current tax		20.00	0.19
Deferred tax		(64.74)	(2.16)
Total tax expense (VI)		<u>(44.74)</u>	<u>(1.97)</u>
VII. Profit/ (loss) for the period (V-VI)		254.17	(140.97)
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss (net of deferred tax)		(2.31)	1.90
Total other comprehensive income, net of tax (VIII)		<u>(2.31)</u>	<u>1.90</u>
IX. Total comprehensive income for the period (VII+VIII)		251.86	(139.07)
X. Non controlling interest		0.01	0.09
XI. Net profit after non controlling interest		<u>251.87</u>	<u>(138.98)</u>
XII. Earnings per equity share (Face value of ₹ 10)			
Basic and diluted		1.76	(0.97)
Significant accounting policies	2		
Notes to accounts form an integral part of financial statements	1 to 45		

As per our attached report of even date
For BD Jokhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Yatender Verma
VP, Finance, Compliances and Legal Affairs
Mumbai, May 25, 2018

Udayan Bose
Director
DIN: 00004533

Santosh Gharat
Company Secretary

(In ₹ lakh)

	For the year ended March 31, 2018	For the year ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) before taxes	209.43	(142.94)
Advances written off	3.09	40.07
Depreciation	17.80	19.73
Finance cost	65.87	62.76
Impairment loss allowance in value of investments	0.57	0.40
Loss on sale of assets	3.23	18.16
Property, plant and equipment written off	1.27	0.00
Cenvat credit of service tax/ VAT written off	5.11	13.21
Sundry creditors balances written back	(16.32)	(204.11)
Interest income	(33.86)	(52.35)
Operating profit before working capital changes	256.19	(245.07)
Adjusted for		
Trade receivables	0.48	3.99
Other non current financial assets	(1.20)	(2.52)
Other non current assets	(122.62)	760.61
Cinematic and television content	159.85	(883.73)
Trade receivables	178.28	(209.09)
Other financial assets	(78.03)	(4.00)
Bank balance other than cash and cash equivalent	(9.44)	35.24
Current tax assets	(94.62)	71.64
Other current assets	55.47	819.36
Trade payables	105.58	(176.11)
Other current financial liabilities	(22.59)	(8.45)
Other current liabilities	73.23	60.60
Cash generated from operations before taxes paid	500.58	222.47
Direct taxes paid	0.00	(0.19)
Net cash from/ (used in) operating activities	500.58	222.28
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment to acquire property, plant and equipments	(18.40)	(118.12)
Proceeds from sale of property, plant and equipments	2.95	26.50
Changes in investments	0.00	1.05
Interest income	33.86	52.35
Net cash from/ (used in) investing activities	18.41	(38.22)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from non current borrowing	8.36	78.66
Repayment of non current borrowing	0.00	(14.67)
Proceeds from current borrowing	0.00	464.70
Repayment of current borrowing	(152.37)	(10.36)
Repayment of preference shares	0.00	(639.35)
Finance and other charges paid	(65.87)	(62.76)
Net cash from/ (used in) financing activities	(209.88)	(183.78)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	309.11	0.28
Cash and cash equivalents at the beginning of the financial year	5.96	5.68
Cash and cash equivalents at the end of the financial year	315.07	5.96

Notes:

- The above Consolidated Statement of cash flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on statement of cash flows as notified under Companies (Indian Accounting Standards) Rules, 2015.
- Refer Note 17 (I) for a reconciliation of changes in liabilities arising from financing activities.
- Figures in brackets represents deductions/ outflows.
- Previous year's figures have been regrouped wherever necessary.

As per our attached report of even date
For BD Jokhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Yatender Verma
VP, Finance, Compliances and Legal Affairs
Mumbai, May 25, 2018

Udayan Bose
Director
DIN: 00004533

Santosh Gharat
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

PRITISH NANDY COMMUNICATIONS LTD
THE 25TH ANNUAL REPORT AND ACCOUNTS 2018

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As at March 31, 2018

A. Equity share capital

(In ₹ lakh)

Particulars	Note No	Amount
As at April 1, 2016		1,446.70
Changes in equity share capital during the year 2016-17		0.00
As at March 31, 2017		1,446.70
Changes in equity share capital during the year 2017-18		0.00
As at March 31, 2018	15	1,446.70

B. Other equity

(In ₹ lakh)

Particulars	Reserves and surplus				Total
	Capital reserve	Securities premium reserve	General reserves	Retained earnings	
Balance at the beginning of the reporting period April 1, 2016	0.37	6,719.59	220.98	(720.98)	6,219.96
Expected credit loss	0.00	0.00	0.00	75.00	75.00
Restated balance at the beginning of the reporting period April 1, 2016	0.37	6,719.59	220.98	(795.98)	6,144.96
Profit for the year ended March 31, 2017	0.00	0.00	0.00	(140.97)	(140.97)
Other comprehensive income	0.00	0.00	0.00	1.90	1.90
Total comprehensive income for the year ended March 31, 2017	0.00	0.00	0.00	(139.07)	(139.07)
Deferred tax liability	0.00	0.00	0.00	251.09	251.09
Share of loss of erstwhile subsidiary of subsidiary	0.00	0.00	0.00	10.04	10.04
Ind AS impact on gratuity expense	0.00	0.00	0.00	(1.90)	(1.90)
Expected credit loss	0.00	0.00	0.00	75.00	75.00
Non-controlling interest	0.00	0.00	0.00	0.09	0.09
As at March 31, 2017	0.37	6,719.59	220.98	(750.73)	6,190.21
Profit for the year ended March 31, 2018	0.00	0.00	0.00	254.17	254.17
Other comprehensive income	0.00	0.00	0.00	(2.31)	(2.31)
Non-controlling interest	0.00	0.00	0.00	0.01	0.01
Total comprehensive income for the year ended March 31, 2018	0.00	0.00	0.00	251.87	251.87
As at March 31, 2018	0.37	6,719.59	220.98	(498.86)	6,442.08

As per our attached report of even date
For BD Jokhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Yatender Verma
VP, Finance, Compliances and Legal Affairs
Mumbai, May 25, 2018

Udayan Bose
Director
DIN: 00004533

Santosh Gharat
Company Secretary

CORPORATE INFORMATION

Pritish Nandy Communications Limited ("the Company") is a public company incorporated and domiciled in India.

It was one of the first media and entertainment Company to go public in the year 2000, when it was listed on India's two best known stock exchanges, Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is situated at 87/88 Mittal Chambers, Nariman Point, Mumbai 400021.

The Company is a media and entertainment company. The Company is engaged in the business of production and exploitation of content including cinematographic films, TV serials and Digital Series etc. for worldwide exploitation in all formats.

The Company produces cinematographic films, TV serials and Digital Series etc. The Company, through its subsidiary, PNC Digital Ltd, is engaged in creating content for digital streaming, setting up delivery system for digital streaming, running the business of content streaming, and other technology business using the Internet as its primary delivery platform, and through its subsidiary, PNC Wellness Ltd, is engaged in wellness business and owns several wellness brands like Moksh, Power Yoga, Passion Yoga, Cool Yoga and Couple Yoga.

These financial statements were authorised for issue by the Board of Directors on May 25, 2018.

1. BASIS OF PREPARATION

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

1.1 Compliance with Ind AS

The consolidated financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Consolidated financial statements up to the year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) ("Previous GAAP") and other relevant provisions of the Act.

These consolidated financial statements are the first consolidated financial statements of the Company prepared in accordance with Ind AS. Refer note 36 for an explanation of how the transition from Previous GAAP to Ind AS has affected financial position, financial performance and cash flows of the Company.

a. Historical cost convention

The Consolidated financial statements have been prepared on a historical cost basis except for the following

- i. Certain financial assets and liabilities that are measured at fair value
- ii. Defined benefit plans: plan assets measured at fair value

b. The financial statements have been prepared on accrual basis of accounting.

Rounding of amounts

The consolidated financial statements are presented in INR and all values are rounded to the nearest lakhs, except when otherwise indicated.

1.2 Significant estimates, judgements and assumptions

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the end of the consolidated financial statements and reported amounts of income and expense during the year.

The management believes that these estimates are prudent and reasonable and are based on management's best knowledge of current events and actions. Actual results could differ from these estimates and difference between actual results and estimates are/ shall be recognised in the period in which results are known or materialised.

1.3 Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (12 months) and other criteria set out in the Schedule III to the Act.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Property, plant and equipment

All items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on property, plant and equipment

Depreciable amount for property, plant and equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, plant and equipment is provided on the straight line method over the useful lives of assets as prescribed under para C of Schedule II of the Act.

Depreciation is calculated on a pro-rata basis from the date of acquisition/ installation till the date, the assets are sold or disposed off. Depreciation on improvement to leave and license premises is calculated over the period of leave and license.

The useful life is for the whole of the asset, except where cost of the part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part ("Component") is determined separately and the depreciable amount of the said component is allocated on systematic basis to each accounting period during the useful life of the asset.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted if appropriate.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.2 Impairment of property, plant and equipment

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Impairment is recognised in statement of profit and loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price i.e. fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current assessment of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

2.3 De-recognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of Property, plant and equipment is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is de-recognised.

2.4 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of liability.

Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with policy on the borrowing costs.

Operating Lease payments are recognised on straight line basis over the lease period in the statement of profit and loss account unless increase is on account of inflation.

2.5 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank, cash in hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft as they are considered as an integral part of Company's cash management.

2.6 a. Cinematic content

The cinematic content has been valued on the following basis

- i. Incomplete cinematic content : at lower of allocated/ identified cost or net realizable value.
- ii. Abandoned/ shelved cinematic content : at lower of cost or net realizable value.
- iii. Completed cinematic content : at lower of unamortized allocated cost as estimated by the management depending on the genre, nature and contents of the cinematic content or net realizable value.

The Company allocates cost of production amongst music rights, exhibition rights, other rights and residual rights on an equitable basis.

Basis of amortisation of allocated costs

- i. Music rights are amortised at 100% on the basis of release of music/ exploitation contract.
- ii. All rights other than music and residual rights are amortised as under

First release	Second release	Third release
50%	30%	20%
- iii. Residual rights are amortized on an equitable basis. The Company estimates useful life of the cinematic content at 20 years.

Notes

- I. The production/ acquiring costs are amortised on the above basis by the Company. The production costs are revenue costs and are treated as such for the purposes of taxation.
- II. No unamortized costs are retained once the entire rights in respect of the cinematic content are sold out on an outright basis.

b. Television content

The television content has been valued on the following basis

- i. Unexploited television content : at lower of average of allocated cost or net realizable value.
- ii. Unfinished television content : at lower of average of allocated cost or net realizable value.
- iii. Production property : at lower of allocated cost or net realizable value.
- iv. Exploited television content : at lower of unamortized cost as estimated by the management on the following basis or net realizable value

Particulars	1st	2nd	3rd	Residual
	Telecast	Telecast	Telecast	value
Entertainment content	50%	30%	15%	5%
Current affairs and news based content	95%	-	-	5%
Commissioned content	100%	-	-	-

No unamortized costs shall be carried forward beyond a period of 10 years.

Notes:

- I. The Company amortises production costs in respect of television content once telecast and further retelecastable on the basis of the nature and contents of the television content and the expected number of telecast as per the chart depicted above.
- II. The production costs are amortised as per the above referred policy followed by the Company.
- III. The Company retains one copy of its own television content for record purpose.

2.7 Financial instruments-financial asset

a. Classification:

The Company classifies its financial assets in the following measurement categories

- i. Those to be measured subsequently at fair value (either through other comprehensive Income, or through profit or loss)
- ii. Those measured at amortised cost.

The classification depends on the business model of the Company for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in other comprehensive income or profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, method of recognition will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

b. Recognition and measurement

i. Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. 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. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

ii. Subsequent measurement

After initial recognition, financial assets are measured at

- I. Financial assets carried at amortized cost

II. Financial assets at fair value through other comprehensive income

III. Financial assets at fair value through profit and loss;

c. Debt instrument

Measured at amortized cost

Financial assets that are held for collection of contractual cash flow where those cash flows represent solely payment of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the Effective Interest Rate (EIR) method the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through other comprehensive income (FVTOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income (FVTOCI).

Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

On de-recognition, cumulative gain/ (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVTOCI, is classified as Fair Value through Profit or Loss (FVTPL). Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

d. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an Company is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.

e. De-recognition of financial assets

A financial asset is de-recognised only when the Company

- i. has transferred the rights to receive cash flows from the financial asset or
- ii. retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised.

Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

f. Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

g. Other financial liabilities

i. Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii. Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii. Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the statement of profit and loss.

iv. De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

h. Off-setting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

i. Equity instruments

The Company subsequently measures all investments in equity instruments other than those in subsidiary companies, at fair value. The management of the Company has elected to present fair value gains and losses on such equity investments in other comprehensive income, and there is no subsequent reclassification of these fair value gains and losses to the statement of profit and loss.

Dividends from such investments continue to be recognized in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

2.8 Borrowings and borrowing costs

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit and loss over the period of borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and consideration paid, including non cash asset transferred or liabilities assumed, is recognised as profit or loss as other income/ (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

2.9 Revenue recognition

Revenue is the gross inflows of economic benefits received/ receivable by the Company on its own account.

Revenue is recognised to the extent, it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.

It is measured at the fair value of the consideration received or receivable.

Amounts disclosed as revenue are net of returns, trade allowances, value added taxes and amount collected on behalf of third party.

The following criteria apply in respect of various revenue

Content produced/ acquired	Criteria for revenue recognition
a. Commissioned content	On the date of delivery of contracted deliverables.
b. Sponsored content	when the relevant content is delivered
c. Cinematic content	
i Under production	No income is recognised.

Content produced/ acquired	Criteria for revenue recognition
ii Complete but not released	To the extent of so much of the estimated income on release as bears to the whole of the estimated income in the same proportion as the actual recoveries/ realisations/ confirmed contracts bear to the total expected realisations.
iii Completed and released during the year	On release/ delivery of release prints except income, if any, already recognised as c (ii) above
iv. Complete but not released- other than theatrical release	on the basis of contracts/ deal memo and delivery of deliverables.
d. Music rights	On its release or exploitation contract.

Other income	Revenue recognition
Dividend	When the right to receive the payment is established and no significant uncertainty as to measurability or controllability exists.
Interest income	On accrual basis, using the effective interest method for financial assets measured at amortized cost and at FVTOCI
Consultancy services	When services are actually rendered resulting in enforceable claim.

2.10 Income tax

Tax expense comprises of current and deferred tax.

a. Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. 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 at the consolidated balance sheet date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current tax is recognized in the consolidated statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity.

b. Deferred tax

Deferred tax assets and liabilities are recognized using the balance sheet approach for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

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 at the balance sheet date and are expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled.

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

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

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

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

c. Minimum alternate tax (MAT)

MAT paid in a year is charged to the Statement of profit and loss as current tax. MAT credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, which is the period for which MAT credit is allowed to be carried forward. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.11 Earnings per share

Earnings per share (EPS) is calculated by dividing the net profit or loss (excluding other comprehensive income) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders is adjusted for after income tax effect of interest and other finance costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.12 Foreign currency transactions

Functional and presentation currency

Items included in the Consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Consolidated financial statements of the Company are presented in Indian currency (INR), which is also the functional and presentation currency of the Company.

Transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary items denominated in foreign currencies at the year-end are restated at closing rates.

Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain/ (loss).

Foreign exchange gain/ (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain/ (loss) are presented in the Statement of Profit and Loss on a net basis within other income/ (expense).

2.13 Employee benefits: retirement and other employee benefits

a. Short-term employee benefits

All employee benefits are payable within 12 months of service such as salaries, wages, bonus, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations. Termination benefits are recognised as and expense when incurred.

Short term employee benefits are provided at undiscounted amount during the accounting period based on service rendered by the employees. Compensation payable under Voluntary retirement scheme is being charged to the statement of profit and loss in the year of settlement.

b. Defined contribution plan

The Company's contributions paid or payable during the year to the provident fund are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services.

c. Defined benefit plans

The Company contributes to Employees Group Saving Linked Insurance Scheme with Life Insurance Corporation of India to cover its liability towards employee gratuity. The expense is recognised at the present value of the amount payable determined using actuarial gratuity report.

Gratuity liability is a defined benefit obligation and is computed on the basis of present value of amount payable determined using actuarial valuation techniques as per projected unit credit method at the end of each financial year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

It is recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services.

Re-measurement cost of net defined benefit liability, which comprises of actuarial gain and losses, return on plan assets (excluding interest), and the effect of the asset ceiling (if any, excluding interest) are recognized in other comprehensive income in the period in which they occur. The Company does not have any policy for leave encashment.

2.14 Provisions, contingent liabilities and contingent assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not recognized for future operating losses.

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the consolidated financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

3. PROPERTY, PLANT AND EQUIPMENT

(In ₹ lakh)

Particulars	Property, plant and equipment					Total
	Improvement to lease hold premises	Furniture and fixtures	Vehicles	Office equipments	Computer, printer and software	
Gross carrying value, at cost						
Opening as on April 1, 2016	7.24	4.83	83.98	28.18	24.03	148.26
Additions during 2016-17	0.00	0.79	115.18	0.70	1.44	118.11
Disposal/ transfer during 2016-17	0.00	0.87	69.08	4.07	1.80	75.82
As at March 31, 2017	7.24	4.75	130.08	24.81	23.67	190.55
Additions during 2017-18	0.00	0.00	11.21	5.68	1.51	18.40
Disposal/ transfer during 2017-18	0.00	1.89	14.91	18.45	5.32	40.57
As at March 31, 2018	7.24	2.86	126.38	12.04	19.86	168.38
Accumulated Depreciation/ amortisation						
Opening as on April 1, 2016	7.24	3.03	30.34	22.55	21.73	84.89
Charge for the year 2016-17	0.00	0.31	16.70	1.93	0.79	19.73
Disposal/ transfer during 2016-17	0.00	0.58	25.30	3.57	1.71	31.16
As at March 31, 2017	7.24	2.76	21.74	20.91	20.81	73.46
Charges for the year 2017-18	0.00	0.28	15.01	1.68	0.83	17.80
Disposal/ transfer during 2017-18	0.00	1.80	8.86	17.42	5.05	33.13
As at March 31, 2018	7.24	1.24	27.89	5.17	16.59	58.13
Net book value						
As at March 31, 2018	0.00	1.62	98.49	6.87	3.27	110.25
As at March 31, 2017	0.00	1.99	108.34	3.90	2.86	117.09
As at April 1, 2016	0.00	1.80	53.64	5.63	2.30	63.37

4. INVESTMENT

(In ₹ lakh)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Investments in equity instruments			
Investment measured at fair value through other comprehensive income			
a. Quoted			
Moving Picture Company (India) Ltd - equity shares			
Original cost- 95,000 shares @ ₹ 70 each (Face value ₹ 10)	66.50	66.50	66.50
Less: Impairment in the value of investment till beginning of the year	(65.93)	(65.53)	(65.53)
Less: Impairment in the value of investment for current year	(0.57)	(0.40)	0.00
Total (a)	0.00	0.57	0.97
b. Unquoted			
Studio PNC Pvt Ltd			
10,000 equity shares of ₹ 10.54 each	0.00	0.00	1.05
Total (b)	0.00	0.00	1.05
Total non-current investments (a+b)	0.00	0.57	2.02
Aggregate amount of quoted investments and market value thereof	0.00	0.57	0.97
Aggregate amount of unquoted investments	0.00	0.00	1.05
Aggregate amount of impairment in the value of investments	66.50	65.93	65.53

5. TRADE RECEIVABLES

(In ₹ lakh)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Unsecured, considered good	65.48	65.96	69.96
Total	65.48	65.96	69.96

6. OTHER FINANCIAL ASSETS

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security deposits for utilities and premises			
a. Unsecured, considered good	25.75	24.55	22.03
b. To others	1,121.65	1,121.65	1,121.65
Total	1,147.40	1,146.20	1,143.68

7. OTHER NON-CURRENT ASSETS

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances other than capital advances			
Other advances			
a. Balance with government authority			
VAT refund	30.00	22.00	15.36
b. Other receivable			
Deferred rent expenses	1.24	2.40	3.97
Total (i)	31.24	24.40	19.33
Advance for content	1,772.30	1,731.52	2,572.20
Less: Expected credit loss allowance	0.00	75.00	75.00
Total (ii)	1,772.30	1,656.52	2,497.20
Total (i + ii)	1,803.54	1,680.92	2,516.53

7.1 Expenditure in foreign currency

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Traveling expenses - advance for content USD Nil (L Y USD 5,000)	0.00	3.34	0.00
Total	0.00	3.34	0.00

8. INVENTORIES

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cinematic and television content			
Unamortised content	4,205.81	4,429.37	4,494.28
Unexploited content	1,476.90	1,476.90	528.26
Unfinished content	93.71	30.00	30.00
Total	5,776.42	5,936.27	5,052.54

Refer Note 42 to financial statements

9. TRADE RECEIVABLES

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good	58.35	236.63	27.54
Total	58.35	236.63	27.54

10. CASH AND CASH EQUIVALENTS

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks			
In current accounts	314.98	5.85	5.25
Cash on hand	0.09	0.11	0.43
Total	315.07	5.96	5.68

11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Short-term bank deposit with maturity between 3 to 12 months	467.74	458.30	493.46
Balances with banks (non-operative)	0.26	0.26	0.33
Total	468.00	458.56	493.79

12. OTHER FINANCIAL ASSETS

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances other than capital advances- Unsecured, considered good			
a. Security deposits	30.96	30.00	31.00
b. Other advances	103.11	29.13	64.20
Total	134.07	59.13	95.20

13. CURRENT TAX ASSETS (NET)

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Income tax refund receivable from AY 2008-09 to 2016-17	0.00	0.00	127.04
Less: Provision of income tax AY 2016-17	0.00	0.00	(44.63)
Income tax refund receivable AY 2016-17	2.41	2.41	0.00
Income tax refund receivable AY 2017-18	22.22	8.36	0.00
TDS from income receipt AY 2018-19	80.76	0.00	0.00
Less: provision of current year income tax	(20.00)	0.00	0.00
Total	85.39	10.77	82.41

14. OTHER CURRENT ASSETS

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other advances-unsecured, considered good	9.87	80.72	915.45
Prepaid expense	12.58	4.62	2.46
Total	22.45	85.34	917.91

15. EQUITY SHARE CAPITAL

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Authorised shares			
20,000,000 (March 31, 2017 and April 1, 2016 : 20,000,000) equity shares face value of ₹ 10 Each	2,000.00	2,000.00	2,000.00
Total	2,000.00	2,000.00	2,000.00
Issued, Subscribed and fully paid			
14,467,000 (March 31, 2017 and April 1, 2016 : 14,467,000) equity shares of face value ₹ 10 Each	1,446.70	1,446.70	1,446.70
Total	1,446.70	1,446.70	1,446.70

a. The reconciliation of shares

Reconciliation of number of shares (equity)	(In ₹ lakh, except number of shares data)					
	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
Number of shares outstanding as at the beginning of the year	14,467,000	1,446.70	14,467,000	1,446.70	14,467,000	1,446.70
Number of shares outstanding as at the end of the year	14,467,000	1,446.70	14,467,000	1,446.70	14,467,000	1,446.70

b. Rights, preferences, restrictions of equity shares

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The equity shares are entitled to dividend proposed by Board of Directors subject to approval of the share holders in the Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, holder of equity shares are entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their share holding.

c. Shareholders holding more than 5 per cent of total equity shares of company

Name of the shareholders	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No of shares	% held	No of shares	% held	No of shares	% held
Prithish Nandy	2,952,197	20.41	2,952,197	20.41	2,952,197	20.41
Artinvest India Pvt Ltd	1,394,789	9.64	1,394,789	9.64	1,394,789	9.64
Elara India Opportunities Ltd	0	0.00	500,000	3.46	1,000,000	6.91
Kamal M Morarka	1,495,659	10.34	1,495,659	10.34	0	0.00
Gannon Dunkerley Finance Ltd	1,402,842	9.70	0	0.00	0	0.00
APMS Investment Fund Ltd	0	0.00	924,239	6.39	1,000,000	6.91
Eriska Investment Fund Ltd	0	0.00	0	0.00	1,000,000	6.91

As per the 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 ownership of shares.

16. OTHER EQUITY

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Reserves and surplus			
Capital reserve			
Balance at beginning of the year	0.37	0.37	0.37
Balance at the end of the year	0.37	0.37	0.37
Securities premium reserve			
Balance at beginning of the year	6,719.59	6,719.59	6,719.59
Balance at the end of the year	6,719.59	6,719.59	6,719.59
General reserves			
Balance at beginning of the year	220.98	220.98	220.98
Balance at the end of the year	220.98	220.98	220.98
Retained earnings			
Balance at the beginning of the year	(750.73)	(795.98)	(720.98)
Add: profit/ (loss) for the year	254.17	(140.97)	0.00
Add: other comprehensive income	(2.31)	1.90	0.00
Add: deferred tax liability adjusted	0.00	251.09	0.00
Less: share of loss of erstwhile subsidiary of subsidiary	0.00	10.04	0.00
Less: Ind AS impact on gratuity expenses	0.00	(1.90)	0.00
Less: expected credit loss allowance	0.00	75.00	75.00
Add: non-controlling interest	0.01	0.09	0.00
Balance at the end of the year	(498.86)	(750.73)	(795.98)
Total	6,442.08	6,190.21	6,144.96

17. BORROWINGS

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
From other than banks			
Secured			
a. Loan from Kotak Mahindra Prime Limited. Secured against the hypothecation of vehicles. Repayable up to January 2020	9.68	5.24	0.00
b. Loan from BMW Financial Services. Secured against the hypothecation of vehicles. Repayable up to March 2019	52.96	60.03	0.00
c. Loan from Daimler Financial Services. Secured against the hypothecation of vehicles. Repayable up to November 2018	0.00	0.00	12.60
Total	62.64	65.27	12.60

Amendment to Ind AS 7

17 (I) Amendment to Ind AS 7 effective from April 1, 2017 require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash flow changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities, to meet disclosure requirement. Accordingly, the Company has given the said disclosure as below:

Particulars	Note no	Opening balance	Financing cash flow changes	Non cash flow changes		Closing balance
				Effect of changes in foreign exchange rates	Effect of Interest rate and Others	
Non-current liabilities						
Borrowings	17	65.27	8.36	0.00	0.00	73.63
Current liabilities						
Borrowings	21	512.18	(152.37)	0.00	0.00	359.81
Interest expense	31	0.00	65.87	0.00	0.00	65.87
Interest paid	31	0.00	(65.87)	0.00	0.00	(65.87)
Total		577.45	(144.01)	0.00	0.00	433.44

18. TRADE PAYABLES

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total outstanding dues to micro enterprises and small enterprises	0.00	0.00	0.00
Total outstanding dues to creditors other than micro enterprises and small enterprises	168.57	168.57	168.57
Total	168.57	168.57	168.57

Refer note number 35 to the consolidated financial statements for Micro, Small and Medium Enterprises disclosures

19. OTHER FINANCIAL LIABILITIES

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances	31.62	31.62	31.62
Total	31.62	31.62	31.62

20. DEFERRED TAX LIABILITIES (NET)

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a. Deferred tax liabilities			
Depreciation on property, plant, and equipment	(17.72)	(18.51)	(24.01)
Total (a)	(17.72)	(18.51)	(24.01)
b. Reversal of deferred tax (assets)/ liabilities			
Unamortised content	1,161.34	1,218.91	1,501.89
Unabsorbed business loss	(45.85)	(38.05)	(62.28)
Diminution in the value of investments	(0.15)	0.00	0.00
Total (b)	1,115.34	1,180.86	1,439.61
Total (a+b)	1,097.62	1,162.35	1,415.60

21. BORROWINGS

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a. Loans repayable on demand			
From banks			
Secured	361.08	504.72	40.02
(Secured against current assets)			
Total (a)	361.08	504.72	40.02
b. Term loan			
From other than banks			
Secured			
Current maturity of long term loans	9.71	7.46	6.50
Total (b)	9.71	7.46	6.50
Total (a + b)	370.79	512.18	46.52

Refer note 17 to the consolidated financial statements

22. TRADE PAYABLES

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total outstanding dues to micro enterprises and small enterprises	0.00	0.00	0.00
Total outstanding dues to creditors other than micro enterprises and small enterprises	141.46	52.19	432.40
Total	141.46	52.19	432.40

23. OTHER FINANCIAL LIABILITIES

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
Others	7.50	30.09	38.54
Total	7.50	30.09	38.54

24. OTHER CURRENT LIABILITIES

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances received from customers	0.00	10.50	0.00
Statutory dues	48.13	14.43	14.29
Others	169.23	119.20	69.25
Total	217.36	144.13	83.54

25. REVENUE FROM OPERATIONS

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of owned content	405.33	173.04
Income from commissioned content	1,550.21	48.75
Total	1,955.54	221.79

25.1 Earning in foreign currency

	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of owned content USD Nil (L Y USD 107.53)	0.00	0.07
Sale of overseas content SGD 3,618 (L Y Nil)	1.78	0.00
Total	1.78	0.07

26. OTHER INCOME

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
a. Interest income:-		
i. Interest on fixed deposits	32.06	37.14
ii. Interest on security deposits	1.80	1.70
iii. Interest on income tax refund	0.00	13.51
b. Miscellaneous income	16.39	204.11
Total	50.25	256.46

27. COST OF CONTENT

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Cost of the content	1,202.51	976.64
Total	1,202.51	976.64

28. CHANGES IN INVENTORIES OF CONTENT

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening balance		
Unamortised content	4,429.37	4,494.28
Unexploited content	1,476.90	528.26
Unfinished content	30.00	30.00
Total opening balance (A)	5,936.27	5,052.54
Closing balance		
Unamortised content	4,205.81	4,429.37
Unexploited content	1,476.90	1,476.90
Unfinished content	93.71	30.00
Total closing balance (B)	5,776.42	5,936.27
Total (A-B)	159.85	(883.73)

29. EMPLOYEE BENEFITS EXPENSES

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries	109.86	115.88
Contribution to gratuity fund	1.54	0.00
Total	111.40	115.88

30. FINANCE COSTS

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest expense	50.65	35.96
Other borrowing costs	15.22	26.80
Total	65.87	62.76

31. OTHER EXPENSES

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Auditor's remuneration (Refer note number 45)	4.42	5.00
Advances written off	3.09	40.07
Business promotion expenses	8.62	6.50
Cenvat credit of service tax and VAT written off	5.11	13.21
Communications expenses	2.42	2.62
Contract service expenses	43.53	43.97
Conveyance and motor car expenses	21.87	23.07
Directors sitting fees	13.20	13.67
Insurance	3.01	5.69
Interest on service tax, VAT and TDS	0.06	10.69
Legal and professional expenses	21.22	26.12
Loss on sale of assets	3.23	18.16
Rent	68.91	65.65
Travelling expenses	6.01	13.37
Establishment and administrative expenses	33.66	41.72
Impairment loss allowance in value of investments	0.57	0.40
Total	238.93	329.91

31.1 Expenditure in foreign currency

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Traveling expenses USD 2,500 (L Y Nil)	1.64	0.00
Total	1.64	0.00

32. CONTINGENT LIABILITIES

Particulars	(In ₹ lakh)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Contingent liabilities			
a. Claims against the Company not acknowledged as debt	1,501.00	1,501.00	1,501.00
b. VAT liability	87.73	84.40	84.40
Total	1,588.73	1,585.40	1,585.40

33. EMPLOYEE BENEFITS

Defined benefit plan

Group gratuity liability is recognised on the basis of gratuity report provided by Actuary.

The disclosures as required under the Indian Accounting Standard (Ind AS 19) in respect of gratuity, is as follows

a. Expenses recognised in statement of profit or loss

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Current service cost	1.88	1.75
Net interest cost	(0.33)	(0.03)
Total	1.54	1.72

b. Income/ (expenses) recognised in other comprehensive income (OCI)

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Actuarial (gains)/ losses on obligation for the period	(2.73)	1.45
Return on plan assets excluding interest income	0.42	0.45
Total	(2.31)	1.90

c. Reconciliation of defined benefit obligation (In ₹ lakh)

Particulars	For the year ended	For the year ended
	March 31, 2018	March 31, 2017
Defined benefit obligation at the beginning of the year	47.60	43.82
Current service cost	1.88	1.75
Interest cost	3.52	3.49
Actuarial (gain)/ loss due to change in financial assumptions	(1.51)	(1.46)
Actuarial (gain)/ loss on obligation - due to experience adjustments	4.23	0.00
Benefit paid	0.00	0.00
Defined benefit obligation at the end of year	55.72	47.60

d. Reconciliation of plan assets (In ₹ lakh)

Particulars	For the year ended	For the year ended
	March 31, 2018	March 31, 2017
Fair value of plan assets at the beginning of the year	52.13	44.22
Interest income	3.85	3.52
Employers contribution	3.82	3.94
Benefit paid	0.00	0.00
Return on plan assets, excluding interest income	0.42	0.45
Fair value of plan assets at the end of the year	60.22	52.13

e. Net asset/ (liability) recognised in the balance sheet as at March 31, 2018 (In ₹ lakh)

Particulars	For the year ended	For the year ended
	March 31, 2018	March 31, 2017
Present value of defined benefit obligation (DBO)	(55.72)	(47.60)
Fair value of plan assets	60.22	52.13
Net asset/ (liability)	4.50	4.53

f. The significant actuarial assumptions were as follows: (In ₹ lakh)

Actuarial assumption	For the year ended	For the year ended
	March 31, 2018	March 31, 2017
Discount rate	7.88%	7.39%
Attrition rate	2%	2%
Salary escalation rate	7%	7%
Rate of return on plan assets	7.88%	7.39%

Sensitivity analysis

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period.

Sensitivity analysis	For the year ended	For the year ended
	March 31, 2018	March 31, 2017
Projected benefit obligation on current assumptions	55.72	47.60
Delta effect of +1% change in rate of discounting	(2.77)	(3.82)
Delta effect of -1% change in rate of discounting	3.19	4.51
Delta effect of +1% change in rate of salary increase	1.58	4.48
Delta effect of -1% change in rate of salary increase	(1.44)	(3.87)
Delta effect of +1% change in rate of employee turnover	1.62	0.12
Delta effect of -1% change in rate of employee turnover	(1.81)	(0.14)

Note

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Maturity analysis of the benefit payments: from the fund

Projected benefits payable in future years from the date of reporting	For the year ended	For the year ended
	March 31, 2018	March 31, 2017
1st following year	21.24	10.90
2nd following year	1.31	0.96
3rd following year	11.87	1.01
4th following year	1.11	10.59
5th following year	1.14	0.83
Sum of years 6 to 10	6.29	4.98
Sum of years 11 and above	58.40	0.00

Note

Gratuity is payable as per company's scheme as detailed in the report.

Actuarial gains/ losses are recognized in the period of occurrence under other comprehensive income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation and attrition rate are considered as advised by the Company; they appear to be in line with the industry practice considering promotion and demand and supply of the employees.

Maturity analysis of benefit payments is undiscounted cash flows considering future salary, attrition and death in respective year for members as mentioned above.

Average expected future service represents estimated term of post - employment benefit obligation.

Value of asset provided by the client is considered as fair value of plan asset for the period of reporting as same is not evaluated by us.

Investment details

The Company made annual contribution to LIC of India of an amount advised by them. The Company was not informed by LIC of the investments made or the break down of plan assets by investment type.

34. RELATED PARTY DISCLOSURES

Details of transactions between the Company and other related parties as disclosed below :

a. Key Managerial personnel	i. Pallab Bhattacharya – Wholetime Director and CEO
	ii. Rangita Pritish Nandy – Creative Director
	iii. Vikas Shaw – Company Secretary (up to November 9, 2016)
	iv. Santosh Gharat – Company Secretary (w.e.f. November 9, 2016)
b. Non Executive directors and their relationships	i. Pritish Nandy – Non Executive Chairman
	ii. Rina Pritish Nandy – Non Executive Director
	iii. Udayan Bose – Non Executive, Independent Director
	iv. Nabankur Gupta – Non Executive, Independent Director
	v. Raghu Palat - Non Executive, Independent Director (w.e.f. August 9, 2016)
	vi. Vishnu Kanhere – Non Executive, Independent Director (up to May 26, 2016)
	vii. Hema Malini – Non Executive, Independent Director
	viii. Ishita Pritish Nandy – Daughter of Non Executive Chairman

Details relating to parties/ persons referred to in above items are as under

	Nature of transaction	(In ₹ lakh)	
		March 31, 2018	March 31, 2017
Key managerial personnel and directors	Remuneration/ reimbursement	62.17	61.51
	Balance outstanding as at year end		
	Receivable/ (payable)	(3.92)	(3.56)
Non-executive directors and their relatives	Remuneration/ reimbursement/ sitting fees	40.62	41.09
	Professional fees	96.00	96.00
	Balance outstanding at year end		
	Receivable/ (payable)	(171.20)	(121.09)

Related party relationship is as identified by the Company and relied upon by the Auditors.

35. MICRO, SMALL AND MEDIUM ENTERPRISES

The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures, if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act are NIL as given below. This information has been relied upon by the auditor.

Particulars	As at	As at
	March 31, 2018	March 31, 2017
a. The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	NIL	NIL
b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	NIL	NIL
d. The amount of interest accrued and remaining unpaid at the end of each accounting year;	NIL	NIL
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

36. FIRST TIME ADOPTION OF IND AS

For all periods upto and including the year ended March 31, 2017, the Company had prepared its financial statements in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the companies (Accounts) Rules, 2014 (Previous GAAP). This note explains the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP.

Exemptions and exceptions availed

In preparing these Ind AS Financial Statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, as explained below. The resulting difference between the carrying values of the assets and liabilities in the Financial Statements as at the transition date under Ind AS and IGAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This Note explains the adjustments made by the Company in restating its IGAAP Financial Statements, including the Balance Sheet as at April 1, 2016 and the Financial Statements as at and for the year ended March 31, 2017.

36.1 Ind AS optional exemptions:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from IGAAP to Ind AS.

a. Deemed cost

Para D7 AA of Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the Financial Statements as at the date of transition to Ind AS, measured under IGAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. The Company has exercised this option of adopting deemed cost.

b. Designation of previously recognised financial instruments

Ind AS 101 allows an Company to designate investments in equity instruments at Fair Value through Other Comprehensive Income on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments. Exchange differences on account of depreciable assets can be added/ deducted from the cost of the depreciable asset, which will be depreciated over the balance life of the asset. Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the Financial Statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. The Company has opted to apply this exemption.

c. Investments in equity instruments:

An Company may make an irrevocable election at initial recognition of a financial asset to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'Fair value through Other Comprehensive Income'. The Company has accordingly designated certain equity instruments as at April 1, 2016 as fair value through other comprehensive income.

d. Investments in subsidiary companies, associate company and joint venture company

Ind AS 101 permits a first-time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be its fair value at date of transition to Ind AS of the Company, or IGAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary companies, associate company and joint venture company under IGAAP carrying amount as its deemed cost on the transition date.

36.2 Ind AS Mandatory exceptions:

a. Estimates

An Company's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

b. Classification and measurement of financial assets

Ind AS 101 requires an Company to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c. De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly, the Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS First-time Ind AS adoption reconciliations.

i. Effect of Ind AS adoption on the balance sheet as at March 31, 2017 and April 1, 2016

In ₹ lakh

Particulars	Notes	As at March 31, 2017			As at April 1, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet
ASSETS							
Non-current assets							
Property, plant and equipment		117.09	0.00	117.09	63.37	0.00	63.37
Capital work-in-progress		0.00	0.00	0.00	0.00	0.00	0.00
Other intangible assets		0.00	0.00	0.00	0.00	0.00	0.00
Financial assets							
a. Investments		0.57	0.00	0.57	2.02	0.00	2.02
b. Loans							
c. Trade receivables	(II)	0.00	65.96	65.96	0.00	69.96	69.96
d. Other financial assets		1,276.20	(130.00)	1,146.20	1,208.68	(65.00)	1,143.68
Other non-current assets		1,723.18	(42.26)	1,680.92	2,672.41	(155.88)	2,516.53
Total non-current assets		<u>3,117.04</u>	<u>(106.30)</u>	<u>3,010.74</u>	<u>3,946.48</u>	<u>(150.92)</u>	<u>3,795.56</u>
Current assets							
Inventories		5,936.27	0.00	5,936.27	5,052.54	0.00	5,052.54
Financial assets							
a. Trade receivables		302.59	(65.96)	236.63	97.50	(69.96)	27.54
b. Cash and cash equivalents		6.06	(0.10)	5.96	5.73	(0.05)	5.68
c. Bank balances other than (b) above		458.56	0.00	458.56	493.79	0.00	493.79
d. Other financial assets		59.13	0.00	59.13	95.20	0.00	95.20
Current tax assets (net)		0.00	10.77	10.77	0.00	82.41	82.41
Other current assets		73.81	11.53	85.34	898.86	19.05	917.91
Total current assets		<u>6,836.42</u>	<u>(43.76)</u>	<u>6,792.66</u>	<u>6,643.62</u>	<u>31.45</u>	<u>6,675.07</u>
TOTAL ASSETS		<u>9,953.46</u>	<u>(150.06)</u>	<u>9,803.40</u>	<u>10,590.10</u>	<u>(119.47)</u>	<u>10,470.63</u>
Equity							
Equity share capital		1,446.70	0.00	1,446.70	1,446.70	0.00	1,446.70
Other equity		6,089.18	101.03	6,190.21	6,219.96	(75.00)	6,144.96
Total equity		<u>7,535.88</u>	<u>101.03</u>	<u>7,636.91</u>	<u>7,666.66</u>	<u>(75.00)</u>	<u>7,591.66</u>
Minority interest		0.09	0.00	0.09	649.58	0.00	649.58
Liabilities							
Non-current liabilities							
Financial liabilities							
a. Borrowings		65.27	0.00	65.27	12.60	0.00	12.60
b. Trade payables		0.00	168.57	168.57	0.00	168.57	168.57
c. Other financial liabilities		0.00	31.62	31.62	0.00	31.62	31.62
Deferred tax liabilities (net)	(I)	1,413.44	(251.09)	1,162.35	1,415.60	0.00	1,415.60
Total non-current liabilities		<u>1,478.71</u>	<u>(50.90)</u>	<u>1,427.81</u>	<u>1,428.20</u>	<u>200.19</u>	<u>1,628.39</u>
Current liabilities							
Financial liabilities							
a. Borrowings		504.72	7.46	512.18	40.02	6.50	46.52
b. Trade payables		197.04	(144.85)	52.19	420.19	12.21	432.40
c. Other financial liabilities		61.71	(31.62)	30.09	44.47	(5.93)	38.54
Other current liabilities		175.31	(31.18)	144.13	296.51	(212.97)	83.54
Provisions		0.00	0.00	0.00	44.47	(44.47)	0.00
Total current liabilities		<u>938.78</u>	<u>(200.19)</u>	<u>738.59</u>	<u>845.66</u>	<u>(244.66)</u>	<u>601.00</u>
Total liabilities		<u>2,417.49</u>	<u>(251.09)</u>	<u>2,166.40</u>	<u>2,273.86</u>	<u>(44.47)</u>	<u>2,229.39</u>
TOTAL EQUITY AND LIABILITIES		<u>9,953.46</u>	<u>(150.06)</u>	<u>9,803.40</u>	<u>10,590.10</u>	<u>(119.47)</u>	<u>10,470.63</u>

The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

ii. Reconciliation of total equity as at March 31, 2017 and April 1, 2016

Particulars	Notes	(In ₹ lakh)	
		As at March 31, 2017	As at April 1, 2016
Total equity under previous GAAP		7,535.88	7,666.66
Add/ (less) adjustments for GAAP differences			
Adjustment on account of Ind AS transition for expected credit loss	(II)	(150.00)	(75.00)
Deferred tax liability adjustment	(I)	251.09	0.00
Other adjustment		(0.05)	0.00
Total adjustments to equity		176.04	0.00
Total equity attributable to owners under Ind AS		7636.91	7591.66

iii. Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2017

Particulars	Notes	(In ₹ lakh)		
		For the year ended March 31, 2017		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet
INCOME				
I. Revenue from operations		221.79	0.00	221.79
II. Other income		254.75	1.71	256.46
III. Total income (I+II)		476.54	1.71	478.25
IV. Expenses				
Cost of content		976.64	0.00	976.64
Changes in inventories of content		(883.73)	0.00	(883.73)
Employee benefits expense	(IV)	115.88	0.00	115.88
Finance costs		62.76	0.00	62.76
Depreciation and amortization expense		19.73	0.00	19.73
Other expenses		328.15	1.76	329.91
Total expenses (IV)		619.43	1.76	621.19
V. Profit/ (loss) before tax (III-IV)		(142.89)	(0.05)	(142.94)
VI. Tax expense				
Current tax		0.19	0.00	0.19
Deferred tax	(I)	(2.16)	0.00	(2.16)
Total tax expenses (VI)		(1.97)	0.00	(1.97)
VII Profit/ (loss) for the period (V-VI)		(140.92)	(0.05)	(140.97)
VIII Other comprehensive income				
Items that will not be reclassified to profit or loss	(III) (iv)	0.00	1.90	1.90
Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00	0.00
Total comprehensive income for the period		(140.92)	1.85	(139.07)
Share of non-controlling interest		0.09	0.00	0.09
Net profit after non-controlling interest		(140.83)	1.85	(138.98)

The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

iv. Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Notes	(In ₹ lakh)
		As at March 31, 2017
Profit as per previous GAAP (Indian GAAP)		(140.83)
Adjustments		
Other adjustment		(0.05)
Total effect of transition to Ind AS		(0.05)
Profit for the year as per Ind AS		(140.88)
Other comprehensive income for the year (net of tax)	(iii) (iv)	1.90
Total comprehensive income		(138.98)

Notes to first time adoption of Ind AS

I. Deferred tax
The previous GAAP required deferred tax accounting using the which focused on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using balance sheet approach which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Various transitional adjustments has resulted in recognition of temporary differences.

II. Expected credit loss
Under Indian GAAP allowances of doubtful debt was provided as per management estimate whereas under Ind AS allowances are based on expected credit loss model as per Ind - AS 109 - Financial Instruments.

III. Other comprehensive income (OCI)
Ind-AS requires preparation of Statement of other comprehensive income in addition to statement of profit and loss. Re-measurement gain/ loss on defined benefit plans earlier accounted for in statement of profit and loss under Indian GAAP has been reclassified to OCI as required by Ind-AS 19 - employee benefits.

IV. Employee benefits expenses
As per Ind AS-19 Employee Benefits, actuarial gains and losses are recognised in other comprehensive income and not reclassified to statement of profit and loss in a subsequent period.

Retained earnings
Retained earnings as at April 1, 2016 have been adjusted consequent to the above Ind AS transition adjustments.

37. OPERATING LEASES: (LESSEE)

a. At the reporting date the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows

Particulars	(In ₹ lakh)	
	As at March 31, 2018	As at March 31, 2017
Lease rental charges for the year	68.91	65.65
Future Lease rental obligation payable (under non-cancellable lease)	0.00	0.00
Not later than one year	65.71	60.95
Later than one year but not later than five years	237.22	25.19
Later than five years	20.23	0.00

b. The total of future minimum sublease payment expected to be received under non - cancellable subleases at the end of reporting period is NIL

c. Lease payments recognised as an expense in the period in which it is incurred.

38. LEGAL PROCEEDINGS

a. The legal proceedings initiated by the Company for the recovery of an advance of ₹ 150.00 lakh which was given against the Music, Asian and Indian Satellite rights of a film, where the Company has lien over the exploitation of the said rights. The management of PNC considers the same as good and fully recoverable. Legal opinion obtained by the Company supports this. Auditors have relied on the opinion and consequently no provision has been made in the accounts at this stage.

b. The Company has received an award of ₹ 352.00 lakh in its favour in the arbitration case filed against White Feather Films. The Company has also received a revised order for the amount of interest, which the Company has not found satisfactory and hence it has moved an appeal with the Bombay High Court. White Feather Films has gone in appeal against the above said award and has been directed to deposit an amount of ₹ 300.00 lakh by the Bombay High Court. Proceedings are ongoing.

39. Arbitration proceedings initiated by the Company against Prasar Bharati on account of wrongful encashment of bank guarantee of ₹ 750.50 lakh. The Company has obtained legal opinion from Justice AM Ahmadi, former Chief Justice of Supreme Court of India, which supports the Company's stand that the amount is fully recoverable and hence no provision is made there against.

40. Deferred tax liability (net) as at March 31, 2018 amounting to ₹ 1,097.62 lakh includes deferred tax assets of subsidiary "PNC Wellness Ltd" (wellness segment) amounting to ₹ 56.23 lakh.

In wellness segment Company owns several wellness brands like Moksh, Power Yoga, Passion Yoga, Cool Yoga, Couple Yoga, etc. The Company is exploring avenues to commercialize its aforesaid brands. The Company is in the process of realigning its wellness business by making efforts to commercialize and lease its various brands through collaborative arrangements with other parties. There is ongoing dialogue in connection with commercial exploitation of the intellectual property rights.

Considering the above deferred tax asset pertaining to its wellness segment has been retained at a same value and same will be reviewed periodically; and provision, if any, will be made there against.

41. In the absence of persuasive evidence, there is presumption that intangible assets have a useful life of 10 years. In respect of cinematic content, the Company has persuasive evidence that the useful life of cinematic content is over 20 years.

The management has considered the following factors viz. the expected usage of the asset by the enterprise, typical product life cycles, technical, technological or other types of obsolescence, expected actions by competitors or potential competitors, the level of maintenance expenditure required to obtain the expected future economic benefits from the asset, the period of control over the asset, the useful life of the asset and for reasons viz. shelf lives of movies have substantially increased since 2000, getting better value for longer lease in excess of ten years, emergence of channels dedicated only for featuring content more than ten years old, growth in the number of distribution channels, rapid multiplication of remaking, animation and versions etc., and hence is of the view that the useful life of the cinematic content is 20 years. Hence, amortisation of ₹ 2,075.92 lakh in respect of cinematic content having life of more than 10 years, is not required to be made.

The details of cinematic and television content is as under

Particulars	In ₹ lakh		
	Cinematic content	Television content	Total
Gross carrying amount as at April 1, 2017	19,654.49	8,129.50	27,783.99
Add: Additions during the year 2017-18	1,202.51	0.00	1,202.51
Total	<u>20,857.00</u>	<u>8,129.50</u>	<u>28,986.50</u>
Less: Amortised up to March 31, 2017	14,009.62	7,838.10	21,847.72
Less: Amortised during the year 2017-18	1,362.36	0.00	1,362.36
Total amortised	<u>15,371.98</u>	<u>7,838.10</u>	<u>23,210.08</u>
Net carrying amount as at March 31, 2018	<u>5,485.02</u>	<u>291.40</u>	<u>5,776.42</u>

There is no individual content that is material to the financial statements of the Company as a whole.

There is no content whose title is restricted. The content is pledged to Yes Bank Ltd as security for working capital overdraft facility of ₹ 1,000.00 lakh.

The total cost of content as at March 31, 2018 is ₹ 5,776.42 lakh. Based on a review of estimates of future realisations taken as a whole, the management is of the view that future recoverable amount from content rights to be more than its carrying unamortised cost of content. Hence, no impairment/ write down is considered necessary on this account.

42. SEGMENT REVENUE AND RESULTS

The following is an analysis of the Company's revenue and results from continuing operations by reportable segments.

Particulars	In ₹ lakh			
	Segment revenue		Segment results	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Content	1,955.54	221.79	230.77	(329.16)
Wellness	0.00	0.00	(5.72)	(5.77)
	<u>1,955.54</u>	<u>221.79</u>	<u>225.05</u>	<u>(334.93)</u>
Less: intersegment revenue	0.00	0.00	0.00	0.00
	<u>1,955.54</u>	<u>221.79</u>	<u>225.05</u>	<u>(334.93)</u>
Add: other un-allocable income net of un-allocable expenditure			50.25	254.75
Less: finance costs			65.87	62.76
Profit before tax			<u>209.43</u>	<u>(142.94)</u>

SEGMENT ASSETS AND LIABILITIES

Particulars	In ₹ lakh		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Segment assets			
Content	9,952.43	9,770.87	10,437.62
Wellness	33.99	32.59	33.01
Total segment assets	<u>9,986.42</u>	<u>9,803.46</u>	<u>10,470.63</u>
Unallocated	0.00	0.00	0.00
Consolidated total assets	<u>9,986.42</u>	<u>9,803.46</u>	<u>10,470.63</u>
Segment liabilities			

Particulars	In ₹ lakh		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Content	2,136.05	2,229.86	2,953.64
Wellness	(38.41)	(63.31)	(74.67)
Total segment liabilities	<u>2,097.64</u>	<u>2,166.55</u>	<u>2,878.97</u>
Unallocated	0.00	0.00	0.00
Consolidated total liabilities	<u>2,097.64</u>	<u>2,166.55</u>	<u>2,878.97</u>

Particulars	Depreciation and amortisation		Additions to non-current assets	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Content	17.80	19.73	18.40	118.12
Wellness	0.00	0.00	0.00	0.00
Total	<u>17.80</u>	<u>19.73</u>	<u>18.40</u>	<u>118.12</u>

43. RECONCILIATION OF TAX EXPENSE

Particulars	In ₹ lakh	
	For the year ended March 31, 2018	For the year ended March 31, 2017
a. Income tax expenses		
Current tax- In respect of the current year	20.00	0.19
Deferred tax- In respect of the current year	(64.74)	(2.16)
Total	<u>(44.74)</u>	<u>(1.96)</u>
b. Income tax recognised in Other Comprehensive Income		
Remeasurements of the defined benefit plans	0.00	0.00
Total income tax expense recognised in the year (a + b)	<u>(44.74)</u>	<u>(1.96)</u>

44. EARNING PER SHARE

Particulars	In ₹ lakh	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit after tax attributable to equity shareholders of the Company (in ₹ lakh)	254.17	(140.97)
Weighted average number of equity shares (number in lakh)	144.67	144.67
Basic and diluted earning per share (in ₹)	1.76	(0.97)
Face value per equity share (in ₹)	10	10

45. AUDITOR'S REMUNERATION

Particulars	In ₹ lakh	
	For the year ended March 31, 2018	For the year ended March 31, 2017
As auditor		
Statutory audit	3.91	3.51
In other capacity		
Other services	0.51	1.50
Total	<u>4.42</u>	<u>5.00</u>

As per our attached report of even date
For BD Jekhakar and Co.
Chartered Accountants
Firm Registration number 104345W

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, May 25, 2018

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Yatender Verma
VP, Finance, Compliances and Legal Affairs
Mumbai, May 25, 2018

Udayan Bose
Director
DIN: 00004533

Santosh Gharat
Company Secretary

Notice is hereby given that the 25th Annual General Meeting of the members of PRITISH NANDY COMMUNICATIONS LTD (CIN L22120MH1993PLC074214) will be held on Monday, September 24, 2018 at 3.00 p.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchant Chambers Building, IMC Marg, Churchgate, Mumbai 400 020 to transact the following business:

ORDINARY BUSINESS

- 1 To receive, consider and adopt:
 - a. the audited financial statements of the Company for the financial year ended March 31, 2018, together with the reports of the Board of Directors and the Auditors thereon; and
 - b. the audited consolidated financial statements of the Company for the financial year ended March 31, 2018, together with the report of the Auditors thereon.
- 2 To appoint a Director in place of Rina Prithvi Nandy, who retires by rotation and being eligible, offers herself for re-appointment.
- 3 To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, BD Jekhakar and Co, Chartered Accountants (FRN 104345W) be and are hereby appointed as the Auditors of the Company to hold the office for a term of four years commencing from the conclusion of the 25th Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the said Auditors.”

By Order of the Board

Santosh Gharat
Company Secretary
Mumbai, July 18, 2018

Registered Office: 87/88 Mittal Chambers, Nariman Point, Mumbai 400021

EXPLANATORY NOTE FOR ITEM NO. 3 OF NOTICE:

As per the Provisions of Section 139 of the Companies Act, 2013 read with applicable rules of Companies (Audit and Auditors) Rules, 2014 every Company should appoint the Statutory Auditor for five (5) financial years at a time. Your Company’s Statutory Auditor BD Jekhakar and Co., Chartered Accountants, were appointed in the last Annual General Meeting for the financial year 2017-18. Hence, your Company proposes to appoint the BD Jekhakar and Co., Chartered Accountant as Statutory Auditor for an additional four (4) financial years till the conclusion of Annual General Meeting to be held for the year ending on March 31, 2022. Accordingly, the term of appointment will be for total period of five (5) financial years.

NOTES

1. A member entitled to attend and vote at the Annual General Meeting (the ‘AGM’) is entitled to appoint a proxy to attend and vote on poll instead of himself and such a proxy need not be a member of the Company. The instrument appointing a proxy, in order to be valid, should be deposited at the registered office of the Company not less than 48 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 percent of the total share capital of the Company and carrying voting rights. A member holding more than ten percent 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. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the meeting, only such joint holder who is higher in the order names will be entitled to vote.
4. The Company has announced closure of register of members and share transfer books of the Company from September 14, 2018 to September 24, 2018 (both days inclusive) for the purpose of annual book closure.
5. Members desirous of seeking any information at the Annual General Meeting are requested to send in their request(s) so as to reach the registered office of the Company at least 10 days before the Annual General Meeting so that the same can be suitably replied.
6. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days, except Saturdays and Sundays, between 11.00 am and 1.00 pm upto the date of the Annual General Meeting.
7. As a measure of economy copies of annual reports will not be distributed at the venue of the Annual General Meeting. Members are requested to bring their copy of the annual report to the Annual General Meeting.
8. The Notice of the Annual General Meeting along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
9. To support the ‘Green Initiative’ Members who have not registered their e-mail addresses are requested to register the same with the Depositories.
10. 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 or Registrar and Share Transfer Agent.

11. At the ensuing Annual General Meeting, Rina Prithvi Nandy, Director is retiring by rotation as per the requirements of Section 152 of the Companies Act, 2013 and being eligible, offer herself for re-appointment.
12. 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.
13. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 25th Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on September 21, 2018 at 9.00 a.m. and ends on September 23, 2018 at 5.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 17, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on “SHAREHOLDERS” tab.
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter folio number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant Company name on which you choose to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non – Individual Shareholders and Custodians
- a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - b. A scanned copy of the Registration Form bearing the stamp and sign of the Company should be emailed to helpdesk.evoting@cdslindia.com.
 - c. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - d. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. VN Deodhar, practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall, within a period of not exceeding 3 (three) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The results declared along with Scrutinizer Report shall be placed on the Company's website www.pritishnandy.com and on the CDSL website: www.cdslindia.com within 2 (two) days of passing of the Resolutions at Annual General Meeting of the Company on Monday, September 24, 2018 and communicated to NSE and BSE where the shares of the Company are listed.

- xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board

Santosh Gharat
Company Secretary
Mumbai, July 18, 2018

Registered Office: 87/88 Mittal Chambers, Nariman Point, Mumbai 400021

PRITISH NANDY COMMUNICATIONS

PRITISH NANDY COMMUNICATIONS LTD

CIN: L22120MH1993PLC074214

REGISTERED OFFICE: 87/88 MITTAL CHAMBERS NARIMAN POINT MUMBAI 400021

ATTENDANCE SLIP

Folio no	
DP ID	
Client ID	
Number of Shares held	

I/ We hereby record my/ our presence at the 25th Annual General Meeting of the Company held on Monday, September 24, 2018 at 3.00 pm at Walchand Hirachand Hall, 4th Floor, Indian Merchant Chambers Building, IMC Marg, Churchgate, Mumbai 400020 and at any adjournment(s) thereof.

Signature of the Shareholder(s)

Signature of the Proxy

Name of the Shareholder(s) (in block letters)

Name of the Proxy

Note 1. You are requested to sign and handover this slip at the entrance of the meeting venue.

2. The proxy form signed across revenue stamp should reach the Registered Office of the Company not less than 48 hours before the meeting

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FORM NO. MGT-11

PROXY FORM

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

Name of the member(s)		Email ID	
Registered address		Folio No/ Client Id/ DP ID	

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

- Name: _____
Address: _____
E-mail ID: _____ Signature _____ or failing him
- Name: _____
Address: _____
E-mail ID: _____ Signature _____ or failing him
- Name: _____
Address: _____
E-mail ID: _____ Signature _____

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 25th Annual General Meeting of the Company held on Monday, September 24, 2018 at 3.00 p.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchant Chambers Building, IMC Marg, Churchgate, Mumbai 400020 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No

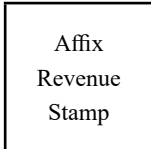
ORDINARY BUSINESS

- To receive, consider and adopt:
 - the audited financial statements of the Company for the financial year ended March 31, 2018, together with the report of the Board of Directors and the Auditors thereon; and
 - the audited consolidated financial statements of the Company for the financial year ended March 31, 2018, together with the report of the Auditors thereon.
- To appoint a Director in place of Rina Pritish Nandy who retires by rotations and being eligible, offers herself for re-appointment.
- To re-appoint BD Jekhakar and Co, Chartered Accountants (FRN 104345W) as Statutory Auditors to hold office for four years commencing from the conclusion of this Annual General Meeting till the conclusion of the 29th Annual General Meeting and fix their remuneration.

Signed this _____ day of _____ 2018,

Signature of Shareholder(s) _____

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 .

CORPORATE LEADERSHIP TEAM



PALLAB BHATTACHARYA
DIRECTOR & CEO, CHAIRMAN



RANGITA PRITISH NANDY
CREATIVE DIRECTOR



ISHITA PRITISH NANDY
CHIEF BRAND STRATEGIST



SANTOSH GHARAT
COMPANY SECRETARY



YATENDER VERMA
VICE PRESIDENT, FINANCE,
COMPLIANCE & LEGAL AFFAIRS



ANOOP KUMAR
CHIEF PRODUCTION OFFICER



KISHOR PALKAR
CHIEF MANAGER, ACCOUNTS



IMTIAZ CHOUGLE
MANAGER, ACCOUNTS

PRITISH NANDY COMMUNICATIONS

THE POWER OF ENTERTAINMENT.

